

ANNUAL MESSAGE
to the Second Session of the
53rd National Legislature of the Republic of Liberia

Theme: "A Time for Transformation"

By

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President of the Republic of Liberia

Capitol Hill, Monrovia

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(Full Text)

Mr. Vice President and President of the Senate;
Mr. Speaker;
Mr. President Pro-Tempore;
Honorable Members of the Legislature;
Your Honor the Acting Chief Justice, Associate Justices of the Supreme Court, and Members of the Judiciary;
The Dean and Members of the Cabinet and Other Government Officials;
Mr. Doyen, Excellencies and Members of the Diplomatic Corps;
Her Excellency, the Special Representative of the Secretary-General of the United Nations;
Officers and Staff of the United Nations Mission in Liberia (UNMIL);
The Command Officer-in-Charge, Men and Women of the Armed Forces of Liberia;
Former Officials of Government;
Traditional Leaders, Chiefs and Elders;
The Clergy;
Political and Business Leaders;
Officers and Members of the Bar Association;
Labor and Trade Unions;
Youth and Student Organizations;
Civil Society Organizations; Members of the Press;
Special Guests;
Distinguished Ladies and Gentlemen;
Fellow Liberians:

INTRODUCTION

We gather today to fulfill a constitutional duty. In humble fulfillment of that duty, I shall lay before you, Honorable Legislators, and the nation, the Legislative Agenda of the Administration, requesting that this august body considers the passage of enabling laws to advance the purposes of the State; to continue to deepen the sacred bonds of our nation; to continue to heal the wounds of discontentment; to continue to consolidate reforms to our democratic governance; to continue to promote the values of freedom, the protection of

rights, the access to opportunities, and the equality of all Liberians. I shall place before you and the nation this Legislative Agenda, and request that you pass laws to sustain the gains made in building our peace, securing our liberties and improving economic opportunities for all of our people.

Before I do so, Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the 53rd Legislature: It is my pleasing duty to report that our cherished Republic, once threatened by unfulfilled promises, once trapped by inequalities, and once disfigured by undemocratic governance, is today growing in strength, bursting with hope, and for many a shining example of resilience and recovery. The foundations of our Republic have been reinforced by historically unparalleled freedoms, broader participation and respect for individual rights and civil liberties.

Our Republic now stands strong on firmer pillars of deeper respect for our traditional values and the rights we share to be different in tribe, age, gender, religion, and in affiliations without compromising either the duties we owe to our State or the reciprocal obligations the State owes to each of its citizens.

Importantly, also, our Republic, thanks to you, Honorable Members of the Legislature and fellow Liberians, is stronger because of the growing sense of unity and the singularity of purpose we share to create our country into the best that it can be, drawing wisdom, as we always do, from our experiences, and applying ourselves faithfully to the duties with which we have been favored to serve.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the 53rd Legislature, Fellow Liberians: I am proud to report that, today, Liberia is once again considered a true friend to many; a good neighbor in our region; a reliable contributor to international peace and security; and an improving destination for investors. Today, our Republic is safer, stronger and better.

In our various places of worship, let us give thanks and praise to Almighty God for the goodness and mercy He continues to bestow upon our Nation. By His grace, for ten years, we have continued to enjoy peace, security and stability, which are enabling our continued development.

Regrettably, many loved ones – compatriots, families and friends, some from this august body – parted with us in our earthly journey. In their memory, I ask you to join me in a moment of silent meditation. Thank you.

Last year, 2012, was inspirational as it was challenging. It began with the swearing-in of the President and Vice President of our Republic to a second term in office. The solemn occasion was inspired by the successful conduct, by Liberians themselves, for the first time in many years, of multiparty democratic elections. Beyond its historic significance, the successful transfer of power, after years of political upheavals, testified to our collective resolve to keep moving our society forward and to build upon the gains we have made. Even more importantly, it confirmed to us and signaled to the world that Liberians are

ready to take charge of our destiny – we are ready to meet our responsibilities, as citizens, to a country desperate to be rebuilt and a society desperate to be transformed.

We climaxed the year, after successfully concluding a 150-Day Action Plan, at a National Conference in Gbarnga, Bong County, where we adopted three seminal documents – *The National Vision 2030*, *The Agenda for Transformation*, and *The Strategic Roadmap for National Healing, Peace-building and Reconciliation*. Growing out of a broad consultative process, together these instruments will chart the path to the future we desire.

A Vision Statement was adopted: **“One People, One Nation, United for Peace and Sustainable Development.”** This expresses our faith in the future of our country and recommitments us to walk the path of nation-building together – reminding us to always look beyond our superficial differences and to embrace the values of our citizenship. As President, I pledge to continue to mobilize the resources of our country to achieve this transformative aspiration.

My Fellow Liberians: The determination of this Administration to transform our country, and the will of our people for us to succeed, is built upon the foundation of getting our priorities RIGHT. We have our priorities RIGHT! We are investing in our people and in infrastructure – energy, roads and ports – so as to guarantee our future of prosperity. We have planned well. We know what we want. Now, it is time for transformation.

LEGISLATIVE AGENDA

Mr. Vice President and President of the Senate: You remain a pillar of strength of this government as my principal deputy, assisting in steering the affairs of State by giving sagacious advice, providing supervisory oversight on strategic government and social institutions, and serving as a strong force in driving the agriculture sector. Thank you for your invaluable insight and your guidance in the governance of our nation; and thank you for the many assignments taken on my behalf, at home and abroad.

Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the Legislature: We appreciate the cooperation which this 53rd Legislature has demonstrated in addressing issues in the interest of our Nation. It is our fervent hope that, with due respect to our constitutional mandates and independence, in 2013 we will work together to achieve the best possible results for our people. I therefore heartily welcome you back to the Capital as you embark upon the business of the Second Session of this 53rd Legislature.

Honorable Legislators: I thank you for the good work done during the First Session of this 53rd Legislature. Several pieces of legislation were passed by you and signed into law by us. They include: The Act to Establish the Liberian National Commission on Small Arms to regulate and control small arms; The Act to Establish the National Council of Chiefs of Liberia; The Act to Amend Section 15 of the Local Government Law to Provide for the Office of Assistant Superintendent for Fiscal and Financial Management; and The Act to Amend Title I of the Liberian Code of Laws on Civil Procedure relating to Juries and Jurors.

Under your leadership, Mr. Vice President and President of the Senate, Mr. Speaker, Mr. President Pro-Tempore, eighteen international agreements and treaties were ratified, many dealing with tax information sharing within the broader context of our government's commitment to advance South-South and North-South cooperation and collaboration with friendly governments here in Africa, and elsewhere. We note with particular satisfaction the ratification of the Basic Technical Cooperation instrument between the friendly and Federative Republic of Brazil and our government. All these agreements and treaties were signed and have now become law.

I am also pleased to note the passage, during your last Session, of financing agreements with the International Development Association (IDA). The Act to Ratify the IDA Financing Agreement for Additional Financing for Electricity System Enhancement furthers our efforts to fully restore electricity to Monrovia and other parts of the country. Additionally, we received back from you the Act to Ratify the Financial Agreement on Integrated Public Financial Management Reform, enabling us to continue reform of our public financial management system.

Honorable Legislators: There are still a few critical Bills awaiting enactment. They include: The Decent Work Bill; The Anti-Money Laundering and Terrorist Financing Bill of 2012; The Bill Establishing the Financial Intelligence Unit of Liberia; The Amendment to Chapter 17 of the Liberian Code of Laws Revised, New Judiciary Law, Chapter 4, Relating to the Jurisdiction of the Debt Court and Related Matters; The Bill to Ratify the Loan Agreement for the Smallholder Agricultural Productivity Enhancement and Commercialization Project with the African Development Bank; The Bill to Establish the Liberia Rural and Renewable Energy Agency and the Rural Energy Fund; The Bill to Amend the Aliens and Nationality Law regarding Permits of Residence; The Bill on Criminal Conveyance of Land; The Bill on a New Payments System for Banking; and the long-delayed Bill on a Code of Conduct. I hope that I can count on you to act speedily on these important legislations.

Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the 53rd Legislature: in the face of some national imperatives, I considered it necessary, during the reporting period, to issue nine Executive Orders. They are: (1) Executive Order No. 40 Suspending Tariff on Road Construction Equipment; (2) Executive Order No. 41 which exempts Selected Public Entities from Customs Duties on Fuel; (3) Executive Order No. 42 which waives Taxes and Tariffs on Anti-Malaria Commodities and Products; (4) Executive Order No. 43 which protects Whistleblowers; (5) Executive Order No. 44 which Protects Liberian Forests by the imposition of a Temporary Moratorium on Private Use Permits; (6) Executive Order No. 45 which extends the Suspension of Tariff on Rice; (7) Executive Order No. 46 which reinstates the Suspension of the Protective Tariff on Cement; (8) Executive Order No. 47 for the Continuation of the Liberia Rural and Renewable Energy Agency and the Rural Energy Fund; and (9) Executive Order No. 48 which extends Executive Order 39 that Delimits Liberia's Maritime Zones.

Honorable Legislators: I intend, during this, your Second Session, to submit, for your consideration and action the following legislations: A Bill Creating a Special Economic Zone; A Bill to Merge the Ministries of Planning and Finance to create the Ministry of

Finance and Development Planning; A Bill Establishing the Liberia Revenue Authority, disaggregating the Revenue Division of the Ministry of Finance to establish a new autonomous Revenue Authority; The Gender Equity Bill; The National Pension Bill; and A Bill to Ratify the Treaty on the West African Power Pool that expands electricity to all four Mano River countries.

I shall also submit, for your consideration: A Bill to Ratify the United Nations Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography; A Bill to Ratify the Charter of the Africa Finance Corporation, an international organization; A Bill to Ratify the Hague Convention on Inter-country Adoptions; several Bills for the dissolution and liquidation of un-necessary moribund public agencies that were created by law but have either become redundant or unnecessary within our current reform framework; A Bill outlining procedures for the exercise of the constitutional authority for Expropriation; A Bill to separate the land function from the Ministry of Lands, Mines, and Energy to establish an agency with a focus on land matters; An Anti-Drug Bill; a new Police Bill; A Bill to Establish within the Ministry of Justice a Bureau for Child Justice; Bills to reconstitute the statutory Boards of several government-owned corporations beginning with the Forestry Development Authority.

Additionally, I intend to submit for your consideration and action: A Bill to Revise the 1972 Act that created the John F. Kennedy Medical Center to respond to international best practices and development in the healthcare delivery system; A Bill to Revise the Charter of the University of Liberia; A Bill to Establish a National Tourism Authority; A Bill to Establish a Special Fast-Track Court to handle Corruption Cases, but which will have non-exclusive jurisdiction over such cases; A Bill to Establish the Rubber Development Fund, which provides the means to develop and modernize the Liberian rubber sector; and A Bill to Create the National Wildlife Conservation and Protected Area Management Law of Liberia.

Pursuant to our policy of good and decentralized government, I intend to submit, to your honorable body, a Bill to Repeal the Local Governance Law, Title 20, of the Liberian Code of Laws Revised, to establish a New Title 20 to be known as the Local Governance Law of Liberia 2013.

Mr. Vice President and President of the Senate, Mr. Speaker, Mr. President Pro-Tempore, and Honorable Legislators: A few months ago, we accepted the decision of His Honor, Mr. Chief Justice Johnnie N. Lewis, to take early retirement. Chief Justice Lewis served our country brilliantly and patriotically in several capacities. Many of the now erudite lawyers in Liberia were at some point law students under his tutelage. I intend to hold a special honoring program for the former Chief Justice, and wish, here, to reiterate, personally, and on behalf of the people of this country, our thanks for the enormous contributions which he made to our country.

THE STATE OF THE ECONOMY

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore and Honorable Members of the Legislature: The year 2012 was challenging for the world economy, with the Eurozone debt crisis, slow recovery in major economies, fluctuating international commodity prices and climate change. These factors represented major risks to Liberia's growth and development, but we are pleased that our domestic economy was able to withstand the challenge. Inflation continues to remain stabilized at around 7 percent for the past three years, down from its double-digit position in previous years. As a result, real GDP is projected to rise to 9.3 percent in 2012 – up from 8.7 percent in 2011. Similarly, the proportion of population below US\$1 a day reduced significantly from 63.8 percent in 2007 to 56.3 percent in 2010. These positive factors provide us a better chance to achieve our transformation goals, including improvements in the welfare of the people.

Liberia's development partners and other bilateral institutions continued their constructive engagement to ensure a path to sustainable and inclusive government. The International Monetary Fund's eighth review of the Extended Credit Facility and Article IV mission confirmed that Liberia has successfully met the various triggers to improve macroeconomic stability and maintain growth. As a result, and at the request of government, the IMF Executive Board approved, last November, a new three-year arrangement under the Extended Credit Facility.

Other development partners each conducted separate reviews – the World Bank, the African Development Bank, the European Union, the Swedish International Development Agency - and on the basis of this review released their assistance to the country. During fiscal year 2011/12, about US\$340 million was disbursed by 10 development partners to support key programs in our development agenda, including security, infrastructure and basic services – education, health, rule of law and governance. Projected disbursements for 2012/13 are significantly higher, at US\$566 million by 17 development partners. The Administration has embarked upon a vigorous exercise to track and coordinate donor flows with a view to aligning such flows with Liberia's priorities.

The current fiscal year budget introduces the Medium-Term Expenditure Framework (MTEF), a framework which allows the government to plan use of the country's resources for a three-year period, aligned with the national development agenda contained in our five-year Agenda for Transformation and Liberia Rising 2030 Vision.

The Administration managed the National Budget with efficiency while consolidating existing and instituting new reforms. During fiscal year 2012/13, actual revenue came in very close to expectations for the year, totaling US\$509 million, just 2 percent lower than the projection of US\$521 million – an increase of US\$101 million compared to the previous year of US\$407 million. The revenue performance was driven by Tax Revenue sources, which made up US\$393 million or 77 percent of total revenue. Of this, taxes on International Trade contributed US\$153 million; Income and Profits, US\$150 million; Property Taxes – far too low – US\$2.6 million; US\$20 million on other taxes, and Taxes on Goods and Services, US\$66 million.

Total expenditure increased to US\$500 million in 2012 from US\$386 million in 2011. This represents 27.8 percent of 2012 GDP in nominal terms. Current expenditure of US\$369 million accounted for a large slice of the increase. Capital expenditure accounted for an impressive increase of US\$92 million, representing 5 percent of GDP and a large share of the fiscal year 2012/13 Public Sector Investment Program budget, reflects a dramatic change in government policy of ensuring expenditure reprioritization – reduction in recurrent expenditure towards investment.

Consistent with the Public Financial Management Law and its accompanying Regulations, the government has put in place fiscal rules to control borrowing, including: limiting domestic borrowing to 1 percent of previous year GDP. For the year 2012, we considered 2011 GDP of US\$1.54 billion, amounting to a domestic borrowing provision of about US\$15.4 million. The fiscal rules also limit total borrowing (domestic and internal) to 3 percent of previous year GDP using that figure, it would amount to US\$46.1 million. The laws also require to maintain the total debt stock (including State-Owned Enterprises) below 60 percent of previous year GDP – in this case it would be US\$1.1 billion. The Debt Management Unit is currently operational, although its capacity needs further enhancement. The government has prepared guidelines for government guarantees for SOE borrowing that require a case-by-case financial assessment by the Debt Management Committee.

During the second half of 2012, the Government of Liberia successfully negotiated and guaranteed a US\$14 million loan from the Kuwait Fund for Development to finance the rehabilitation of the Port of Greenville, and concluded the signing of a US\$65 million loan from the European Investment Bank for the reconstruction of the Mount Coffee Hydro Power Plant. The government has also consummated and signed the Saudi Fund Restructure Loan Agreement, the Debt Development Agreement with the Republic of France, and the ECOWAS Bank for Investment and Development's Debt Restructured Agreement. All of these will settle old debts and will open new lending windows for financing our development programs, particularly in infrastructure. These instruments will be sent to you for your consideration and ratification.

Honorable Ladies and Gentlemen: The Mo Ibrahim Index of African Governance shows that Liberia was one of the top two improving countries between 2006 and 2012. On Transparency International's 2012 Corruption Perception Index, Liberia ranked 75th (out of 176 countries), a positive move from 87th place the prior year. Clearly, however, we must all continue to be vigilant in continuing to fight corruption.

This past week we launched, for the first time in the history of our country, our Open Budget Initiative (OBI). Only one other country in West Africa operates such a system. The Open Budget Initiative is a transparency and accountability instrument that shows how financial resources are utilized to develop our country and transform the lives of our people. Through the OBI, Liberians will see how much public revenue is generated; the sources of that revenue; and how public revenue is targeted and expended, from agency to agency, in all areas of our national endeavor. We urge you to see this display at the Ministry of Finance.

Our country's banking system remains strong and stable, thanks to the satisfactory supervisory effort of the Central Bank of Liberia (CBL). Consequently, banks are in the position to play a major role in sustaining the growth of the economy, as evidenced by the 19.7 percent rise in credit to the private sector – from L\$15.7 billion in November 2011 to L\$18.8 billion a year later. Total capital in the banking system rose by 4.4 percent, to L\$7.9 billion, at end-November 2012, and the capital adequacy ratio was 22.5 percent, well above the minimum regulatory requirement of 10 percent. Total deposits grew by 12.1 percent to L\$38.8 billion at end-November 2012. This scenario, we believe, is consistent with the vote of confidence of investors and the public in the banking system.

Notwithstanding these achievements, the level of non-performing loans remains a matter of concern. Recent efforts by the CBL to encourage the restructuring of delinquent loans are appropriate. Defaulters should take advantage of this opportunity. If we are to have a well-functioning banking system, borrowers must repay their loans. The government will support actions deemed necessary by the CBL to deal with this problem.

In keeping with its strategic goal of reforming the financial sector, the Central Bank has begun reform of the insurance sector, beginning with efforts aimed at ensuring that all insurance companies are adequately recapitalized and their governance structure strengthened. An improved insurance industry will contribute towards deepening the overall financial system, thereby enhancing economic growth. This will also enable us to enforce or draft laws requiring insurance of government properties.

At end-December 2012, the Central Bank's net reserves position was US\$335.4 million, providing a better cushion against external shocks to the economy and enabling the Bank to maintain broad exchange rate stability. During the year, the Bank, through its foreign exchange auction program, provided US\$72.4 million to the market to help maintain a stable macroeconomic environment. An auction program was opened to small traders, including the Liberia Business Association, the Liberia Marketing Association and women in cross-border trade, which has helped to shield these small traders from exploitation by some unscrupulous foreign exchange dealers.

In its drive to support the private sector as the engine of growth for the Liberian economy, the Central Bank launched three major initiatives: US\$5 million was made available through the banking system to enhance credit to Liberian-owned businesses; US\$10 million was allocated to stimulate the housing market mortgage lending; and US\$7.5 million was earmarked to support agricultural lending.

The microfinance sector continued to expand, as nine new institutions were certificated by the Central Bank. Over L\$200 million was provided to microfinance institutions throughout the country for on-lending to their clients and members. The number of credit unions registered with the Bank increased to 220 in 2012, up from 69 recorded at the beginning. Opportunities for the expansion of mobile money in Liberia continue to be explored, as another way to build more inclusive banking.

The Central Bank of Liberia, in partnership with the West African Monetary Institute (WAMI), continued modernizing the National Payments System, which is expected to be concluded at the end of this year. Meanwhile, the Central Bank has drafted and submitted to you a Payments System Act, which provides the legal and regulatory framework for the system.

Honorable Legislators: We are pleased to report that the Ministry of Finance and the Central Bank of Liberia are in consultation with your leadership to complete necessary preparations for the issuance of Treasury Bills, or T-Bills. A Treasury Bill is a paperless short-term borrowing instrument issued by governments through the Central Bank to raise money on a short-term basis for a period of up to one year. T-Bills are issued in maturities of 91, 182 and 364 days and sold at a discounted price to reflect investor's return and redeemed at face value. T-Bills are a cash management instrument that will provide the financial means to deliver critical services and infrastructure on time.

FOREIGN AFFAIRS

Honorable Members of the Legislature: In keeping with my constitutional mandate to conduct the foreign affairs of this nation, and consistent with the guiding principles of our foreign policy, and in pursuit of our national interest, the Administration engaged in a positive way with our traditional partners, neighbors and sister States within the Mano River Union (MRU), the Economic Community of West African States (ECOWAS) and the African Union (AU), and also with the international community.

Our leadership as Chair of the Mano River Union was endorsed for a second consecutive year by the colleague Presidents during the 21st Ordinary Session held in June 2012 in Conakry, Republic of Guinea.

We are also pleased that for the first time Liberia assumed the Vice Presidency of the ECOWAS Commission, and we continue to support efforts of the Community to find an amicable solution to the twin crises in Mali and Guinea Bissau. Moreover, our government firmly supports ECOWAS deployment of a Standby Force in Mali to ensure a return to democratic rule and to protect its territorial integrity in the north. Once concurrence is received from your honorable body, a formalized process of consultation and resource mobilization will commence to deploy a platoon of the Armed Forces of Liberia to the Africa-led International Support Mission in Mali (AFISMA). As a beneficiary, for decades of support from our ECOWAS neighbors, we believe that it is time for Liberia to give back, in whatever small way that we can, to restore peace to a sisterly country.

Several months ago, we faced an escalation of violence along our border with la Côte d'Ivoire, as a result of armed elements operating on our common border. With support from the UN peacekeeping operations in the two countries, UNMIL and UNOCI, our two governments agreed on a range of diplomatic, humanitarian and security measures to respond to the crisis. These measures, involving humanitarian assistance, the deployment of joint security patrols along the border, and judicial action against the insurgents,

resulted in a significant reduction of insurgent activities in the area. Our two governments also agreed to reactivate the Liberia-Côte d'Ivoire Joint Commission, and to hold regular cross-border dialogues between the elders and chiefs of adjoining communities in furtherance of peaceful cooperation.

While reinforcing friendly ties with traditional partners, our government has also established new frontiers of cooperation. Two new resident diplomatic missions were accredited to Monrovia in 2012: the United Kingdom of Great Britain and Northern Ireland, and the State of Qatar. Liberia also established diplomatic relations with Fiji and the Pacific State of Tuvalu, and concluded bilateral cooperation agreements with friendly countries, including Malawi and Botswana.

Last November, our government held, with the European Union, in Monrovia, the inaugural session of the EU-Liberia Political Dialogue, geared toward strengthening ties between Liberia and EU Member States.

Earlier this month, I signed, with United States Secretary of State Hillary Clinton, a Statement of Intent that launched the United States-Liberia Partnership Dialogue, which will strengthen long-standing ties between our two countries through cooperation, initially, in Agriculture and Food Security, Energy and Power Infrastructure, and Human Development. The launching of the Partnership Dialogue will cement the strategic cooperation between our two countries for generations to come, regardless of the occupants of the White House or the Executive Mansion.

I am equally pleased to report to you that Liberia was recently declared eligible for Compact Status by the Millennium Challenge Corporation of the United States. Coming just two years after being awarded a Threshold Program and seven years after the re-establishment of democracy in Liberia, this is one of our proudest achievements. However, our work is far from done, as we still need to develop a Compact Agreement. The process is also highly competitive, so we must continue to ensure that we meet the targets set for the various indicators on which we are graded. I informed the MCC that the Liberia Compact will focus on a single sector project – energy. We will propose to enhance the Mount Coffee Hydro Plant by building an upstream storage capacity at the Via River to ensure water year-round, thereby raising our power-generating capacity from 80 to 1,000 megawatts.

At this capacity, we will be able to further reduce the price of electricity to as low as 15 cents per kilowatt hour to the entire country and subsidize electricity in places where affordability is an issue. We will be able to supply the energy demands of major off-takers in our economy, to include all mining, agricultural and heavy industrial operations. Abundant, reliable and affordable electricity will transform small businesses, eliminating high recurrent costs and allowing them to save, expand and hire more people. At 1000 MW, even in the absence of the mines, we will export electricity through the West African Power Pool. A reservoir on the St. Paul River will transform our energy sector, generating hundreds of millions of dollars in hard currency for the central government. A high-level MCC delegation will visit Monrovia in the first week of February, to work with us in

designing the Compact Program. We intend to further impress upon them the importance of harnessing the full potential of the St. Paul River.

A month ago, the Administration released two new regulations governing the issuance of Liberian passports and the appointment of Honorary Consuls. The new Passport Regulations aim to streamline the passport issuance process and clarify rights and privileges to all categories of Liberian passports. The release of new Guidelines on the Appointment of Honorary Consuls followed a comprehensive review with a view to strengthening the appointment process.

Additionally, the government has established, at our Embassies in Washington, D.C. and London, two satellite passport stations as a means of relieving the difficulties faced by Liberians abroad. There are plans to provide similar passport access in New York, Brussels and other capitals where there are sizable Liberian populations. Our government also worked closely with the Office of the United Nations High Commissioner for Refugees to make available passports to the large populations of Liberians who lost refugee status in West Africa as a result of the “cessation clause” coming into force effective June 30, 2012.

PERFORMANCE REPORT

Mr. Vice President and President of the Senate, Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the Legislature: In ensuring **Peace, Security and the Rule of Law**, the Armed Forces of Liberia has been vetted and restructured into a modern, professionally trained military. Today’s AFL structure includes the 23rd Infantry Brigade, the Liberian Coast Guard, the Engineering Company, the Armed Forces Training Command and the Headquarters at the Ministry of National Defense. The current AFL strength, as at 10 December 2012, is 1,909. During last year’s unrest at our common border with la Côte d’Ivoire, the AFL was deployed as part of Operation Restore Hope to maintain stability in the southeastern region. We are proud of their record of professionalism in border operations, which has gained the confidence and respect of the communities.

The Administration continued to provide oversight for its various institutions to ensure that internal security is strengthened and sustained and that access to justice for Liberians all across the country becomes a reality.

As UNMIL gradually conducts its transitional activities, the Government, with its partners, has developed and adopted priority work plans, with focus on training of officers so that by 2015 we will have attained the goal of 8,000 well-trained police officers and 3,000 immigration officers to augment the current strength in both institutions. The training plans have also included staff and officers of the Drug Enforcement Agency, the National Fire Service, and the Bureau of Corrections. All justice and security sector agencies have adopted and are implementing gender policies that have increased the number of women in these sectors, with the Bureau of Immigration of Naturalization (BIN) at 30 percent, and the Liberia National Police at nearly 20 percent. Moreover, the LNP, under the 150-Day Action Plan, successfully completed a pilot project which involved vetting, recruiting and providing specialized training for 100 college graduates to improve the level of

professionalism in the LNP by providing better quality of service to the public with the view to improving public perception of the police.

It is also important to note that with increased budgetary appropriations for the rule of law sector during the current fiscal year, and assistance from our partners, including ECOWAS, the Administration has embarked on the construction of barracks for both immigration and police officers in the leeward areas to ensure that officers assigned at the borders, and in various parts of the country, will have a place to live. A similar program is being developed for other such agencies. Moreover, the government recognizes the need for law enforcement agencies to be mobile, but has required that these agencies develop a fleet management policy that will ensure that the cost of carrying out its normal functions is not prohibitive.

We are pleased to report that the overall crime rate has decreased, not only because the LNP and other law enforcements agencies have been vigilant in their duties, but also because they have begun to dialogue more with the community and have made some strides in improving police-community relations.

The Drug Enforcement Agency has been restructured, new officers are being recruited and the U.S. DEA has offered to assist us with training and developing this Agency.

As a result of several prison breaks in 2012, the Bureau of Corrections has been reorganized, new staff members have been employed, prisons are being renovated and a new prison is being constructed in Cheesemanburg to reduce the overcrowding in the Monrovia Central Prison. There is also more and more focus on probation and other types of community corrections so that individuals who do not need to be incarcerated will be supervised by the community. With assistance from the German Government, probation has extended to Lofa, Nimba, and Bong.

The Judiciary and the Executive are working collaboratively on several projects, one of which involves the reduction of the number of inmates in pre-trial detention status. Consequently, the number was recently reduced by more than 15 percent. Additionally, the number of cases prosecuted increased by 24 percent.

Furthermore, the Sexual and Gender-Based Violence (SGBV) Unit of the Prosecution Department has now introduced in-camera facilities in all fifteen counties, which allows minor children, who are victims of sexual abuse, to testify in court without being in the physical presence of the perpetrators.

By mid-February – in just a few weeks – the first justice and security regional HUB, which has been jointly developed by the UN Peacebuilding Fund, the Government of Liberia and other international partners, will formally open in Gbarnga, Bong County, and will serve Nimba and Lofa as well. The construction of the next two HUBs will commence this year in Zwedru and Harper cities.

Infrastructure development is key to unlocking the potential of our economy and achieving **Economic Transformation**. We have thus made infrastructure, particularly power, roads and ports, the main area of concentration in our national development strategy. Moreover,

our experience shows that no factor is more important than the provision of affordable and reliable electricity.

Over the last few years, 10,000 households in Monrovia have connected to power from the national electricity grid which, when expanded, by 2015, will bring power to 100,000 properties in Monrovia, as well as homes and businesses in rural areas. We are currently executing a project to connect 6,000 small businesses and homes between downtown Monrovia and Sinkor.

As we wait on the hydro, we continue to expand service through thermal generation. Plans are well advanced to phase out our current stock of high-speed diesel generators and replace them with more efficient heavy fuel oil (HFO) power plants. Through public resource allocations, an 18- megawatt HFO plant will be installed by December 2014. Additionally, the Government of Japan, through the Japan International Cooperation Agency (JICA), has approved a project for a 10- megawatt medium-speed HFO diesel plant, expected to be completed by January 2015. With support from the World Bank, procurement is also under way for another 10-megawatt HFO.

Access to power is not possible if we do not build an adequate transmission and distribution network to convey the electricity. To this end, we have designed a transmission and distribution system to provide access to Monrovia and surrounding communities. This project includes the reconstruction of sub-stations in Gardnersville, Virginia and the Freeport area; as well as expansion of the Paynesville sub-station and construction of a new one in Schefflein to cover the Robertsfield highway. This also includes the Three Corridors project, which will extend electricity into the other neighboring counties, beginning with the construction of a transmission lines from ELWA Junction to Harbel, Bushrod Island to Tubmanburg and Redlight to Kakata.

Significant progress has also been made in implementation of the cross-border project between Liberia and la Côte d'Ivoire that will bring electricity to eighteen communities in four counties. Construction work for the lines is substantially completed in Nimba and Grand Gedeh. Work in Maryland, delayed due to challenging road and weather conditions, commenced over the past two months, and we are getting positive response to our request to extend the service to River Gee. We expect the cross-border project to be completed by July of this year. This West African Power Pool project is financed by the EU and the two collaborating countries, at a cost of €9.5 million. The EU will provide 50 percent, while the two beneficiary countries will provide the remaining.

The Côte d'Ivoire-Liberia-Sierra Leone-Guinea Interconnection Project (CLSG) is also under way. This regional electricity project involves the construction of 1,360 kilometers of 225 KV transmission lines from Man (Côte d'Ivoire) to Buchanan (Liberia) and on to Klamakwie (Sierra Leone). The project, whilst initially allowing the export of about 83 megawatts from Côte d'Ivoire, will catalyze the development of the hydro-power resources in Guinea, Sierra Leone and Liberia, thereby positioning us as net exporters to the WAPP interconnected system. The project will also significantly increase the electricity access rate as rural electrification of communities along the route of the line through the shield-wire is envisaged.

The estimated cost of the project is US\$420 million, with funding coming from the African Development Bank, the World Bank, the European Investment Bank, and the German Development Bank-KFW, as well as the concerned governments. The cost covering the Liberia segment will amount to approximately US\$139 million.

Honorable Legislators: We will have to be realistic about what is achievable and how long it will take. As we move outside our major cities, it becomes very expensive to build a grid to integrate small towns and villages. We are therefore exploring the possibility of small-scale hydro and biomass power-generating projects. Later this year, we will dedicate the Yandahun mini-hydro project, in Lofa County, that will provide electricity to about 220 households, schools, businesses and rice mills. The Rural Renewable Energy Agency (RREA), along with our partners, has concluded a desk review of possible mini-hydro sites around the country. Ten have been identified, and currently a consortium of engineers is conducting a full hydrological survey of them. This will provide affordable and dependable electricity to rural clinics, schools, businesses and communities.

We are therefore pleased to report that the arrangements have been concluded with three major development partners for the rehabilitation at the Mount Coffee Hydro Plant. These plans, finally, are well under way. The first electricity is scheduled to flow from there on Christmas Day, 2015. The combination of thermal generation through HFO plants and the completion of Mount Coffee will reduce the price of electricity from the current rate of 52 cents per kilowatt hour to around 20 cents per kilowatt hour. We will be able to connect close to 90,000 customers in and around Monrovia, including small businesses and light industries. Such a reduction of over 50 percent of the cost will have an immediate impact on the bottom lines of households and small businesses. We should be able then to connect schools, clinics, hospitals and small businesses.

The rebuilding of the Marginal Wharf at the Freeport of Monrovia is nearing completion. This means that more ships can dock at the port and get turned around faster, providing the basis for more ships to call in Monrovia, resulting in a reduction in the cost of basic strategic commodities such as rice and cement. A study is under way to ensure that this potential is not undermined by the increase in tariffs under the existing concessionary arrangement. All four ports are being rebuilt to accommodate ships that will load and unload their cargo quickly and efficiently. Dredging and port rehabilitation is under way at the Buchanan and Sinoe Ports, to be followed by Harper. This will facilitate trade and encourage investment.

The Administration is working to ensure that all of our primary roads are transformed to fully paved asphalt roads under the program called "Connecting Our County Capitals". In fulfillment of this commitment, the pavement of the Buchanan highway road will be completed this year. The Fish Town to Harper highway was fully rehabilitated with funding support from the African Development Bank will start. Given the importance of this road, which was emphasized during a visit of the Bank's President, US\$50 million by his institution has been committed toward its pavement. The cost of the pavement is US\$105 million. We are working with partners for the feasibility study, to be followed by resource mobilization to start the Ganta to Harper pavement.

Construction has commenced, finally, on the Redlight to Gbarnga highway after settling property matters that have taken a while. By the end of March, we will have procured the services of a separate contractor to start the pavement of the Gbarnga to Ganta and Guinea border road link, and we have finally reached agreement with ArcelorMittal for pavement of the Ganta to Yekepa highway – a project that will extend the Liberian side of the West Africa highway that starts from Bo Waterside and ends at the Liberia-Ivorian border town of Loguatu.

In the west, we are concluding arrangements with the Western Cluster concession for the pavement or rehabilitation of the Freeport to Tubmanburg roadway and pavement of the Tubmanburg to Mano River road corridor. Rehabilitation of the latter roadway has already been initiated, and full upgrade will commence this year. This action will ensure again unhindered vehicular traffic along this corridor and will bring long-awaited relief to our citizens in Bomi, Grand Cape Mount and Gbarpolu Counties. Other road networks include the upgrade of the Kakata to Bong Mines and Brewerville to Gbarpolu corridors.

Decisions are under way with the Putu Iron Mines to meet their contractual commitment to construct the highway from Zwedru to Greenville. With financing from the Kuwait Fund, feasibility studies and designs are ongoing to determine the cost of pavement of the Gbarnga to Mandekorma road.

Maintenance of laterite roads, especially on our major primary road corridors, remain a challenge, particularly during the rainy season. These challenges are largely attributed to heavy-axle load, unprecedented climate change and other forms of abuse of the road infrastructure. The government is looking to put into place appropriate mechanisms, including legislation, that will ensure minimum use of the road by defined axle-load category during the rainy season, and increase investment in road maintenance programs.

With the onset of the dry season, the government initiated requisite actions leading to full rehabilitation of these road corridors. Sustained maintenance has also been put in place to avoid full deterioration of these road links during the next rainy season.

In the secondary road category, with pavement of phase one of Caldwell to Louisiana completed, the second phase, leading to the full rehabilitation and pavement to Bensonville will link with the Monrovia to Kakata highway. That should commence this year. Other secondary roads being rehabilitated include the Kolahun Junction to Vahun to Bomarue road, and the Totota to Sanoyea to Phebe Junction road. These secondary roads are vital linkages for farm-to-market roads to our primary road networks. These networks support agriculture productivity by creating market access, particularly for small farmers. In addition, our road maintenance strategy will continue to provide opportunities for temporary employment for young people between the ages of 18 and 25.

Monrovia's growing population has been accompanied by an increase in the number of vehicles on the roads. To minimize vehicular congestion and create additional access, more neighborhood road projects are being upgraded to asphalt-paved roads. The city will continue to experience a major facelift with the installation of traffic lights, signage,

directional signs, streets names, and more, all of which are intended to improve traffic flow and the safety of motorists and pedestrians.

An improved road network and road conditions will accelerate Liberia's overall economic growth. However, we are mindful that the quality and usability of our road network, impacted by the unusually prolonged and heavy rainfall resulting from climate change, continue to present a huge challenge for unhindered development and sustained growth. Moreover, given the vast need after decades of neglect, the lack of adequate and sustainable funding will continue to constrain government's ability to reconstruct roads and bridges.

To this end, discussions are under way which will result in the establishment of a Road Infrastructure Fund through a legislative process that will be submitted to you. This will enable us to generate the funds to support construction and maintenance of roads. Working with the Governance Commission, we are making progress to establish an autonomous Road Authority that will manage our road assets. A window of opportunity will open to Liberian road construction companies through this action.

The agriculture sector remains the key sector of the economy for employment creation, poverty reduction, food security and income generation. To meet the challenges of achieving the full potential of the sector, the Administration has focused on capacity building through training both locally and abroad. Through financial arrangements with international partners, matched by government funding, some 1,895 persons have (or are) receiving training, of which 1,643 are trained through scholarship grants at local institutions.

The Central Agricultural Research Institute (CARI) has been restructured and has, for the first time since its destruction in 1980, reopened the National Seed Bank that today stores certified seed rice for use by local farmers. Deposits of certified seeds are both from CARI and local farmers.

To better reach local farmers with training, farm inputs and value-addition facilities, the Administration constructed Agricultural Technology Transfer Centers around the country, four of which have been built in Nimba, River Gee, Grand Bassa and Maryland. Three others, in Lofa, Bong and Gbarpolu, are under construction.

The Administration has also put in place a National Telecommunications and ICT Policy, and a standard licensing regime was instituted which supports an open, transparent, predictable and accountable fee regime, consistent with ECOWAS. The expansion of postal services is ongoing throughout the country, and we can boast of a well-functioning Post Office, street mailboxes and quality mail delivery service, which is used by international partners and business entities. Consistent with the desire to expand beyond traditional mail service, electronic money transfer services have been introduced.

Last week, the government, in collaboration with partners through the Liberia Telecommunication Corporation (LIBTELCO), officially turned on the Africa Coast to Europe, the so-call (ACE) Fiber Optic Cable, launching the country's fastest Internet service. The cable will interconnect Liberia with the rest of the world, and enhance our ability to benefit from e-programs, such as e-Health at Hospitals, e-Education at the Universities, e-

Conference and e-Governance. Phase one of the project covers the entire Metropolitan Monrovia area. When fully operational, the Cable is expected to provide the fastest telecommunication services to mobile phones and the Internet. You will recall that Liberia joined the ACE Consortium in June 2010. Valued at \$25 million, the government owns a 60 percent share, LIBTELCO 20 percent, and the two largest GSMs each owns 10 percent bringing together a very effective public-private partnership.

Transport services improved considerably during the last year. Three new airlines joined the existing four in providing international flight services. Plans are well under way to undertake critical emergency improvements at Roberts International Airport while discussions are being held to attract capable international businesses to invest in a fully modernized airport consistent with the Master Plan that has been completed. Efforts are also under way to improve domestic airports, the first of which, including the Foya Airport, is expected to receive the support of the Samaritan's Purse organization headed by Rev. Franklin Graham, who visited Liberia last year, and plans to visit again next month.

The National Transit Authority continues to provide an effective and cost-efficient public transport service. Twelve new buses, procured through budgetary allocation, were added, increasing the fleet beyond the 33 donated to Liberia by the Government of India. Service has been extended beyond Monrovia to six counties – Bomi, Bong, Grand Bassa, Grand Cape Mount, Margibi and Nimba. The NTA serves an increasing number of riders which now total close to 2.9 million. They also provide special service to students going to the Fendell Campus. Through a contractual arrangement, a firm from India has arrived in country to work and teach NTA staff, thus ensuring proper maintenance of the buses.

At long last arrangements have been concluded for private coastal sea transport service. Two vessels, with both cargo and passenger facilities, have commenced operations between the Port of Monrovia and the Greenville and Harper Ports. This will bring needed relief to residents of those counties, in particular, and the southeast in general, during the rainy season.

The Pem-Pem riding facilities provide needed service throughout the country and are especially useful in secondary and rural roads which lack alternative public transport service. There is ongoing consultation with its leadership to promote training and to determine regulation for their manner of operation.

We continue to face a deficit in public and private housing, but plans are under way to address this. With support of the African Development Bank, we are developing a national housing policy framework to guide our efforts in this sector. Shelter Afrique has agreed to sponsor public-private partnerships between the National Housing Authority and private housing developers by financing up to US\$9 million, or 60 percent, of each joint venture investment made in several affordable housing estates. An investment forum, or road show, will be held by Shelter Afrique in Monrovia early February to promote this initiative.

A regional specialized housing finance bank has expressed interest in setting up a branch in Liberia. This will complement efforts by the Liberian Bank for Development & Investment to promote mortgage financing for homeowners. New construction and renovation of

government buildings, particularly the ministerial complex offered by the People's Republic of China, will enable us to reduce the level of rental of private building for public offices.

We have identified and are currently surveying 452 acres of land in the Omega Tower community for the development of comprehensive low- to middle-income housing estates to help with the relocation of the Redlight Market and the establishment of facilities by the National Transport Union. The need to invest in a vigorous, low-cost housing project is urgent. It is expected that the facility to support mortgage lending will provide access and ownership to additional homeowners. The survey conducted by the National Housing Authority indicates that it will require more than US\$30 million to relocate hundreds of families, owing to the growing demand to ensure that our people live in dignity, free from hazardous conditions. Additionally, private developers have started construction of housing for middle- and high-level income buyers.

Reports submitted to me suggest that we have met our target commitment on job creation, but overwhelmingly in short-term positions. Let me read that sentence again. Reports submitted to me suggest that we have met our target commitment on job creation, but overwhelmingly in short-term positions. If our objectives for jobs are to be fully achieved, we must move more rapidly on the renovation and expansion of the Monrovia Vocational Training Center and other technical and vocational training centers around the country. We must also resolve those issues that delay housing construction and investment operations which are the main sources of job creation. Additionally, we must improve our job reporting system so that we can get it right.

We can boast today of a stabilization and the availability and affordability of strategic commodities such as rice, cement and petroleum products. More action is required in control of prices for a wide range of imported commodities. We will discuss with you, the leadership of the National Legislature, tough measures that must address this problem.

To promote the more unifying force in our body politic, we allocated significant resources to the promotion of sports activities, particularly football. The results have been less than satisfactory, suggesting we need a new approach – one that focuses on the development of a young national team and directing resources to other sports. Consultations are under way with the various concerned entities to ensure commitment to this new approach.

Human Development will continue to rank high on our development agenda. This includes programs in health, education, water and sanitation. The Administration has concluded a ten-year National Health and Social Welfare Policy and Strategic Plan which promotes the ongoing comprehensive Essential Package of Health Services that emphasizes full healthcare in rural areas and free health services for children under five years of age. These services are provided through 25 government hospitals in county capitals, 346 clinics and 33 health centers throughout the country.

The recently completed 100-bed hospital in Fish Town, River Gee, adds to expanding facilities. With support from partners, close to 470 students are being trained in health

services at home and abroad. Much more will be needed to reduce the large capacity gap in the health sector. At present, there are 82 doctors, 308 Physician Assistants, 1,455 nurses and 645 midwives. More attention, financial and technical, will be required to be able to meet the required number. We'll also need to ensure Redemption and Phebe Hospitals continue to render service at the usual level of efficiency.

Malaria remains the leading cause of morbidity and mortality, to which we respond by the distribution of bed nets, indoor residual spraying and the administration of anti-malaria drugs. We have also removed the tariff from malaria drugs. This has led to a sharp reduction in the incidences of malaria. As outgoing Chair of the African Leaders Malaria Alliance (ALMA), I welcome these improvements. The Ministry of Health continues to decentralize – the latest being in the area of birth registration, which was localized to all fifteen counties last year. The health sector has been chosen to pilot the new financing scheme introduced by USAID. The Fixed Allocation Reimbursement Account (FARA) calls for advance government spending to be reimbursed by USAID, thereby assuring full accountability and equally assurance that the programs officially agreed achieved the target results. This may be a new trend among partners, and we must also ensure that we have a system to make it work.

The government continues to expand investment in the water and sanitation sector. Currently, we are providing clean, pipe-borne water to 468,000 customers in and around Monrovia, and hundreds of boreholes and sanitation facilities have been constructed in five counties. The Liberia Water and Sewer Corporation has been reorganized and re-staffed, and there is ongoing audit which will be completed by the end of February. This will be followed by full implementation of the Water and Sanitation Policy which has been finalized, thereby meeting a condition by our partners, for release of funding for the rehabilitation of water system facilities in the five counties. As the Goodwill Ambassador for Water and Sanitation, I am pleased with this progress.

The education sector is in dire need of reform. Although enrolment is perhaps the highest it has been in decades, the quality of education leaves much to be desired. This is due, in large measure, to inadequately trained teachers and lack of textbooks and facilities such as libraries and laboratories. Our 1.5 million students were enrolled in 11,929 schools in the country. Female enrolment, at 48 percent, continued to increase, but retention rate is low due to drop-outs caused essentially by poverty and pregnancy. A return to the boarding system is being pursued. Dialogue and negotiations are under way with a select number of boarding schools – Ricks, Bromley, Konola – for partnership that will require the government to expand their facilities. We have also renovated the William R. Tolbert, Jr. Elementary and Junior High School, an all-girls boarding school, located in Gbarlatuah, Bong County.

A study on “Out of School Children” in Liberia identified the root causes as: traditional practices; early child marriage; peer pressure; lack of parental support; early pregnancy; child labor; distance to school; and the cost of education. The Administration has launched a nationwide consultation toward identifying possible solutions to the problem of out of school children. The rise in gender-based violence, particularly child rape, is alarming, and I

urge that we work together to adopt a domestic violence law to bring an end to these heinous crimes.

There is, however, some good news in the education sector. The West Africa Senior Secondary Certificate Exams (WASSCE), an extension of the WAEC, will be piloted among 32 schools in Montserrado and Margibi Counties, and will eventually replace WAEC. The 2012 WAEC results showed marked improvement. Of the 25,425 Liberian students who sat the exams, 71.7 percent successfully passed for the first time. The level of success can be attributed to improvement in our own teachers capacity and to the deployment of 112 trained mathematics and science teachers in all the major public high schools, coming in part from Nigeria volunteer teachers, ECOWAS teachers and also the Peace Corps Volunteers deployed in 14 counties, Montserrado excepted, teaching English, Science and Mathematics in 45 schools. Beginning in September, Liberian college students will teach alongside Peace Corps Volunteers, under a new program which we have launched.

Under the **Governance and Institutions** Pillar, our ministries and agencies employ over 35,000 civil servants, who make it possible for government to deliver services to the Liberian people. As we move toward greater decentralization of government operations, civil servants assigned to the rural areas will become critical to the proper functioning of government. Therefore, efforts to improve their conditions of employment remain the focus of our public personnel policies. This is why, since our first term, we have continued to improve the conditions of employment for those in the public service. We have endeavored to increase civil service salaries to improve their capacity to perform their jobs and ensure that they retire with dignity after devoting their productive years to their country. The record will show that, since 2007, the lowest paid civil servants have seen their monthly income rise from a low of US\$15 to a minimum of US\$100 today. We have made particular efforts in adjusting the salaries of teachers, healthcare workers, security personnel and our men and women of the Armed Forces. Although pension benefits were increased, much more needs to be done to secure a dignified livelihood for those who have provided long-standing service to our country. The new Pension Bill which will come before you will attempt to address that problem.

This fiscal year is the first time, since the beginning of our first Administration, that we did not increase civil servants' pay. This is primarily because there is a need to clean up the payroll. The payroll verification exercise envisaged at the passage of the budget year is still under way, delayed by the prolonged rainy season and challenging road conditions which prevented the CSA-Ministry of Finance Team from getting to hard-to-reach places where the majority of our teachers, healthcare workers and rural-based civil servants work and reside.

We would like to thank the concerned Committees of the National Legislature for their support to the payroll clean-up exercise. We also thank the Minister of Finance and the Director General of the Civil Service Agency and their teams for the leadership they have provided in cleaning up the payroll and instituting reforms.

Honorable Legislators: Both the Executive and the Legislature have a promise to keep! Therefore, as a result of preliminary work and the savings realized there from, each civil servant will get an increment of US\$25 in their basic salaries that will be paid retroactively from July 1, 2012. I have extended this benefit to the security sector and the AFL as well. I have also instructed the Minister of Finance to make this back-payment within ten days.

Several initiatives have served to enhance our overall national capacity. The Liberia Emergency Capacity Building Scheme (LECBS) commenced in 2006 with the support of the Soros Foundation through the Open Society Initiative. Over fifty Liberian technical repatriates who benefited from this program faced a significant loss in income when it ended in December 2011; similarly, the Scott Fellows Program and the UNDP-sponsored Transfer of Knowledge Through Expatriate Nationals (TOKTEN), which provided support to 133 Liberians ended in December 2012. As we move forward, some means must be found to provide appropriate incentive to these deserving public servants who continue to serve with compensation far below their opportunity cost.

An ongoing program, the President's Young Professionals Program (PYPP), aims at training young graduates for our civil service. The Program has proven to be an innovative program to build leadership, respond to capacity gaps, and employ promising Liberian graduates. It remains an essential component of our strategy to strengthen public sector capacity. The Program's success, through a very able administrator, has attracted support from USAID, one of our key partners.

Since 2010, we have transformed the foreign scholarships program, now called the Bilateral Scholarships Program, by making it merit-based, transparent and responsive to gender needs. To date, at least 350 Liberian students have been selected for study in 10 countries; and 80 graduates have returned home with PhD and Masters-level education in an impressive number of disciplines. We are working to ensure their proper placement, and we invite your honorable body to consider taking some of them to enhance the capacity of your office. Upon restructuring and reorganization, the Program will return to the original home at the Ministry of Education.

Our government also reaches out to the disabled – one of the activities falling under the Office of the Vice President. One of his initiatives was collaboration with a husband and wife team of devoted Liberians resident in the United States, Aurelia and Alfred Curtis, who successfully lobbied partners in the U.S. to provide five Liberian children with a new lease on life. One beneficiary was 17-year-old Armie Addy, who lost both of her legs in a tragic motor accident. With a single mother struggling to make ends meet, and unable to afford mounting medical bills, Armie became deeply depressed. When her case was brought to his attention, Vice President Boakai visited the teenager, who poured out her heart to him. When he asked how he could help, she responded, tearfully, "I want to walk again!"

The Vice President accepted the challenge, and with strong advocacy of the two Liberians, the Global Medical Transformation Fund, in partnership with the Shriners Hospital for Children, in Philadelphia, agreed to provide free medical services and artificial limbs to the five amputee Liberian children, including Armie, at a cost of over US\$750,000.

Today, thanks to the combined efforts of a caring Vice President, and two patriotic Liberians, Armie, along with Victoria (from Nimba County), Abigal (from Grand Gedeh), Cecelia, and Benedict, (from Maryland County), are back home and, slowly but surely, walking again! The five young people will continue follow-up adjustment treatments in the United States until they reach age 21. Today, four of the five – Armie, Abigal, Victoria, and Benedict – are in the hall! May we please give them a hand!

TIME FOR TRANSFORMATION

Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislature, my dear partner, Vice President : Let us remind ourselves how far we've come during this decade of peace. When we came into office in 2006, we were only able to look to the first 150 days of our Administration. Then we drew up an Interim Poverty Reduction Strategy that took us to 18 months. From there, we developed our first full Poverty Reduction Strategy, "Lift Liberia," that we implemented over four years. Each of those plans built upon the achievements, and learned from the mistakes, of previous ones, and each plan raised our ambitions to a higher level.

National Vision 2030 – Liberia Rising

Our planning and forward-looking approach culminated last month, when we met in Gbarnga to agree a Vision for how we want Liberia to be in 2030. Many leaders of the three Branches, political parties, civil society and young people participated. Vision 2030 was not written by my office nor does it belong to any one group or party. Instead, it is the product of a consultative process over many months that involved over 10,000 people, in all fifteen counties and 154 districts. Students, youth leaders, business communities, women organizations, persons with disabilities, religious and traditional leaders, farmers, teachers, health workers and local community opinion leaders were among the participants at the district level, concluding at a National Conference where delegates endorsed a new long-term National Vision, Liberia Rising – our long-term vision of socio-economic and political transformation and development. I accepted the Vision on behalf of the youth of Liberia, who will inherit the country we are building today.

A National Vision rekindles our commitment to work together with an important sense of patriotism, innovation and dynamism, to recognize that the development of our common patrimony will be neither significant nor sustainable unless it is broad-based and inclusive. We must accept the reality that Liberia will neither develop nor modernize unless we work together as a team in cooperation and unity. This teamwork will involve all of us – the Legislature, the Judiciary and the Executive, as well as politicians, civil society organizations, students and partners in and outside the country.

After more than 165 years as an independent and sovereign republic, we have accumulated a huge backlog of tasks left unattended. Our new Vision must take us on the path of self-confidence, mutual respect and true patriotism. It must embed in us a strong sense of

nationalism to always put Liberia first. The new vision places us in position to deal with one another in equity, equality and justice for all without discrimination.

The development and growth of our country has not matched our age. That tells us that something is seriously wrong. It is incumbent upon us to discover what is amiss and to correct it. However, this cannot be a task for the Executive alone; and neither can it be shifted to the Legislature or the Judiciary. As citizens of Liberia, it is the duty and responsibility of all to serve the general interest of our country. The answer to a peaceful and prosperous nationhood is harmony, oneness in purpose, and a commitment to forge ahead. These attributes are woven into Vision 2030.

The Vision Statement, adopted by Liberians, is the expression of our faith in the future of our country, our love for country and our commitment to mobilize resources to achieve our aspirations as expressed: **One People, One Nation, United for Peace and Sustainable Development.**

Agenda for Transformation

In formulating our National Vision 2030, we developed two plans critical in achieving the goals set out in the Vision – the five-year Agenda for Transformation (AfT) and the Reconciliation Roadmap.

The Agenda for Transformation was formulated through extensive participatory consultations in all regions and districts in Liberia, as well as the Diaspora, to allow the Liberian people to determine their priorities and make their input into the development agenda for the country. They identified investment in infrastructure, particularly electricity, roads, ports, and Information and Communications Technology (ICT), followed by health and education, as the leading priorities for transforming the Liberian economy. To ensure that growth and development are inclusive in Liberia, the AfT also paid special attention to issues of fragility, social cohesiveness, marginalization and youth development.

The Agenda for Transformation represents a departure from our economic development experience, described as one of “growth without development.” We have learned the lessons of the past, leading us to steps that shift our economy from its dependence on natural resources to one that has a broader base, creates more jobs, a place where everyone, especially Liberians, can do business, and where the country’s wealth is shared more equitably.

By adopting the Medium-Term Expenditure Framework (MTEF) to guide public investments, the government is demonstrating its commitment to the implementation of the Agenda. This represents a major paradigm shift in resource allocations from annual increases in recurrent expenditure to increased investment in capital projects for development that will benefit all Liberians. The AfT is estimated to cost approximately US\$3.36 billion over the five-year period (2012-2017). As the government commits to making significant investment in the AfT through effective management of various revenue

streams, we are confident that Liberia's development partners will support us to achieve its goals and objectives.

The Liberia Development Alliance (LDA), which we launched last Wednesday, is a platform that will move Liberia from activity-based to results-focused interventions in implementing the Agenda for Transformation and toward achieving our National Vision. The LDA will thus coordinate the development initiatives of the private sector, development partners and civil society, to ensure that they align with government's priorities.

Reconciliation Roadmap

Honorable Legislators: The second plan that we will implement over the next five years is the National Reconciliation Roadmap. The cleavages that led to decades of war still run deep, but so too does the longing for a reconciliation defined by equal opportunity and a better future for all Liberians. True reconciliation means a process of national healing, and learning the lessons of the past to perfect our democracy. It means economic justice and the spread of progress to all of our people. It also means creating opportunity; it means ensuring gender equity and the promotion of women; it means giving our young people the skills they need to prosper and create the lifestyle they choose.

We will continue our progress so that we walk over the bridge of reconciliation. Through reconciliation we will reduce, if not completely remove, the obstacles in our paths. Whether our disagreements are social, economic or political, whether old or new, we must muster the courage to face up to the situation to let bygones be bygones and agree that it is time to embrace one another with new minds, a new spirit and a new attitude.

Our commitment to reconciling the Liberian nation is genuine. Our resolve and action are not based on political expediency. We strongly believe that our country will be better off when Liberians are reconciled. The actions we have put into place to address this question manifest our earnest desire for a truly reconciled and united Liberia that goes beyond party, social, religious and gender lines.

Decentralization Policy

Honorable Legislators: A year ago, in Salala, Bong County, we launched the National Policy on Decentralization and Local Governance, aimed at ensuring greater participation of the Liberian people in decision-making and in the provision and delivery of public services at local levels of governance. Throughout the year, the Governance Commission and the Ministry of Internal Affairs led a process of public education and information dissemination that has encouraged deeper ownership and participation of the Liberian people in this unfolding program of decentralization.

There is no argument amongst Liberians as to where our country should be headed. We have a shared vision – Vision 2030. We have also agreed that, over the next 18 years, the government should be fully decentralized and that Liberia should become a peaceful and

politically stable middle-income country. A National Policy on Decentralization and Local Government is being implemented, with the shift from centralized to localized governance.

Nevertheless, the challenges of the Decentralization Policy are many: the present local governance structure is bloated, and difficult to manage. For example, there are more than 149 cities – 33 in Sinoe, I think; 93 Administrative Districts; 251 Paramount Chiefdom Chiefs; more than 689 Clan Chiefs; 1,410 General Towns Chiefs; and 250 Township Commissioners. Moreover, the government has to deliver services to more than 16,000 towns and villages. As if these statistics were not daunting enough, the boundaries of all these localities overlap, leading to confusion over jurisdiction and administrative authority in the system.

Consultations continue in the drafting of a new Local Governance Act that will define the legal basis for reducing the number and harmonizing the boundaries of all of the localities within the structure. Such an Act would also identify the point of interface of the contemporary statutory governance structures with the traditional chieftaincy configuration. As we seek socio-political harmony in Liberia, we must continue to recognize and restore the authority and dignity of the traditional chiefs and elders. We must also support the process to bring about the election of county officials, including city mayors.

To advance the Decentralization Policy, the Administration has completed the Decentralization Roadmap and Implementation Plan. It is creating a computerized National Locality Directory with the names and global-positioning-system coordinates of all neighborhoods, towns and villages, which will also provide the platform for effective housing and population census, establishment of a national address system, implementation of a national identification registry, conduct of a progressive voter registration, and the maintenance of an effective immigration and security control system.

Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators: The transformation of our country will be successful only when certain reforms are effected – our Constitution, land matters, institutional and governmental restructuring, the private sector and Liberianization.

Our experience shows over the last 27 years have illustrated that the 1986 Constitution is inadequate to address current realities of this nation and the aspirations of its people. When Liberians gather, you hear us discuss and debate the power of the presidency, educational qualifications, the tenure of office for elective public offices, citizenship, gender equality, equal distribution and access to national assets, economic opportunities, and many other issues with constitutional implications.

To respond to these concerns, in August 2012 I established a Constitution Review Committee with the mandate to review our Constitution through discourses, debates and consultations on various provisions, to determine recommendations for subsequent amendments. Six eminent Liberians were appointed to lead this process. The Governance and Law Reform Commissions serve as technical arms to the Committee and their Chairs serve as ex-officio members. We had anticipated that the review process would be

concluded to include the Referendum requirement during the 2014 elections; however, the Committee has advised that more time might be required. We are reviewing this position.

The administration and management of land and governance of our natural resources continue to pose major challenges and will become one of our principal areas of concentration during 2013. The recent Private User Permits (PUP) debacle is a glaring example of the need for major reform of our land and natural resource governance systems. We acknowledge these challenges and recognize the need to address them in a comprehensive manner, and have taken significant steps in this regard, principally through the creation of the Land Commission which is tasked with developing policies, legislation and regulations that ensure equal access to productive land for all Liberians; ensure security of tenure and the rule of law with regard to all land transactions; facilitate the development and implementation of institutional framework, the use and management of land, and promote investment in land and land resources.

We are pleased to note that the Land Commission has completed and presented to us a draft Land Rights Policy, which is now being validated through a series of five regional consultative meetings. We expect that the National Land Rights Policy will be completed by the end of February.

The Policy is transformative as it clearly establishes, for the first time, distinct categories of land rights which ensure that all Liberians have equal access to land within the framework of clearly defined policies. The Policy will call for the recognition of customary land rights, along with private, public and government of land rights, thus providing new opportunities for economic empowerment of rural communities, advances in national cohesion and reconciliation, establishing conditions conducive for improving communities in the governance of natural resources, and strengthening rights for all other tenure categories.

The Commission will also be piloting, through Land Coordination Centers, an Alternative Dispute Resolution (ADR) system in six counties shown to have a prevalence of land disputes, namely, Bong, Lofa, Margibi, Maryland, Montserrado and Nimba. It is hoped that this study will result in the adoption of a mediation and arbitration national framework which will be introduced, thereby enhancing our ability and capacity to resolve land disputes in a manner that is accessible, affordable and expedient.

Recognizing that the present land administration institutional arrangement is antiquated and inadequate, the Commission has begun developing a comprehensive Land Administration Policy, which will look at policy, legal and regulatory as well as institutional arrangements for reforming and improving land administration in Liberia. Working closely with the Ministry of Lands, Mines and Energy, the Commission anticipates that a draft Land Administration Policy will be completed by June.

The Land Commission has also been working with other ministries and agencies to assist concessionaires to obtain land from tribal authorities consistent with international best practices of Free Prior and Informed Consent (FPIC). Most recently, an agreement was concluded between the citizens of Sarbo District, River Gee County, and the Cavalla Rubber Corporation for establishment of a rubber plantation on 4,000 hectares of land. This

agreement is historic and groundbreaking in that for the first time, such an agreement was negotiated on the ground between the citizens of the district and the concessionaire. This exercise should assist the Commission to develop policy, legislation and regulations for working with local communities, which can be mainstreamed within the concession granting process.

Among its other activities, the Land Commission will be undertaking an inventory of tribal certificates, in order to address the issues of land rights, including rights held under public land, customary land and the other two categories of tenure (i.e., private and government land). The Commission will validate the authenticity of tribal certificates that have been collected, and those that are authenticated will be processed into deeds.

Given the importance the government attaches to land rights, reforming the institutions and laws that guide us in creating an equitable and just policy on land rights use, management and administration, we are pleased to inform you that a special task force dealing with cross-cutting issues of gender and land rights has been formed, with the Ministry of Gender and the Land Commission as co-chairs. This task force is expected to focus on making considerations of women's access and rights to land an even more integral piece of the Liberia land policy and institutional development process. We pledge our support to the work of this body.

Recently, the land dispute between ELWA and the government was resolved, thanks to the efforts of the Vice President who mediated in the matter. In the settlement, ELWA, recognizing government's need for the land, consented to relinquish 11.2 acres, in exchange for being granted a Title Deed to the remaining portion of the land. Efforts are under way to conclude the processes that will enable us to commence reconstruction of the Ducor Hotel and the E.J. Roye Building as public properties.

As the National Vision gives true meaning to governance as a partnership between the government and the people, we have charged the Governance Commission to work with civil society to devise strategies that will ensure their full participation in implementing certain programs flowing from the decisions of the National Vision Conference. We trust that these modalities will be completed without delay so that civil society's full involvement can be accelerated. In that regard, the first Comprehensive Directory of Civil Society Organizations nationwide was completed and launched. The analysis that resulted in the Directory covered 1,452 CSOs, the majority of which are not registered, and have limited capacity and self-generating potential. This indicates a clear need for the establishment of guidelines to monitor their activities.

To advance civil society's role in implementing Vision 2030, discussions are under way to develop a Government-Civil Society Compact which, when approved, will commit both to work together constructively and productively for the transformation of our National Vision into concrete reality. We look forward to the acceleration of this initiative and the conclusion of the Compact for our review in the next few months. The Compact should call for mutual accountability and respect. We must make it clear, however, that while we accept and are prepared to support their watchdog role, we will not allow them, or external entities, to go so far as to undermine our nation's sovereignty.

One of the low-hanging but very important fruits identified for immediate implementation following the adoption of the National Reconciliation Roadmap is the project to revisit the historical narrative of our country with a view to developing a comprehensive all-inclusive history that tells the story of the contribution of all of our people to the development of our country and, in doing so, assist in strengthening our common identity. Led by the Governance Commission with the support of the Ministry of Finance, preparatory work has been completed for holding a landmark conference that will involve Liberia's leading historians resident at home and abroad, and the custodians of our oral traditions, to launch, in the coming weeks, the Liberian National History Project.

In addition to playing a key role in formulating the National Vision, the Governance Commission is embarking on a series of programs, in 2013, in line with the promotion of the Agenda for Transformation and the National Reconciliation Roadmap. These include decentralization and reorganization of the structures and institutions of government.

To ensure a leaner, more efficient and more effective public sector, the program of rationalization and restructuring is to be accelerated. We will submit to your honorable body legislation which, when passed, will reorganize the ministries and agencies of the Executive Branch to sharpen their missions and mandates, reduce overlaps, streamline structures, and strengthen the focus and performance of their core functions.

Government's efforts to restructure the Executive Branch will also extend to creating a more meritorious and more professional civil service. Thus, among the measures we will be taking this year will include the establishment of a Civil Service Commission, as required and provided for in the Constitution. As such, civil service reform will include the insertion, in ministries, of a non-political career professional position of Principal Administrative Officer to coordinate and ensure the implementation of the directives and policies of the government. A completed study on State-Owned Enterprises will guide our reform of the sector, including governance and compensation. Reforms requiring legislative action will be submitted to you.

Enhancing integrity in public life has been a preoccupation of this administration since 2006. Measures towards that end have included the establishment of the Anti-Corruption Commission and its subsequent strengthening; and the drafting of a Code of Conduct and its submission to the Legislature for enactment into law as required by the Constitution.

To further demonstrate our government's commitment to the fight against corruption, we have encouraged a vigorous public discourse and public education regarding its debilitating effects on our national life. We have encouraged collaboration among government agencies, private sector entities and civil society in forming and promoting a National Integrity Forum, which is engaged in enhancing public consciousness, education and efficacy in the fight against corruption.

The Governance Commission and the Liberia Anti-Corruption Commission along with the Center for Transparency are among the lead entities in this important endeavor. This year,

we will redouble support for such citizen-centered initiatives in the fight against corruption. One important measure taken through this Forum has been the publication of an anti-corruption barometer which reflects public perception of the strengths and weaknesses on the efforts of state-based institutions with a mandate to fight corruption. Moreover, because the punishment side of our fight against corruption still performs far below our expectations, we will also ask your reconsideration of our recommendation for amendment to the LACC Act to provide that institution with direct prosecutorial power.

Consistent with this administration's desire to further strengthen the democratization process and the performance of institutions of governance, the Governance Commission, with support from international partners, is building its capacity to be able to deliver Governance Performance Assessment Reports as of this year and as required by its mandate.

Honorable Legislators: Together we have begun efforts to reform the hydrocarbon sector, to manage Liberia's petroleum resources, in an environmentally responsible manner, to optimize returns for Liberia, and to ensure equitable benefits to the Liberian people now and in the future.

All of these measures are critical in ensuring that the government performs with greater efficiency and forges a stronger partnership with citizens and, with the support of regional and international partners, implements with discipline the coherent packages of programs that will accelerate national development and attain a more unified and reconciled nation.

Honorable Legislators, Fellow Liberians: It is, indeed, time for transformation – transformation in the way we do business in Liberia; transformation in the way our partners do business; and transformation in the way our business laws are enforced in Liberia.

Today, over half of our real GDP growth will come from the expansion of the iron ore mining sector, and extractive and capital-intensive operations. The large foreign investment mobilized has helped kick-start key sectors of the economy, such as mining, agriculture and forestry.

However, experience tells us that foreign businesses alone cannot build a healthy economy. Unless government can take tough decisions on how to use investment strategically, we could once again fall into the trap of experiencing growth without development.

While growth and maturity of the private sector is necessary for our transformation, it will remain insufficient until our goals of industrialization and Liberianization are achieved. We will thus identify the sectors where we have comparative advantage on the local, regional and global markets, and forge strategic public-private partnerships for transformative and targeted investments that will stimulate local production and create jobs for our people.

NECROLOGY

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore: We mourn the passing of our dearly beloved, but cherish fond memories. In 2012, we said farewell to many prominent citizens, among them:

Hon. Moses S. Tanapolie, Sr., Member of the 52nd & 53rd Legislature for Montserrado County; Hon. Nelson Barh, Member of the 52nd Legislature, Sinoe County; Spencer D. Brown, former Acting Assistant Minister/Public Affairs, Ministry of Foreign Affairs; Hon. Charles S. Rennie, former Clan & Paramount Chief, Zeanuse Clan, Suacoco, Bong County; Hon. Joseph Jenkins Peal, former Member of the House of Representatives, Montserrado County; Hon. Alvin Brooks, former Minister of Public Works; Rev. Canon Burgess Carr, former Secretary General of All Africa Conference of Churches; Hon. Tom Saah Kamara, Publisher & Editor-in-Chief, New Democrat Newspaper; Cllr. John N.J.J. Caranda, Supreme Court Administrator; Hon. Jackson N. Wonde, Deputy Minister for Sectoral Planning, Ministry of Planning & Economic Affairs.

Also departed were: Hon. M. Alexander Ketter, Sr., former Minister of Public Works; Hon. J. Charles Hansford, former Ambassador-at-Large; Hon. Norwood Theodore Dennis, Jr., former Auditor-General; Hon. Sylvanus Corker, former Assistant Minister for Information Services; Hon. Henry Q. Taylor, Sr., former Senior Senator of Bomi County; Hon. Peter Duywagbe Wieh, former Paramount Chief, Nimba County; Hon. Joseph Fulton Dunbar, former Superintendent of Bong & Nimba Counties; Hon. Ethel L. Brumskine, Educator; Amb. Jallah K.K. Kamara, former Director of the National Cultural Troupe, Ministry of Information, Culture and Tourism; and Mr. Peter "Flomo" Ballah, Traditional and Cultural Icon, and founder of the Flomo Theatre.

CONCLUSION

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore: it is the conclusion. In my Annual Message to the Sixth Session of the 52nd National Legislature, I informed your Honorable Body and the Liberian people that in response to the expected effects on population growth, climate change and the expectation that rising sea levels will threaten coastal cities, including Monrovia, in the decades to come, we had decided to commence the process that could lead, eventually, to relocating the Capital City to Zekepa, where the boundaries of Grand Bassa, Bong and Nimba converge.

Two years on, we have commenced the research and planning that will enable us to make the decision as to how to proceed with the Zekepa project. A small Task Force has been set up and charged with conducting the research, technical analysis, master planning and design that will be essential to the comprehensive development plan for the proposed city of Zekepa. This is not a quick project. This is a long term project.

The Task Force will spend the next six months in the primary stage of research, after which I will consult with your honorable body regarding a greater national involvement and the way forward in achieving this objective.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators: Our commitment to freedom of the press and free expression, as well as the civil and political rights of all of our people will remain unshaken. Yet, as a people, we should recognize that the exercise of freedom carries with it both a responsibility and a duty: to preserve and secure our national peace and security and stability; and respect the freedom, rights, and privacy of our fellow citizens. Our Constitution is clear and unequivocal on this. I will therefore be submitting to you, for your timely consideration, draft legislation consistent with the Table Mountain Declaration, which affirms our commitment to support press freedom.

It is also time for transformation of our media. We will all agree that improvement is required in the manner in which we inform and communicate our progress and challenges to the people. As a result of this inadequacy, perceptions are formed on the basis of misinformation, rumors and, many times, false accusations. We continue to partner with the media – print and voice – encouraging respect for their independence and freedoms to join the forces for positive change. Sometimes it works, but most times it does not, because the media lacks training and financial support. We take the position that government should help the media to enhance their professionalism without prejudice to the important role which they play in exposing and challenging wrongs in government and the society at large.

Specifically, I suggest that we take responsibility to construct and equip a media house that will provide the facility to access worldwide information and to have them benefit from distance learning. The structure could be built on the site of the demolished Government Hospital on Ashmun Street, where the new National Library will be built. With your concurrence, budgetary allocation for the construction will be included in the next fiscal year budget.

Honorable Legislators: We recognize that economic transformation must be accompanied by improvements in socio-economic indicators for Liberians through a process that increases citizens' participation in all sectors of the economy. This process of Liberianization must be accelerated to increase our participation in the workforce and as owners of productive assets. Economic output that is manifested in higher growth numbers but does not benefit Liberian business is business as usual and is unsustainable. We must therefore design and implement programs that increase Liberian participation in all productive sectors of the economy.

Our model of Liberianization will include training and entrepreneurship development through business incubation, ranging from enterprise engaged in imports of consumer goods, to warehousing, trade financing and manufacturing, to agricultural production through support to smallholder farmers. We will aggressively pursue Liberianization in the mineral sector by demanding local content not only in the provision of goods and services during exploration and production but, in value added, but also in ensuring that Liberians participate as equity owners during the development and exploitation of our natural resources.

We will implement measures to ensure that Liberian vendors and suppliers of services get a greater percentage of public expenditure dollars, by strict adherence to procurement regulations for Liberian businesses. You will recall that, as part of the 2012/2013 budgetary process, the Administration announced that 25 percent of all amounts appropriated for furniture will go to Liberian-owned businesses. We must now consider how we may add to other expenditure items into Liberianization of this process.

We agree that it is time for Liberians to become more engaged in the import, wholesale and distribution of externally produced consumer goods. We will therefore engage financial institutions to aggressively support Liberian entrepreneurs by working through the Liberian Marketing Association, the Liberian Business Association, the Petty Traders Association and other business support organizations. However, until we acquire the necessary energy efficiencies, we will best explore means to provide further incentives to enable to meet this gap caused by high electricity costs.

Honorable Legislators, in previous decades, we fought for political freedom and the right to vote and participate in a democratic process. It is now time for economic freedom, which can only be achieved through citizens' increased participation in our economy through the robust implementation of an aggressive Liberianization model. However, there are things that need to be done. We are prepared to make the hard decision to achieve this goal.

But as we pursue the goals of Liberianization, our citizens must be guided by the principles of business ethics, such as honesty, trust and creditworthiness. No country can improve the lot of its people, if business relationships are categorized by a lack of trust and refusal to pay legitimate debts. We urge our citizens to prepare themselves to move into profitable areas of the economy through a process of learning, apprenticeship and, above all, a burning desire to make substantial contributions to our economic growth and development. Our citizens must be prepared to relinquish long-standing business relationships and forego vested interests, if our Liberianization is to be real and realized.

Honorable Members of the Legislature: I have already briefed you about the Monrovia Meeting of the High-Level Panel on the Post-2015 Development Framework, starting tomorrow with the technical sessions. We call for the support of all Liberians to make the Meeting a ringing success. We welcome suggestions on crafting a post-2015 development agenda, critically infusing the perspectives of Liberia as a rising post-conflict success story.

Mr. Vice President and President of the Senate, Mr. Speaker, Mr. President Pro-Tempore, and Honorable Members of the Legislature: In my last Annual Message, I stated that the country was at a crossroads, and urged that we choose the right path. I say to you today that we have chosen the right path. We have set our priorities. The journey to transform our country has begun.

Let me close by quoting from our renowned professor and historian, Dr. Elwood Dunn, transformation through the prism of Vision 2030 requires thinking differently, speaking differently and acting differently. It means a paradigm shift, a new narrative about development and synergistic relationship. The responsibility to achieve this transformation is ours. If not us, who? If not now, when?

God bless the works of our hands and save the State!

I thank you.