

ANNUAL MESSAGE
ON THE
STATE OF THE REPUBLIC
To the
Fifth Session of the
53rd National Legislature of the Republic of Liberia

Delivering on the Promises

By:

Her Excellency Ellen Johnson Sirleaf

President of the Republic of Liberia

Delivered on Monday, January 25, 2016

Capitol Hill, Monrovia

(As Delivered)

- Mr. Vice President and President of the Senate;
- Mr. Speaker;
- Mr. President Pro-Tempore;
- Honorable Members of the Legislature;
- Your Honor the Chief Justice and Associate Justices of the Supreme Court and
- Members of the Judiciary;
- The Dean and Members of the Cabinet and other Government Officials;
- Mr. Doyen, Excellences and Members of the Diplomatic Corps;
- His Excellency, the Special Representative of the Secretary General of the United Nations in Liberia;
- The Officers and Staff of the United Nations Mission in Liberia (UNMIL);
- The Chief of Staff, Men and Women of the Armed Forces of Liberia (AFL);
- Former Chairman of the Interim Government of National Unity, Dr. Amos Claudius Sawyer;
- Mr. Senator and Chairman of the Unity Party;
- Former Officials of Government;
- Traditional Leaders, Chief and Elders;
- Political and Business Leaders;
- Bishops, Pastors, Imams and Religious Leaders;
- Officers and Members of the National Bar Association;
- Labor and Trade Unions;
- Civil Society Organizations; Members of the Press;
- Special Guests; Distinguished Ladies and Gentlemen;
- Fellow Liberians:

Once again, in fulfilment of Article 58 of the Constitution, it is my duty to report on our Legislative Agenda and the State of the Nation.

We thank the Almighty for his blessings upon our nation. I thank the leadership of the Legislature and the Judiciary for their cooperation and support, and I thank you Mr. Vice President for your continued dedication to enable us achieve the goals we have set for our nation's recovery.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, and Members of the Legislature:

We were pleased to note the passage of twenty-two pieces of legislations during your last sitting. All are contributory to the advancement of the development agenda of the country. We urge the passage of several other bills before you including: an Amendment to the Public Health Law to add a Chapter on Mental Health; a Mental Health Procedural Bill; an Act to Amend the New Executive Law of 1972 to Establish the Ministry of Health; the Fire Arms and Ammunition Control Bill of Liberia; The National Police Bill; and Liberia Immigration Service Bill.

Other important Bills we ask you to pass are the bill to create the Liberia Land Authority; the Land Rights Bill; the Bill to establish the Gola National Park and the National Wildlife Conservation and Protected Areas Management Law; an Amendment to Title 33 of the Executive Law on Production Rights; a Bill to Amend the 2008 Act of the Liberia Anti-Corruption Commission to grant direct prosecutorial power to the LACC; a Bill to Ratify the Concession Agreement between the Republic of Liberia and Liberia Cocoa Corporation; a Bill to establish the Rubber Development Fund; A Bill to repeal Chapter 57, Title 12, of the Executive Law of the Liberian Code of Law Revised 1973, and to establish in its stead a New Chapter 57, Title 12, to be known as the Liberia Agriculture Commodity Regulatory Authority; and an Amendment to the Mineral Development Agreement between the Government of the Republic of Liberia, Western Cluster Limited, Sesa Goa Limited and Bloom Fountain Limited.

Additionally, we will submit for your timely consideration the following bills: Pre-financing Infrastructure Bill; a Revised Ministry of Transport Bill that reflects current realities; a bill for the establishment of an Independent Driving and Motor Vehicle Administration; a Bill to ratify the Protocol on the Accession of Liberia to the World Trade Organization; a Securities Market Bill and a Central Securities Depository Bill; a bill to ratify the Mineral Development Agreement between Hummingbird Resources (Liberia) Inc.; a Foreign Trade Bill; a Competition Bill; a Bill creating the Ministry of Local Government, in furtherance of our decentralization program; and the Local Government Bill.

Similarly, I will submit a Bill to establish a Fast Track “Corruption and Financial Crimes Court” to deal with corruption and economic crime-related cases; a Bill to create an enabling environment for Public Private Partnerships (PPPs) thereby allowing Liberia to compete more effectively with other countries in international capital markets; a National Local Content Bill to facilitate the creation of new linkages, deepen and expand existing programs between foreign companies’ affiliates and domestic small and medium-sized enterprises (SMEs); and a Special Economic Zones Law to provide potential investors with incentives to invest in Liberia.

Over the period, to address national imperatives, we issued six Executive Orders numbered 70 to 75. Five of these extended previous orders suspending tariffs on rice; exempts the Liberia Water and Sewer Corporation from custom duties on certain products, suspends tariffs on Forestry and Agricultural and Agro-Processing Equipment, Live Animals for Breeding and Agricultural Seeds; exempts selected entities from customs duties on fuel. The sixth was for the implementation of Liberia’s post-Accession Plan to the World Trade Organization to further inclusive growth on poverty reduction.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, and Honorable Members of the 53rd Legislature:

About two months ago, we were compelled to draw the attention of the nation to the ailing state of the economy influenced largely by exogenous factors including the outbreak of a deadly disease and the precipitous decline in our traditional exports of iron ore and rubber. The economy is under severe stress. We are in difficult times. As we all recognize this

situation is causing hardship for many ordinary Liberians. Before this address is over, I will lay before you a number of measures, some of which we will require your support to see us through yet another cyclical flow of the changing conditions of the global economy. I am confident that working together, we will overcome this, as we have done with many of the challenges we have faced.

In 2006, we inherited a collapsed economy – a staggering 90 percent decline in Gross Domestic Product, the greatest by any nation since World War II. We also inherited an unsustainable debt level of more than 600 percent of GDP brought about by debt un-serviced for over two decades. We were at the bottom of a very deep hole. We immediately set out to revive the productive sectors historically dominated by iron ore and rubber, cancelled all non-compliant forestry agreements and renegotiated the Firestone and Arcelor-Mittal Concession Agreements.

Importantly also, we negotiated and obtained the cancellation of an external debt burden of US\$4.9 billion in a record period of five years under the Heavily Indebted Poor Countries (HIPC) Initiative. This important undertaking returned us to the path of economic recovery by expanding the fiscal space to pursue our agenda of inclusive growth and development.

Mindful of the structural deficiencies of our economy and the need for diversification, we attracted Direct Foreign Investment (DFI) in oil palm, a traditional product, through partnership with entities from countries that had used such resources to achieve economic transformation from poverty to prosperity. Additionally, we identified and supported the private sector as the engine of our growth, and invested in both the human capital and infrastructure to sustain the economy beyond pre-war levels. We also undertook a number of reform measures to improve the overall management of and accountability for our natural resources.

The significant level of Foreign Direct Investment (FDI) of US\$16 billion representing contractual agreements over a period of twenty-five years and was directed at four (4) iron ore mining activities, five (5) large scale oil palm operations, the resuscitation of coffee, cocoa and a nascent petroleum exploration program. In addition to the global economy shocks, Foreign Direct Investment into our economy has been adversely affected by land and labor related disputes. To date, as a result, an estimated US\$4.2 billion of the amount that were mobilized has been operationalized to create jobs, improve infrastructure and generate revenue.

Despite this, the economy was put on a growth trajectory that led to GDP growth of 8.2 percent in 2006, which peaked at 12.7 percent in 2007, placing Liberia among those sub-Saharan African countries that were recognized as a fast growing economy on the continent. However, this growth trend was short-lived as we experienced the first shock that grew out of the 2008 global financial crisis which slowed the pace of investment resulting in a GDP growth decline to 5.1 percent in 2009. Despite this shock, the economy's growth pace accelerated and grew by 8.7 percent in 2013.

The second shock came from the Ebola Virus Disease (EVD) outbreak in 2014. It threatened our lives and our livelihoods collapsing the health sector and paralyzing the economy. This was concomitant with the third shock - a sharp decline in global prices of our two main exports: iron ore and rubber. As a result, real GDP growth plummeted from an original forecast of 5.9 percent to 0.7 percent in 2014.

The economy continued to experience suppressed growth in 2015 owing not only to falling prices of our prime export commodities and the effects of the Ebola Virus outbreak but also to the ongoing drawdown of the United Nations Mission in Liberia (UNMIL) which mainly affected the services sector. Consequently, real GDP growth declined further to 0.3 percent in 2015 compared to the original forecast of 6.8 percent.

The foundation of economic diversification already set in place by this administration could not, in the short run, absorb these unforeseen shocks.

The fiscal and employment effects are profound. Revenue approved by the Legislature in the FY15/16 budget at US\$622.7 million is being revised down to US\$552.8 million. Collection in domestic revenue budgeted at US\$473.8 million is estimated to fall by 12 percent or US\$57 million mainly arising from the slow activities in the mining sector. Reflecting the weak revenue performance, total expenditure budget at US\$622.7 million is expected to be reduced by 11.2 percent to US\$552.8 million, representing potential cutbacks for all entities while avoiding cuts in compensation and other economic and social services' expenditures. The implication is that we will be unable to meet the targeted level of public sector investment that is required to meet our obligation to ongoing infrastructure projects and new priorities that are essential for our economic diversification goals.

Liberia has benefitted and is grateful to our development partners for the high level of support in official development assistance recorded for 2014/2015 at US\$720 million, representing 36 percent of a GDP of US\$2 billion. LISGIS is revising the official GDP figure which currently does not capture a large amount of production. However, we should realize that this exceptional support will not continue nor is it a basis for sustainable development over the long term.

My Fellow Citizens, Honorable Legislators:

We must embrace a higher level of tax consciousness and compliance especially on real property where we continue to realize far less than the potential. Simply put, Liberians must pay taxes.

In 2006 we inherited a debt stock equivalent to 600 percent of Gross Domestic Product (GDP). As at end of December 2015, our debt stock is US\$655 million which is 33 percent of GDP. We continue to adhere to a responsible borrowing policy which is aligned with the International Monetary Fund (IMF) program limits and existing fiscal rules. This means we are borrowing responsibly to develop our country, expand our economy, while meeting all

the terms and conditions under which we are borrowing, including the timely repayments of interest and principal.

Our fiscal and monetary institutions have collaborated in ensuring that the exchange rate remains stable and inflation maintained at an average of 7.8 percent. The Central Bank experienced operational losses but is in the process of implementing corrective measures. Measures will also need to be taken to ensure that well-intentioned microfinance loans amounting to L\$644.1 million (equivalent to US\$7.2 million) granted to savings and loans clubs are repaid fully. Gross reserves equivalent to 2.7 months of imports rose by 5.4 percent to US\$560.6 million, compared to US\$532.3 million in 2014.

Under the guidance of the Central Bank of Liberia (CBL), banking institutions continue to show improvements in liquidity and capitalization. This consist of nine commercial banks with eighty-seven branches in eleven counties and for the four counties that do not have bank branches - Grand Kru, Gbarpolu, Rivercess, and River Gee, Rural Community Finance Institutions have been established. The Ebola Virus Disease led to an increase in Non-Performing Loans, but the CBL is taking corrective measures to address the problem.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators:

In 2006, we were given a mandate to change our country. We knew that it required time to change ourselves and our country; yet we welcomed the opportunity to lay new foundations and set new targets in pursuit of a better society. Collectively, we formulated a national vision - Liberia Rising: Vision 2030, including the five-year slice called the Agenda for Transformation. The pillars are Infrastructure, Agriculture, Education, Health and Governance.

Notwithstanding with myriad challenges in resource, human and institutional capacities, we have continued to make progress on each of these pillars. Many Liberians recognize this, and I offer no apologies to our critics who are also beneficiaries of the progress that the country has made if by recounting our collective progress this undermines their political bearings. We know that progress inspires hope. Hope enlivens people. A hopeful people can pursue their aspirations and overcome their challenges.

I will therefore recount a few key foundations already firmly in place and outline targets to be achieved in the next two years. As in previous years, details covering operations of all executive entities are included in the Executive Report that will be submitted to you subsequently.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Members of the Legislature:

In 2006 we inherited a country with absolutely no grid supplied electricity and on the 26 of July that same year, we introduced the first street lights under which children danced and studied.

Today, I am pleased to announce that the first 10 Mega Watts HFO power is currently brought into service. In fact, this is the electricity being supplied to you as I speak. This

new plant adds to the existing capacity which is based on diesel fuel generators which we intend to convert to alternative uses. This will result in increased stability delivered to 33,000 users which include over 1,000 connections in West Point, one of our economically-depressed communities.

By the end of March an additional 18Mw financed by this Government will be added. By June an additional 10Mw will come on line. And in December the long awaited Mount Coffee comes alive.

We will thus have installed a capacity of 126 Mega Watts. By implementing the transmission and distributions programs and consolidation of the grid in Monrovia, there will be extension of power to other counties such as Margibi, Bomi, and Cape Mount over the next two years.

Implementation of the West African Power Pool, CSLG project starts work in July of this year and will enable Liberia to participate in the ECOWAS cross border trade of electricity which will take power from Yekepa, to Buchanan and then on to the Sierra Leonean border. This will result in significantly cheaper tariffs.

The Cross Border Project of which we have spoken has now reached Nimba and Maryland Counties and is on the way to Grand Gedeh County, with plans to extend to River Gee in keeping with their request. This will be a system tendered out and managed by Liberian entities under a contract with the Liberia Electricity Corporation (LEC). We note that as a result, the economic life of Ganta is already transformed.

My Fellow Citizens, Honorable Legislators:

Roads and bridges do not only connect our counties and communities; they are the links to opportunity and prosperity. When we can travel quickly, cheaply and comfortably from one county to another, it does not only afford us another place to visit; it affords us a new market.

However, the cost of construction and maintenance of our roads is very high. Moreover, due to climatic conditions, we can only work on the roads for a period of at most six months in a year. Despite these challenges, we have completed or are in the process or completing 425 kilometers of paved intercounty roads, the most by any previous administration. I encourage you to drive from Coca Cola Factory to Gbarnga, from Fishtown to Harper (not yet finished), from Kakata to Bong Mines, from Ganta to Yekepa, and for the first time to the Guinea border.

In Monrovia and around Monrovia, please drive from Duport to Parker Paint, drive on the Neezoe Road or the AB Tolbert Road; drive along the SKD Boulevard or the Tubman Boulevard or along our various avenues.

It is also easier, smoother and safer to travel from Monrovia to the Mount Coffee Hydro through Caldwell – thanks to the recently completed and dedicated Jacob Samuel Melton Bridge. See for yourselves the progress we have all made together.

One experience which will live with me forever is when I fulfilled my promise to close the infamous Belle Yella Prison. We did so by penetrating via a new road the dense forest which for many years isolated the people of Belle Yella from the rest of Liberia's development. There was unspeakable joy of as many were seeing vehicles in their towns for the first time in their lives.

Feasibility studies are concluded for most of the inter-county roads. This includes the entire Gbarnga to Mendekorma Road for which financing has been concluded for the first phase. In eighteen months we expect to have several of the neighborhood roads of the capital city paved. It is expected that the Freeport to Redlight road, including the Stockton Creek Bridge, now under construction will be completed. Arrangements have already been concluded to start, within this period, the second phase which will result in a four-lane road we have planned.

Feasibility studies are also ongoing or near completion to expand the ELWA Junction to Coca Cola Factory, Ganta to Zwedru, Zwedru to Fish Town, Buchanan to Greenville, Barclayville to Pleebo and Sanniquellie to Cote d'Ivoire.

At the Freeport of Monrovia, a 25-year concession was granted in 2010 to the Dutch firm APM Terminals for quick and substantive intervention to avoid the collapse of the pier and its implications for the economy. The Freeport of Monrovia, maintains its International Ship and Port Security (ISPS) Level One status. Additional development is currently ongoing under Phase II of the expansion project. This includes a container park and a more rational warehousing system.

Both the Buchanan and Greenville ports under improvement are considered good prospects for a public-private partnership with the National Port Authority.

There has been some upgrade at the Roberts International Airport, including the installation of navigational equipment. Arrangements are being concluded for a new runway and a new terminal within the next two years.

Honorable Legislators:

To date, the total combined county and social development fund, established by the executive in 2006, have totaled approximately US\$95 million, US\$80 million of which has been disbursed. A balance of US\$15 million is collected but undisbursed until the established processes have been met. The activities from these facilities are expanded by your legislative projects which I understand are being well implemented and I want to thank you for that.

We inherited a water and sanitation system that had been completely destroyed, leaving the citizens dependent upon rivers, open wells for water supply, septic tanks and other unsanitary means of relief and waste disposal. Today, clean pipe-water has returned to the capital city through the partial rehabilitation of the White Plains water treatment plant,

which currently pumps 4 million gallons a day to Monrovia and its environs. In addition, we have also built more than 400 new water kiosks around Monrovia. Together these initiatives provide 600,000 people with access to clean water. Rehabilitation of the entire White Plains Water Treatment plant and the 36-inch Treated Water Transmission Pipeline is underway and once completed, will provide, within a year, access to 1.1 million people in and around Monrovia.

Additionally, rehabilitation and expansion of the water supply system in three cities, Zwedru, Buchanan and Kakata are nearing completion. Rehabilitation of the three cities, Voinjama, Robertsport and Sanniquellie, will commence in a few months. The sanitation system still remains a huge challenge, but we will continue to engage with our partners to address this.

After 34 years of rental, full title and ownership was given to 1,372 persons in the four housing estates (Cabral, Stephen Tolbert, Barnersville, Old and New Matadi) thereby fulfilling the dream of President William R. Tolbert to move people from mats to mattresses. With the support of NASSCORP & NOCAL, 123 units were constructed in four (4) Counties, Lofa, Bassa, Nimba, and Montserrado. New and ongoing housing expansion include 93 completed units in Brewerville and 52 units in Marshall. Additionally, a number of housing units are being built for nurses in counties and the new school system will also build houses for teachers.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Members of the Legislature:

For the first time, I am excited by the potential for rapid growth of the agriculture sector through policies and programs formulated, with technical and financial support from the African Development Bank, replicating the agricultural transformation success of Nigeria. We are finalizing a detailed two-year action plan that starts with an inventory of farmers throughout the country and a value chain development approach that goes from farm production to agro-processing to full manufacturing. The targeted commodities are rice, cassava, cocoa, oil palm, rubber, poultry and fisheries (both marine and aquaculture).

The Central Agricultural Research Institute (CARI) was reactivated and granted an autonomous status with a new Governing Board. CARI has multiplied, in collaboration with Africa Rice Center, short-duration and high-yielding Foundation Rice Seeds to ensure the multiplication and availability of certified seeds for our farmers in the next two years.

Already results of this is evident by the bumper harvest, especially in Lofa County.

Concerted efforts have resulted in significant increase in cocoa and cassava production, but lack of processing facilities and value addition have limited the high export potential of these commodities which unlike others have favorable global prices.

The targeted beneficiaries of our initiatives continue to be smallholder farmers. For example, from July to November 2015, seven cooperatives in Lofa County produced nearly 300 metric tons of cocoa and earned more than half a million dollars from the sales.

We have begun to revive the fisheries sector. As a result, several companies have expressed interest in investing in this sector to respond to our diversification goal. We urge Liberian entrepreneurs to take advantage of this.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Members of the Legislature:

Today, our country has 5,571 public and private schools educating more than 1,579,058 students, 48.5% of these are female.

Our three rehabilitated teacher training institutes, and special programs have trained 15,345 teachers and the teacher verification exercise is well advanced in several counties. With this effort, we will finally keep the ghost buried, wherever they are.

The newly constructed Monrovia Vocational Training Center, will board up to 200 students and accommodate up to 1000 day students. The Booker Washington Institute is now going through organizational change, and operational assessment toward the achievement of the goal of becoming a junior college. The Klay Basic Agriculture Training Center now host 150 boarding students and is producing vegetables and other produce which enable them to feed themselves and have a surplus for sale. The Tumutu Agriculture Training Center in Bong County is being reconstructed to host 200 students aimed at a similar objective.

More than 500 young Liberians have benefited from bilateral and capacity development scholarships abroad. In our own universities and colleges, private and public alike, this administration has awarded almost 13,000 students with scholarships or financial assistance.

We are proud of the record of progress for the University of Liberia. There are 31,000 students enrolled at four campuses – Capitol Hill, Dogliotti, Straz-Sinje and Fendell, all of which have new and improved facilities.

In a stark departure from the past, an unprecedented 35 percent of the student population is enrolled in the sciences, engineering and agriculture programs.

We have converted Tubman Technical College in Harper City into our second state university - as Tubman University which is providing high quality education. Today we have eight universities; six operated by faith-based institutions. We thank all of these faith based institutions for their continued partnership in assisting us to educate our people.

Eighteen community colleges now exist, and eight four-year colleges, two established by this Administration, Bong Technical College and Harbel College. Constraints in finances and available professionals have led us to limit an expansion while other options are being

examined that would achieve the objective of making higher education available in all geographic areas of the country.

Even with these achievements, we continue to identify new methods and approaches intended to improve the quality of education for our young people; including policies regarding accreditation, management structures and subsidies for all institutions, public and private.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators:

A healthy people make a happy nation. A well-functioning healthcare delivery system is vital to the achievement of all other development goals.

We improved access to health facilities from about 30 percent to about 70 percent. We have reduced infant and maternal mortality, and had improved birth attendance by trained professionals; we were singled out by the United Nations for recording the highest change in the reduction of under-five mortality; we reduced the incidents of malaria from 68% to 28%; we made primary health care delivery free all over across the country. Yet, our efforts proved inadequate in terms of infrastructure and infection prevention and control. These weaknesses in the health care system were exposed when Ebola struck. With support of partners, a ten-year health system development plan has been concluded and implementation has begun.

Today, rather than a few counties, all counties have a government-run hospital, the last of which was recently constructed and is operational in Fish Town, River Gee County. In addition to the 15 county hospitals, rather than 354 in 2006, there are 712 health facilities functioning in the country, 275 of which are privately owned or faith-based.

A new diagnostic center is operational with plans to be converted to a public health institute. Five regional public health laboratories capable of high quality diagnostics of diseases such as Ebola will improve our capacity to respond appropriately. A new college of physicians and surgeons has been established to provide home grown specialized training to doctors and other professional medical personnel.

We are proud to have constructed the Jackson Fiah Doe (JFD) Hospital in Tappita, Nimba County. We renew our commitment to maintain this modern facility as the best referral new hospital. Efforts are also ongoing, aimed at restoring JFK to its original status as the National Premier Referral Health Facility for our country.

Since 2006, the number of healthcare workers have more than doubled, from nearly 4,000 to over 10,000. Doctors who earned US\$30.00 in 2006, today earn a minimum of US\$1,000 a month. Nurses, who earned US\$10 in 2006, now make up to US\$225.

Honorable Legislators, while compared to the invaluable services doctors, nurses, teachers and policemen are rendering, I still consider this improved compensation level to be

inadequate. We understand the current financial constraints but must continue together to explore possibilities to improve their compensation as opportunities evolve.

Over 16,500 health care personnel from both private and public facilities were paid risk benefits of over US\$22 million dollars in appreciation for their services to combat Ebola. This represents a supplement well above those paid by NGOs, private institutions and governments of other Ebola affected countries.

To date, a total of 126 families whose relations were health care workers and regrettably died in the battle against the Ebola virus, from both public and private healthcare facilities, have received US\$5000 each, amounting to a total of US\$636,000. We know that this is insufficient to dull the pains of our collective loss of such valuable lives. But we believe it represented the least a grateful nation could reasonably do.

Honorable Legislators,

Liberia is safe and secure. The decision of the Security Council of the United Nations to undertake a drawdown of its peace-keeping mission in the country bears proud testimony to how far we have travelled since the end of our protracted conflict in 2003, we have kept the peace and conducted of two successful democratic elections.

With assistance and support from international partners, we have improved standards and trained qualified Liberians in rebuilding a new professional army that is capable of securing our peace, protecting the geographic integrity of our country, and providing security service through peacekeeping duties in the sisterly Republic of Mali. Under the new Liberian Chief of Staff, the restructured Armed Forces of Liberia continue to march to a new cadence, improving community relations and participating in the infrastructural development of the country.

The Liberia National Police and the Bureau of Immigration and Naturalization have accelerated training programs at the Police Academy and have already deployed officers along the border counties. We will continue to provide better training, incentives and logistics to improve the services and quality of delivery of these important security parastatals.

After almost thirteen years of service to our country, the United Nations Peace Keeping Mission in Liberia (UNMIL) is now implementing a phased drawdown and gradual handover of security responsibilities to the Government. By June 30 this year, the Government will assume full responsibility for its security. The transition plan thus calls for a residual force of military and police personnel to remain in the country, backed as required by a rapid response force based in Abidjan, Cote d'Ivoire.

I assure all of our citizens that we have been preparing for this transition by building a new professional army and by training our security forces. We admit that resources for this purpose have been limited. Nevertheless, the process is moving slowly and smoothly. We are confident that our security forces will meet the challenge of protecting our nation and our people when UNMIL finally leaves.

But make no mistake: National security is by no means the exclusive domain of the Government and its formal security agencies. It is a collective responsibility which involves all citizens.

Our ability to live together in peace has improved tremendously. While we have some ways to go, together as a nation, we no longer limit our aspirations because of differences in gender, religion and political association.

The means are now available to all citizens to resolve their grievances without undermining our collective peace and economic security. This is why we condemn mob-violence and will continue to deal with it within the full force of the law. The community engagement approach helped us defeat Ebola and will help us sustain and maintain the peace. Nevertheless my fellow citizens, Liberia's peace is in our hands.

Honorable Members of the National Legislature, Ladies and Gentlemen:

Each day, notwithstanding the challenges we face, our faith in the future of our country is stronger. I have spoken at length about the ongoing economic transformation, about electricity, roads and ports, whose long-term planning and diligent efforts are beginning to be fulfilled with tangible results. No doubt, these hard issues will significantly change the living conditions of our people. However, the area of greatest change is the political architecture of the country. While they have been soft changes, they go to the heart of addressing the drivers of our conflict.

A few years ago, the Judiciary was identified as a weak link in fighting corruption and the overall administration of justice in the country. Today, things are changing. The Judiciary has demonstrated a willingness to enforce ethical requirements on all officers of the courts and are implementing guidelines against unethical practices.

The court system has been strengthened with presence in all fifteen counties, settling disputes and adjudicating defensible interest of all of our people. More and more citizens are taking recourse to the courts than ever before.

Compensation has been increased, logistics have been improved, new edifices have been built and old edifices renovated, thereby enhancing the overall administration of justice through the judicial system.

To decongest the over-crowded jails and prisons due to pre-trial detention, a parole system has been enhanced and rehabilitation programs extended to give inmates a capacity to support themselves and their families upon release.

We commend the new jury system that has been put into effect which now ensures that the pool of potential juries is expanded to avoid "professional jurors" whose services have not been compatible with the intent of the jury system.

A major accomplishment of this Administration is the reconstruction of a new democratic governance model. We have improved institutional financial systems, built integrity institutions, and improved the administration of the rule of law. We now urge your action to secure land ownership rights for local communities across the length and breadth of the country.

Last year we initiated the process for the creation of a national population registry and the issuance of official identification instruments for our citizens and foreign residents. This will serve as the common biographic and biometric platform for identification and personal data management for Liberia.

Today, citizens, residents and non-residents alike and the media enjoy unprecedented freedoms, sometimes without attention to the concomitant responsibility required by the Constitution and without a sense of patriotism.

The free-spirited atmosphere that prevails is evident of our increasing quest to establish a democratic system of governance that is lasting and irreversible. We must nurture it and not abuse it. We must strive to build upon it; not seek to ruin it. It must be our task to hold high the name and purpose of Liberia for our collective benefit.

Honorable Legislators:

At the international level, Liberia is at peace with all nations. Our reputation and credibility are restored, leadership and participation in regional institutions established, bilateral partners are back, and multilateral partners in business. You can present your passport anywhere in the world, be respected and accorded normal courtesies. Today, our flag flies high.

Diplomatic representation in the country consists of fifty-three missions, of which twenty-seven are resident. Our diplomatic representation abroad consists of twenty-five resident embassies, three consulates and twenty-five honorary consuls. We continue to strive to improve the conditions for our diplomatic staff, and have renovated several of our missions which were in deplorable conditions.

This past September, at the United Nations General Assembly, member states endorsed a new global development agenda, the Sustainable Development Goals (SDGs). This replaces the Millennium Development Goals which expired at the end of 2015. Liberia co-chaired with Britain and Indonesia the process in crafting the new global development agenda. Liberia chaired the African Union High Level Committee which led the process in which the African Common Position was integrated into the new global agenda.

Tomorrow, we will participate in consultations on how to domesticate the SDGs. We will be joined by some of you, by your leadership and our development partners, civil society, academia, youth, women organizations, the media and the private sector.

Recently, the Secretary General appointed a sixteen-person Panel of Advocates co-chaired by the President of Ghana and Prime Minister of Norway to promote the new SDGs. Liberia's Leymah Gbowee is a member of that Panel.

Honorable Legislators:

After seven years of effort, training and negotiations involving a cross section of stakeholders, on December 16, 2015 in Nairobi, Kenya, the first of such conferences convened in Africa, Liberia acceded to the World Trade Organization.

The Small Business Empowerment Act is now beginning to take effect. This Act requires all government entities to spend a minimum of 25 percent of their procurement budget on goods, services and works from Liberian owned businesses, five percent of which must be directed to Liberian women owned businesses. Based on the current budget, a total of US\$70 million could be injected into the Liberian economy through our Liberian-owned businesses.

Already 104 of 6,000 Liberian businesses have registered free of charge and are in compliance with the process established by the Public Procurement and Concessions Commission. We urge all Liberian businesses, including the media and law firms to register and take advantage of the twenty-five percent preference which will help the country achieve this objective. It is important that all three branches of government make maximum effort to ensure full implementation of the law which benefits our people.

As we have done in the past, this year we are pleased to recognize two dynamic entrepreneurs including one in the agriculture sector – Mr. Mahmud Johnson of J-Palm (Liberia) - (no relation) - who completed his Master's program in the United States elected to come home and is now processing palm kernels for oil; and Mr. Alex Garley of Garreston Steel, a manufacturer of nails. Several small-scale and medium scale operations from copybooks manufacturing, printing, rubber wood and meat processing, and hospitality have potential to grow in size.

Honorable Legislature:

We thank you for passing the decent work bill which increases the minimum wage and sets the pace for implementation of a dignified working environment. We have continued to promote collective bargaining agreements to ensure good labor relationships and improvement in the living conditions of workers, as well as the mediation of labor disputes to facilitate cordial relations.

In 2015, in a bulletin recently released by the Ministry of Labor, roughly 395,000 persons worked in both the public and private sectors. The majority of these are in wholesale and retail trade, and in education.

Significant progress has been made for the issuance of biometric identification which will be implemented in time for the 2017 general and presidential elections.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Ladies and Gentlemen:

As a mother and a woman leader, the record is clear on my response to the issues of women and children, particularly in support of their economic participation, their participation in governance, and their protection from violence.

The Economic Empowerment of Adolescent Girls (EPAG) has trained an additional 1,000 which adds to the 3,400 young girls already trained. A new innovation trains women to become operators of motorcycles called the (Pink Panther) and trained women how to operate vehicles called (Women Behind Wheels). We urge you to support these new innovations which is meant to ensure the safety of our girls and our mothers when they are travelling along the routes and would need the protection of the one who is driving them to the point of work or residence.

As noted earlier, much is being done to educate our girls and to promote literacy of market women. Enrollment of girls in school is now almost equal to boys. Yet more must be done to empower them. In truth, we cannot progress without the active, enlightened participation of both genders.

We must enact laws that protect our girls and women. I have thus submitted the Domestic Violence Act, which I trust you will soon enact into law.

We also urge passage of the Gender Equity Bill proposed by the Women Legislative Caucus. In doing so we must give consideration to the budgetary implications.

Honorable Legislators:

Regrettably, the inhumanity of rape is still being perpetrated. The victims have included young girls, boys, and sometimes even babies. This wickedness must be brought to an end. We implore the Justice System to move fast in punishing those who commit these heinous crimes, whoever they are. This will not be tolerated from citizens or from foreigners, who abuse the privilege of living in our country.

Similarly, human trafficking is a crime against humanity and we call upon the justice system to bring to closure those cases that have been in the system for much too long.

Bureaucracy is a necessity and sometimes nuisance element in Government. To date, Government maintains an employment level far above that required for efficiency and integrity. The Civil Service roll counts 45,608. This implies compensation of US\$147million or 27 percent of the budget. Additionally, twelve (12) public corporations or State owned enterprises employ over 3,100 persons, excluding casual laborers, which require compensation of close to US\$44 million. We need to curb excessive allocation to personnel services which is good for social protection but crowds out funds that should go to public investment that grows the economy and creates more jobs.

The movement of people continue to be a challenge with inadequate road systems. This is exacerbated by the high population density in Monrovia and environs where over one third

of the population reside. Despite the challenge, we are pleased to introduce a national public transport system that operates not only in Monrovia, but along main county roads to Buchanan, Tubmanburg, Gbarnga and Ganta.

As a step towards improving the transportation of citizens from the neighborhood to the main arteries, beginning in Monrovia, our most congested city, the Government has initiated a pilot program, by purchasing seven mini buses to add to the national fleet, which will provide specifically service to our various neighborhoods.

Private philanthropy has added an important pillar of support for our development efforts. These include the Liberia Education Trust, the Scott Fellow, the Senior Executive Service, the Sirleaf Market Women Fund, the Presidential Young Professional Program all of which contribute to the building of schools, markets, the training and mentoring and placement into public service of young professionals and literacy training for both our young population and market women. We are grateful to these private donors for the impact on the lives that are touched by their kindness.

The records show that 243 national and international entities are registered as non-governmental organizations, clearly overwhelming our population of 4.5 million. A system of accreditation and monitoring for transparency and accountability is an imperative. The Ministry of Finance and Development Planning needs to prioritize the publication of guidelines applicable to NGOs. A more standard-based environment is required for our partners to operate while ensuring accountability to both donors and beneficiaries and respecting the sovereignty of our nation which makes us accountable not to foreign entities but to our people.

Mr. Vice President, Mr. Speaker, Honorable Legislators:

Corruption obviously threatens the rule of law and impedes national development. It frustrates efforts to fairly distribute our resources, undermines essential democratic values, renders institutions ineffective, and retards our socio-economic and political development. For these reasons, we established the fight against corruption as a major objective at the inception of this Administration. We have addressed some of the root causes– lack of systems, institutions, laws, values, policies and strategies, inadequate compensation, and poor capacity.

We have terminated officials, restructured the Prosecution Department of the Ministry of Justice; prosecuted accused persons where evidence is great; reinvigorated the Public Procurement Concession Commission; proposed a special court for economic crime; and initiated an Open Budget process. As is evident, Liberia has passed the Millennium Challenge Corporation scorecard on control of corruption for the last four consecutive years and since 2007 has moved from 176th place on the Objective Global Ranking Index of Transparency International to 97 in 2015 out of 186 countries assessed annually.

There has been progress. Notwithstanding the progress, we acknowledge that at home we continue to grapple with negative perceptions. This is something that involves all of us.

Too often, we keep saying things that are not true. Too often, we accuse when there is no evidence.

My Fellow Citizens:

To succeed, our fight against corruption must be holistic. It must be waged collectively, with the full participation of all well-meaning Liberians and friends, social and political institutions, civil society and faith-based organizations joining with Government. Those who give bribes are as guilty as those who receive bribes. They are equally culpable and subject to punishment.

As a people, we must continue to embrace and inculcate a spirit of hard work, integrity, and honesty in our homes, in our schools, at our work places, and in our places of worship. That is the only way we can defeat this societal problem.

Honorable Legislators:

We have championed the purpose of national reconciliation which ensures equity, equal opportunity and justice for all. The report of the Truth and Reconciliation Commission, makes 207 recommendations, the majority of which, policy based, are well advanced in implementation. The Palava Hut Initiative is being restarted, and the Independent National Human Rights Commission, which has prime responsibility for implementing the Truth and Reconciliation Report, is being reorganized as required by the law.

As a follow-up to the October 2013 meeting held in Zwedru, Grand Gedeh County a week ago, in Guiglo, La Cote d'Ivoire, along with Ivorian President Alassane Ouattara, I participated in a meeting of officials, chiefs and traditional leaders from both Liberia and La Cote d'Ivoire. These meetings aim to build unity among the peoples across our borders. We are assured that a spirit of unity and mutual security will continue to prevail. We thank the Ministry of Internal Affairs for the effective guidance they have provided to the process.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Mr. Chief Justice and Associate Justices, Honorable Legislators:

In response to the call of the people coming out of the robust consultation process that led to the Vision 2030, a Constitution Review Committee was established in 2012. The work of the Committee over a period of four years has been finalized and is now before you for consideration. Thank you for your support of this process.

Consistent with the constitution and the practice that prevails in the majority of ECOWAS countries, we urge you to endorse positive action to allow persons of Liberian roots to have dual citizenship.

Additionally, I am convinced that coming out of the robust Vision 2030 consultations, it is the people's will to reduce the term of office of the president, vice president and members of the legislature. I urge you to consider the wishes of the people.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Mr. Chief Justice and Associate Justices, Honorable Legislators:

We have the prime responsibility as a people to chart our own destiny. We must always be mindful that this nation can progress if we understand the lessons from our experiences - lessons that can be used to better design this nation and sketch the roadmap for our collective enhancement.

Moreover, as a people, we must move forward with the times, honor our international obligations, conduct ourselves appropriately in the community of nations, and reciprocate the level of acceptance that our nationals receive in foreign lands. We should not continue the race based discriminatory provisions of the constitution. I urge you to adopt changes consistent with advancement in the global community. I urge you to propose amendments that would allow any person who meets required standards to become a citizen of Liberia, irrespective of race. I urge you to give to other nationals, the rights and privileges accorded Liberians in their lands.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators:

In wake of the challenges we face and the need to maintain macroeconomic stability and stimulate growth, we have formulated an Economic Stimulus Package covering a range of fiscal incentives and interventions including certain deferrals in the Concession Sector.

Specifically, we ask your action, as needed to do the following:

- Waive Penalty & Interest on Overdue Taxes through a plan that provides incentives for settlement;
- Waive Storage Charges for Containers aged over 90 days through procedures to be established by the National Port Authority;
- Create within 90 days a platform that will eliminate as a first step, the International Permit Declaration (IPD) on rice;
- Extend a 100% duty free privilege for industrial saw mills with eligibility tied to time framed local processing;
- Defer payment of Social Development Funds for Concessions within Mining Sector under an agreement that ensures additional incentives for a strategy that prevents closure, protects employment and encourages value addition;
- Provide a guarantee of US\$15 million to commercial banks for loans to finance operations in the rubber sector under Sector Restructuring Plan that ensures debt settlement and value addition for farms of not less than 100 acres;
- Provide guarantee of US\$2 million to commercial banks for loans small Liberian Businesses that require no more the US\$50 thousand for commercial activities;
- Revise revenue and investment codes to protect local manufacturers;
- Expand duty free on all agricultural machinery and farm inputs;
- Restrict duty free privileges;
- Enforce the law restricting certain businesses reserved for Liberians;
- Restrict official executive travel and enforce ordinance relating to time and class of travel;
- Enforce the policy on the purchase of government vehicles;

- Restrict compensation level of top executives of autonomous agencies and State Owned Enterprises to Cabinet framework.

Mr. Speaker, Honorable Legislators: Several high-level foreign officials of friendly countries and international organizations visited Liberia during the period under review, in a show of solidarity and friendship, notably among them are:

1. H.E. Mohammed Ould Aziz, President of the Islamic Republic of Mauritania and rotating Chair of the African Union;
2. H.E. Faure Essozimna Gnassingbe, President of Togo and Head of ECOWAS Ebola Virus Disease Response;
3. H.E. Dr. John Dramani Mahama, President of Ghana and Chairman of ECOWAS Authority of Heads of State and Government;
4. Madam Christine Lagarde, Managing Director of the International Monetary Fund;
5. H.E. Mr. Kadré Desire Ouédraogo, President of the ECOWAS Commission
6. H.E. Wang Yi, Foreign Minister of the People's Republic of China

Mr. Speaker, Honorable Members of the National Legislature: During this reporting period, the Country lost many dedicated and loyal officials of Government and prominent Citizens when they departed from labor for a peaceful repose. Those for whom Official Gazettes were issued include:

1. His Honor, Johnnie Naustedlau Lewis - Former Chief Justice, Supreme Court of Liberia
2. Sheikh Kafumba Konneh - Former Chairman, National Muslim Council of Liberia
3. Hon. Manyu M. Kamara - Former Senator, Bong County
4. Hon. Henry J. Weeks, Sr. - Former member of the House of Representatives for Careysburg District
5. John Tozay Yorlay- Former Member of the National Traditional Legislative Assembly (NTLA)
6. Hon. Evelina Z. Quaqua - Circuit Judge, 16th Judicial Circuit Court, Gbarpolu County
7. Ambassador Rudolph von Ballmoos - Former. Ambassador, United Kingdom of Britain and Northern Ireland
8. Hon. Othello Warrick - Former Director, Executive Protective Services and former Deputy Minister for Administration, Ministry of National Defense
9. Col. Charles Gyude Bryant, Sr. – Former Provost Marshall General, Ministry of National Defense.
10. Rev. Dr. John Adolphus During-Former Chief of Protocol of the Republic of Liberia.

Honorable Members of the Legislature, Distinguished Ladies and Gentlemen, my Fellow Citizens: a nation bound together in 2006 vowed to walk away from the destruction and the hurt of the past; we vowed to be committed and determined to ensure a future of peace and prosperity for all Liberians. We stood and will continue to stand the test of time amid troubled waters.

Although the antics of an unknown enemy threatened to consume us, through our leadership we rose to the challenge. Our communities became the fulcrum of that resurgence. We came together as a united people irrespective of social and political

persuasions. We sailed steadily – and our resolve to steer a stable and peaceful country in spite of the challenges remains unabated. Let us remain one people, one nation united for sustainable peace and development.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators:

In closing, we would like to express thanks to you for all the support that we have received during the year. It's been tough times and we all have had to act in accordance with our processes and our procedures.

Today, as we face these times, it is required that we all come together in the spirit of unity. It's required that we continue to reach out to meet the needs of our people.

Mr. Vice President, Mr. Speaker, Mr. President Pro-Tempore, Honorable Legislators:

May God bless you all and save the State.