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## Pres. Sirleaf Calls for New Approaches in Dealing With Fragile States and MRU

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President Sirleaf Thanks African Development Bank for Strong Support to Liberia; Calls for New Approaches in Dealing with Fragile States and Mano River Union

(TUNIS, TUNISIA – Wednesday, February 20, 2013) President Ellen Johnson Sirleaf, on a visit to the temporary headquarters of the African Development Bank in Tunis, thanked the Bank for all that it has done to bring Liberia to the level of progress it has achieved, and she made a commitment to do all the things that Liberia ought to do to enable the country to achieve the Agenda for Transformation and to see Liberia's new vision come to fruition for the prosperity of the Liberian people.



President Sirleaf also discussed with the Board such topics as ADB support to fragile states, and its Mano River Union trade corridor program. The Liberian President is current Chair of the Mano River Union, whose members also include Sierra Leone, Guinea and la Côte d'Ivoire.

According to an Executive Mansion dispatch from Tunis, the Liberian President came to the Tunisian capital at the invitation of the ADB President, Mr. Donald Kaberuka, to address the Board of Executive Directors and the Deputies of the African Development Fund as the Bank Group met for the First Replenishment Meeting for ADF-13. Among those accompanying President Sirleaf to Tunis was her Legal Advisor, Cllr. Seward Cooper, who was Chief Counsel and later the first head of the Integrity and Anti-Corruption Division of the ADB.

The Board of Executive Directors comprises representatives of all the member countries of the Bank, both African and non-African countries, who approve the Bank's policies and operations. The Deputies of the African Development Fund are the representatives of those countries that contribute to the Fund. They are the concessional window of the Bank, which lends money to least-developed countries like Liberia. Said the Liberian President to the Board of Executive Directors: "The special circumstances of fragile states need to be addressed. They are just not the same as countries that are normal. The capacity is weak, the resources are scarce, the imperatives of urgency are more intense in fragile states because whatever you do is to ensure that you begin to consolidat



## ADB Captions [1]

e those gains and deliver to people in a much more timely fashion to manage expectations to prevent any chance of slipping back into conflict."

Of the Mano River Union countries, she said: "All of our four countries – some 40 million people – can be considered fragile because we've all been part of a regional war, one way or the other, and today we have these alliances across borders.... Today, the four countries are working hard to establish regional integration and cooperation as the only means whereby each can prosper."

"We are all natural resource countries, but lacking in those basic requirements that will enable us to use those natural resources to be able to foster development, and much of that has to do with infrastructure," President Sirleaf observed, noting that "you still cannot, today, drive from Freetown to Monrovia on decent roads, or from Monrovia to Côte d'Ivoire on decent roads." She added: "Some work is being done on that, but we really want to see a particular emphasis on these countries because of the interconnectivity, and they've started. We've got the West Africa Power Pool that's starting; we've got the CLSG, the interconnection of lights. Those are ongoing, but much more is needed in terms of transport, much more of the power in each of our countries."

President Sirleaf urged the ADB Board to work with the Mano River Union countries – all fragile states – by looking at development in a different way, by examining its own processes and procedures in a different way, by working with the MRU to discover the synergies between the use of the countries' natural resources through private sector arrangements and public resources. The Liberian leader noted that all four MRU countries have potential in oil exploration, and said: "We are all exploring. Some have already reached discovery. It opens a whole new area that one needs to start to work to make sure that we don't have the resource curse that many other countries have experienced. Now is the time to do it, since all of these efforts are embryonic."

Opening her statement to the Executive Directors, President Sirleaf said that many of those present were familiar with the journey of Liberia after two decades of conflict; three-year interim period of peace; and then democratic elections in 2005 that brought her administration to lead the country as of 2006.

Said President Sirleaf: "We met a collapsed economy, dysfunctional institutions, destroyed infrastructure, and virtually a people with little hope in the future. Your institution, the ADB, was one of the first to have the confidence that Liberia, indeed, could come back. President Kaberuka visited in 2007, and he started the process – working with others, of course, with many of our other partners, to start the process of recovery, the process of rebuilding."

The President then went on to cite the many ADB-supported activities from which Liberia has benefitted: job creation, supporting civil works, public works that employed many of our thousands and thousands of young people; in capacity building, through the Liberia Institute of Public Administration, to start the process of reorganizing government entities; in the area of governance; working with the financial management systems, helping to get the revenue processes under way through the ASYCUDA intervention; support in Liberia's debt relief effort, where US\$4.6 billion in external debt arrears was forgiven, with the ADB contributing US\$258 million. Today, continued the Liberian President, there are many other Bank interventions that are getting started: in agriculture, to help smallholders, where the greatest potential for food security lies; in water and sanitation; support for the Central Bank of Liberia in modernizing the payment system; the Fish Town to Harper road project, which has been a transformative intervention in changing the lives of people in the region; the energy project which takes power to the four Mano River Union countries; support for refugees through the UNHCR; the

establishment of a Bank Field Office which, she said, "has made a big difference in our ability to identify impediments and find a way to respond to them, and having someone that can sit with your Officer there and discuss it, and she's able then to convey to the management here what are some of those issues and talk to them about how we can find solutions to them, has really made a very big difference."

The ADB provided budgetary support to Liberia at a time when the country's own financial systems were just being developed, and had helped in building the financial management systems to ensure that funds were properly used, President Sirleaf recalled. Liberia, with the support of the Bank, joined the Extractive Industries Transparency Initiative (LEITI), she said, adding that she was proud to say that Liberia was one of the first two countries to become fully compliant.

Speaking of Liberia today, President Sirleaf said that the country is "moving along very well," adding: "Our growth has averaged over 6.5% over the past six years. We expect that we will go above that level. I think the projection is 7.9% for 2013; we don't accept that, we think it's too small given the fact that we have mobilized some US\$16 billion in foreign direct investment and those operations, in mining, agriculture and forestry, are just getting started."

She said the country has been going through fiscal reform, and had introduced its first Medium-Term Expenditure Framework Program for fiscal year 2012/2013. The country has also made a lot of progress in reconstructing its economic and social infrastructure, including roads and power systems, the building of schools and clinics. President Sirleaf also mentioned governance as another area where Liberia continues to receive ADB support.

Of the Liberia of tomorrow, President Sirleaf said this: "We've got great ambition. Under our Vision 2030, which has just been concluded, and the five-year tranche of that, the Agenda for Transformation (AfT), we seek to become a middle-income country by the year 2030, and we want to say that we hope we'll not be aid dependent after ten years, if we put our own resources to work properly."

She said the Agenda for Transformation is very well aligned with the New Deal that stresses the principles of fragile states and what to do about them. Liberia is one of the six countries that are promoting the New Deal, which has been endorsed by over 24 countries. The essential elements of the New Deal, she said, are: peace-building, state-building, ownership, mutual responsibility.

Concluding, President Sirleaf informed the Board of her role as one of three Co-Chairs of the High-Level Panel on a Post-2015 Development Agenda that is working to present ideas to Member States of the UN General Assembly. "Clearly," she said, "no 27 persons can come up with a global agenda; they can only, on the basis of rigorous consultation, take ideas and find where consensuses seem to lie and then take them to the bigger institutional bodies and, indeed, in our case, in Africa, the African Union (AU), the Economic Commission for Africa (ECA) and the regional institutions and our civil society organizations which have been fully a part of this consultative process."

As for the Millennium Development Goals themselves, President Sirleaf said "we will continue and accelerate the efforts of the MDGs. We still have three years, and some of the MDG targets are still very relevant for many of our countries, so we want to see countries begin to do that, but then to also recognize new imperatives, such as environmental sustainability, which is something coming out of the Rio process on sustainable development to make sure those are incorporated; ensuring economic growth with inclusiveness; and social equity – those are the areas that beginning to again center on how do we minimize poverty; how do we fight poverty, which is the all-encompassing root cause of some of the problems which we face in our economies today. How do we redefine relationships? The New Deal principle of mutual responsibility says today that our own countries must take even greater responsibility for their own development; we must use our own resources much more for our own development; and that this partnership must define what's the mutuality in benefits, mutuality in respect, mutuality to ensure that we take charge, so to speak, that the ownership factor is stressed and is supported within the context of this partnership arrangement."

For their part, in the interactive session with the Liberian President, they sought her views to such questions as: the comparative advantage of the ADB; the cross-over between the New Deal and new agendas; how the Bank could support ownership for regional agenda; the gender dimension of Liberia becoming a middle-income country. The President was also asked where she believed she had gotten things right for Liberia to move

forward; how the Bank could help more in the area of capacity-building; and how could the Bank draw up a program on fragility. It was also pointed out by the representative from Uganda that the Liberian President had made the women of Africa proud, and that more women would save the continent.

President Sirleaf and her delegation arrived in Tunis on Wednesday morning. Over lunch with President Kaberuka and Senior Management of the Bank, the Bank President recalled the changes he had witnessed during his visit, last September to Liberia, as compared to when he had gone there in 2007. He observed that no manual exists on how to rebuild a damaged country, and he applauded President Sirleaf's efforts in that regard. He was happy that the Bank had made a minor contribution, while hoping it could do more.

Responding, President Sirleaf said that being at the ADB was like coming home, having been a part of the Bank for some 30 years. She had seen it transformed into the continent's primary and prized institution. She said that since Liberia began its recovery, the ADB had supported its efforts. She also used the opportunity to say that she believed that the Bank process is too slow, that projects take too long, especially for post-conflict countries whose people have raised expectations. She mentioned, in that context, the time it will take to pave the Fish Town to Harper road, and urged that work commence quickly so that two rainy seasons do not wash away the work already done. She called for meetings with government officials to find efficient solutions in speeding up the processes. President Sirleaf also spoke of the difference made in having an ADB field office in Liberia. Managers of the Bank used the occasion of President Sirleaf's visit to brief her on Bank activities in Liberia. These included: the study for the Fish Town to Ganta road project; governance, agriculture and institutional support activities; ASYCUDA and revenue generation, IFMIS and the Open Budget Initiative; performance management; common projects for ECOWAS, Sahel and Mano River Union countries; how to speed up processes; decentralization; capacity building; natural resources management; and more. Asked to say which projects are transformative that they can pay for themselves, President Sirleaf mentioned energy. She said that the Mount Coffee Hydro project, well under way, would provide 80 megawatts of power. but with a storage capacity, it could provide 1,000 megawatts, some of which could be sold. She said that at 54 cents per kilowatt hour, the cost of electricity was killing small businesses and slowing the country's development. She called for public-private partnerships with the concessions in harnessing the St. Paul River.

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