

ANNUAL MESSAGE

To the

**Fifth Session of the
52ND National Legislature of the Republic of Liberia**

By

**Her Excellency Ellen Johnson Sirleaf
President of the Republic of Liberia**

Capitol Hill, Monrovia
Delivered Monday, 25th January 2010

Mr. Vice President and President of the Senate;
Mr. Speaker;
Mr. President Pro Tempore;
Honorable Members of the Legislature;
Associate Justices of the Supreme Court and Members of the Judiciary;
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 in Liberia;**
Officers and Staff of the United Nations Mission in Liberia;
**The Command-Officer-in-Charge, Men and Women of the Armed Forces
of Liberia (AFL);**
Former President and Mrs. Moses Blah;
**Former Chairman of the National Transitional Government Mr. Gyude
Bryant;**
Former Government Officials;
Traditional Leaders, Chiefs and Elders;
Political and Business Leaders;
Officers and Members of the National Bar Association;
Labor and Trade Unions;
Youth and Student Organizations;
Civil Society Organizations; Members of the Press;
Distinguished Ladies and Gentlemen; Fellow Liberians:

INTRODUCTION

In obedience to the Constitution of our Republic, I have the honor, for the fifth time, to report to you on the state of our nation. First, in homage to God Almighty, by whose Supreme Will we are guided, and to the memory of the cherished Liberian leaders and citizens who have passed from this life, I ask that you join me in observing a moment of silence.

Mr. Speaker, Honorable Members of the Legislature: While carrying out fully my constitutional responsibility, for this year's Annual Message, I have decided to do things a bit different. You will receive a longer, detailed version of the Message to this Honorable Body – almost 80 pages – which you can peruse at your leisure, and which your staff can download from the Executive Mansion Website. In the interest of time, I will present a more concise statement, in which I highlight the major policies and achievements of this Administration. I will also address some of the challenges and pressing issues confronting the nation, as we chart the way forward.

LEGISLATIVE AGENDA

Honorable Legislators, let me express my thanks and appreciation for the spirit of cooperation that exists between the Executive Branch and this Honorable Body, as we join forces in bringing peace and prosperity to our nation and our people.

We commend you for enacting into law several pieces of legislation significant to achieving our development goals under the Poverty Reduction Strategy (PRS). We are pleased to state that out of 26 legislative instruments submitted by my Office to your Honorable Body during its Fourth Session of the 52nd Legislature, 21 have been enacted into law, and 5 are being deliberated in Committee Rooms. We are also pleased to recall that 10 pieces of legislation submitted to this Honorable Body in previous years were also enacted into law, for a total of 31 pieces of legislation enacted into law during the period under review. Several of them, significant to our PRS program, include: An Act to establish the Land Commission; the Public Finance Management Act; An Act to establish the Liberia Airport Authority; the Amendment to the Independent National Commission on Human Rights Act; and an Act Establishing the Liberia Extractive Industries Transparency Initiative (LEITI). Again, I express my sincere appreciation for your cooperation as these laws are putting in place a framework for our future prosperity.

Honorable Legislators, we ask your usual cooperation for the enactment of proposed pieces of legislation still pending before you, which have significant implications for the achievement of our goal of national renewal and for the protection of our people. These include: the Investment Incentive Act of 2009; the International Convention against Doping in Sports; three Mineral Development Agreements between the Government of Liberia and AmLib

United Minerals for operations in Rivercess, Grand Gedeh and Montserrado Counties; the Code of Conduct for Public Servants; and an Act to Amend Title 2, Criminal Procedure Law, as enshrined in Volume 1 of the Liberian Code of Law Revised.

As we move into the Fifth Session of this 52nd Legislature and the fifth year of this Administration, let us endeavor to keep the path to our development agenda steady, in the interest of our people. In this vein, we will be submitting to your Honorable Body, for enactment, several proposed laws intended to enhance the progress and tackle the challenges under the Poverty Reduction Strategy. These include: An Act Amending the Public Procurement and Concessions Act of 2005 which will to harmonize the New Mining and Mineral Law and Petroleum Law with the PPCA; An Act to Create the National Bureau of Concessions; the Liberian Law Reform Commission Act; the National Security Reform & Intelligence Act; An Act to amend Sub-chapter C of the Domestic Relation Law of Liberia 1956 & 1976 relating to Adoption; the National Insurance Commission Act; and the Amendment to the Insurance Act of 1973.

Others Concession Agreements that will be finally concluded and submitted for your ratification are: Putu Iron Ore Mining Ltd.; BHP Billiton Iron Ore; Elenilto Minerals and Mining Ltd. for the Western Cluster; and the 2nd Amendment to the China Union (Hong Kong) Mining Co., Ltd. and China Union Investment (Liberia) Bong Mines Co. Ltd.

I will also submit to your Honorable Body, for consideration and enactment, an Act to amend the Act providing for Retirement Pensions for the President & Vice President, the Speaker & Deputy Speaker of the House of Representatives, the President Pro Tempore of the Liberian Senate & Members of the National Legislature, the Chief Justice & Associate Justices of the Supreme Court and Judges of Subordinate Courts of Record, Cabinet Ministers, Deputy & Assistant Ministers, Members of Autonomous Commissions, Ambassadors and other Senior Officials of Government, including Superintendents of Counties; and legislations to Repeal Moribund State-Owned Enterprises (SOEs).

During your period of recess, we issued 5 Executive Orders in the interest of the public to meet emergencies or to correct particular situations: Executive Order No.18, represented an extension of Executive Order No. 7, on the Establishment of Liberia Macroeconomic Policy Analysis Capacity Building Project (LIMPAC); Executive Order No. 19, provided for an extension of Executive Order No. 11 on Suspension of Tariff on Rice; Executive Order No. 20, established a Law Reform Commission; Executive Order No. 21, amended Executive Order No. 20; and Executive Order No. 22, provides for the protection of Whistleblowers.

Mr. Vice President, Mr. Speaker, Mr. President Pro Tempore, when the Oath of Office was administered to me during my inauguration on January 16, 2006, I committed myself to the protection and preservation of our national

integrity, a goal which I hold dear, especially to our people and our international partners.

On this path, our Administration, for the last four years, has taken many strong initiatives toward actualizing this objective. Appropriate pieces of legislation enacted and published into handbills, include: the Anti-Corruption Commission; the Liberia Extractive Industries and Transparency Initiative (LEITI), which monitors transparency and accountability of revenue realized and the performance of concessions from the extractive industry.

Amongst the several legislations and concession agreements that will be submitted to your **Honorable Body** for enactment, to enhance our efforts at national integrity, is the Whistleblower Protection Act.

This Act, when enacted, will encourage the participation of every citizen in the fight against corruption; provide for the manner in which individuals may, in the public interest, disclose information that relates the unlawful or other illegal conduct of corrupt practices of others; provide for the protection against victimization and retaliation of persons who make these disclosures; and provide for a fund to reward individuals who make the disclosures. This Act will be a powerful tool in the fight against corruption.

Honorable Legislators, you have acted on one of the most important legislation, the “Act to set the Threshold to Reapportion Constituencies

throughout the Republic of Liberia,” popularly referred to as the Threshold Bill. I want to be clear that I am just as anxious as you are, and the public, for the passing of the Threshold Bill. But I would be less than responsible if I did not point out to you the consequences of setting the threshold at a level that threatens the development which we both have worked so hard to promote.

Mr. Vice President and President of the Senate, I thank you for your continued loyalty and dedication, for the strong support and assistance you continue to give me in the discharge of my functions, taking from my shoulders many of the duties that come with governing a nation – responsibilities that include investment promotion, program monitoring, international representation, and the resolution of disputes.

Mr. Speaker, Mr. President Pro Tempore, I applaud the renewed leadership you bring to this legislative process, and seek your continued cooperation in the passage of legislations and instruments of ratification to move our national agenda and our nation forward.

VISION

Honorable Legislators, our vision for Liberia, enshrined in our Poverty Reduction Strategy, remains unswerving and unambiguous. Liberians want to build a new nation that is peaceful, secure and prosperous, with democratic and accountable governance based on the rule of law and with abundant

employment and other economic opportunities. Our critical objective, over the next two years of this Administration, is to continue on an irreversible path toward this goal: to achieve rapid, inclusive and sustainable growth and development; to build the capacities of and provide new opportunities for Liberia's greatest asset – its people; to establish responsible institutions of justice, human rights and governance. This is our vision and our commitment which can only be achieved when the majority of our people share in the vision and are willing to participate positively and constructively in the processes of reform and change.

NATIONAL DEVELOPMENT AGENDA

Mr. Speaker, Honorable Legislators, we have come a long way in our journey to economic reconstruction and national renewal. Let us reflect on where we have come from as a nation. Several years ago, this country was little more than a shell, devastated by war, an economy in ruins, lacking any real physical infrastructure, an international pariah inhabited by a people worn down by decades of conflict. In 2006, together we launched the Interim Poverty Reduction Strategy, a 180-day deliverable program. In April 2008, we launched an even more aggressive three-year (2009-2011) development agenda under the full-fledged Poverty Reduction Strategy or “Lift Liberia” Agenda. This development plan was drawn up, not simply by the Government in Monrovia, but by the whole people of Liberia. Through meetings throughout the length and breadth of this land, our citizens made

clear their priorities and from that this plan was formed. For the first time in Liberian history, we have a road map for our future that was truly laid by the people of this great nation themselves. The wisdom of the Liberian people is such that our development partners endorsed this plan as the best prescription for laying a solid foundation to reduce the suffering of our people through rapid, sustainable and inclusive economic growth.

In doing so, we were very mindful that the decline and destruction experienced by our country for more than 30 years would not be fully addressed in three years or six. Thus we said quite clearly in our Inaugural Address on January 16, 2006, and I quote: *“Our economy has collapsed due to the several civil conflicts and economic mismanagement by successive governments. The task of reconstituting our devastated economy is awesome for which there will be no quick fix”*. **Honorable Legislators**, there is no magic wand to transform our nation from destruction to prosperity. The success we are able to make in bringing development to our people will depend upon the participation and support of all Liberians. ‘Papa’ cannot come back home with happiness if he never leaves his house.

Development is, by definition and practice, a slow and continuing process. But look at us now four years on. We are putting in place the building-blocks to construct a peaceful, secure and prosperous nation: by rebuilding and retraining the armed forces and police, we are on the way to making our country safe again, so that we can once again sleep at night; through sound

management of the economy, we have doubled investment into the country, and more than halved our national debt burden – meaning we will have a far greater ability to create jobs and provide services in the future; by setting up an Anti-Corruption Commission and reorganizing the General Auditing Commission, we have demonstrated our resolve to stamp out corruption; we have brought lights, water and basic sanitation service to the Capital City for the first time in 14 years and are in the process of bringing them to the rest of the country.

Indeed, together, we have laid the foundation that will ensure that the sufferings and miseries of our people are adequately addressed. Let me recall that many of the elements of the foundation that have been laid are buttressed by the many policy and strategy documents that have been finalized.

Pillar I: Peace and Security

Under the Peace and Security Pillar, we have professionally trained an inclusive new Armed Forces of Liberia numbering more than 2,000. This includes an engineering company capable of complementary and emergency efforts, which I have mandated to speedily move toward battalion strength to ensure that our new army contributes to our national development. We have renovated several major barracks – the Barclay Training Center in Monrovia which now houses the Ministry of Defense, the Camp Tubman Military

Barracks in Gbarnga, the Camp Edward Binyah Kesselly Barracks in Shefflin, and the Camp Sando Ware in Careysburg. We have commitments of continuing training support from the United States and China and from our sisterly West African States of Benin, Ghana, Nigeria, and Sierra Leone. The Africa Command of the United States has sent 64 U.S. Marine “mentors” to build upon the training previously provided by U.S. Defense Contractors further increasing the stability of our nation, as we begin the transition from the support we have received for the many years from our partners and UNMIL.

Fellow Liberians, we will, on Armed Forces Day, February 11, activate the Liberian Coast Guard Unit with an initial strength of 40 persons who have been trained in the United States. They will have a mandate to improve the security of our coastline and control smuggling and illegal fishing. We invite you to be there.

Our police force has been significantly strengthened. We have trained 434 members of the Liberia National Police at the reactivated Police Academy and established a professionally trained Emergency Response Unit of 287, moving toward the target of 300, and a Police Special Unit of 148 moving toward the target of 600 by the end of this year.

The Bureau of Immigration and Naturalization is currently undergoing training and has established 10 border patrols to meet our target of 13 in 6 counties.

A program of enhancement is under review for the Fire Service. We have established the National Bureau of Veterans Affairs to serve the men and women who dedicated their lives to military service, and we are moving to appoint the County Coordinators that will address the needs of veterans in our rural areas. The remaining case load of 7,388 under our DDRR program has been successfully concluded and the program brought to closure.

We have tried to respond to the concerns of the AFL who were disbanded in 2005 by paying arrears of US\$4.1 million, including US\$228,000 to AFL Widows. Any further assistance to them must be directed at job and training opportunities as a means of ensuring sustainability in benefits.

Pillar II: Economic Revitalization

Under our Economic Revitalization Pillar, we have achieved a growth rate averaging 7.4 percent over the past four years, transforming our economy for the future. We have created jobs, attracted huge levels of investment, and built a platform for future prosperity – banks have reopened in our towns, resources are being put to work for the people of Liberia, and construction is expanding rapidly. All this has been achieved despite the impact of the 2008/2009 global economic recession which has impacted us, just as it has all other nations.

As you well know, we have reduced inherited external debt arrears, which were unprecedented across the globe when compared to our national wealth, from US\$4.9 billion to US\$1.7 billion and we expect the bulk of this remaining debt will be forgiven when we reach the HIPC Completion Point at mid-year. We are pleased that this includes the buy-back of all but a small amount of commercial debt of US\$1.6 billion at 3 cents on the dollar. We have, in short, escaped the economic burden of the past, and freed ourselves for a better future. In short, though still riddled with the economic and other burdens of the past, we are coping effectively and laying a sound foundation for a better future.

Our budget has increased from the US\$80 million when we all took office, to over US\$370 million, and we have maintained the fiscal discipline of a cash-based expenditure regime. Budgets and fiscal reports and procurement contracts are made available for public review and discussion.

The net foreign reserves position of the Central Bank of Liberia at end-December 2009 was US\$266 million, compared with US\$49.4 million at end of 2008, reflecting in part the allocation of Special Drawing Rights (SDR) by the International Monetary Fund. You may recall that when this Government came to power, the Central Bank's reserves stood at around US\$5 million. We now have banking services in 9 counties and will continue on this path until all of our counties have access to banking services. Inflation has been

kept under control to an average annual 9.7 percent and exchange rate depreciation at 7.1 percent – a level comparable to our regional neighbors.

Our Government has negotiated the lifting of long-standing sanctions on our timber and diamond exports, allowing operations in these two sectors to resume. Food production, particularly rice, cassava and other staples, has increased significantly all over the country. Reliable data is still being collected; however, preliminary figures show rice production of 200,000 metric tons, a 30 percent increase over previous periods. For the first time, the World Food Programme is buying rice from our farmers to support the school lunch-feeding program. Our policy goal in the sector is to revitalize operations and activities that contribute to sustainable growth and development, to provide food security and nutrition; and to increase farmers' employment and income; thereby measurably reducing poverty.

New investment on the order of US\$10 billion will provide the basis for operations in mining, agriculture, and forestry. This includes reactivation of the Yekepa and Bong Mining operations in Nimba, Grand Bassa, and Bong Counties and the Guthrie and Cavalla agricultural operations in Bomi and Maryland Counties. Similar operations will touch every County within the next two years.

Our oil exploration program is well advanced with support from Norway for a regional program of collaboration with Sierra Leone, and an effort under way

to extend our territorial waters from 200 to 350 miles thereby significantly increasing our scope of oil exploration.

We continue to be concerned about the delay in the jobs that are to be created from the opening of our concessions and we try to find the means to address this issue. Thus, with support of US\$40,000 from the Lebanese Cultural Union and US\$25,000 from the Indian community and a total of US\$231,000 from several public corporations, we commenced, during the holiday season, a program to create 8,000 jobs over the next 6 months. The Ministries of Labor, Public Works, Youth and Sports together with the Monrovia City Corporation are implementing this program, which focuses on the youth. We expect that by the end of this period, jobs will be available in Bomi and Bong and Gbarpolu and Cape Mount and Nimba and Grand Bassa and Grand Gedeh, under the several concessions that are just getting started.

Pillar III: Governance and the Rule of Law

Reforms under our Governance and the Rule of Law Pillar are beginning to take effect. During the start of this Administration in 2006, we activated the Governance Economic Management Assistance Program (GEMAP) which made a significant contribution to our program of financial management, and which is in the process of being completed. Beyond this, the Governance Commission has looked in detail at opportunities for us to devolve power from

the center to the counties, and we are now researching the constitutional changes that are needed to turn this reform into reality.

We have also improved the conditions of Government workers. Compensation of the lowest paid Civil Servant has been increased from US\$15 to US\$80 dollars, and payments to all public servants are made regularly and on time. A new performance-based salary structure has been concluded for implementation in the next fiscal year. Furthermore, even our lowest paid teachers and security personnel receive US\$100 per month. Although infrastructure development will continue as a first priority, we will ensure that increase in budgeted allocation for personnel services will be directed at this category of public servants. Civil servants in Montserrat, Nimba, Grand Bassa and Margibi, are now being paid directly to their bank accounts held at commercial banks and in February this year, civil servants in 5 additional counties – Lofa, Grand Gedeh, Bong, Cape Mount and Maryland – will be added to the direct deposit scheme. A new biometric system is to be introduced in the next fiscal year will ensure a clean list of civil servants, thereby putting to rest those ghost names.

We have encouraged competition by opening the markets for strategic commodities such as rice and cement and thereby witnessed sharp reduction in prices. Rice sold at US\$35 a year ago is now down to US\$25, and the price of cement has been cut almost in half from US\$16 to the current US\$8.50. We are pleased that we are now qualified to export to the United States under

the African Growth and Opportunity Act program, and we have achieved threshold status under the Millennium Challenge Corporation. As a result, we should be able to export our Liberian products to our friends across the globe while expanding our access to a significant increase in development aid.

Honorable Legislators, I want you to note that we have prioritized increased compensation and overall better working conditions for the Legislature and Judiciary above our own. This includes renovation and the construction of new facilities, while the Executive Mansion is still in need of major renovation.

A General Auditing Commission capacitated by external support and an Anti-Corruption Commission are allowed to operate independently in the fight against corruption. We joined the Extractive Industry Transparency Initiative (EITI), extending coverage to the forestry sector and became the first African country to be fully compliant under the scheme. These key initiatives demonstrate my Administration's unwavering commitment to fight corruption. Today, our public institutions are audited and the findings published and made available to the public. The Justice Ministry, a little bit late, has already begun to review these reports to determine appropriate action including prosecution.

Freedom of the Press reigns supreme, regrettably, sometimes without responsibility and concern for the good of the country.

There are no political prisoners and no repression against the exercise of political rights and expression. No political opposition has been forced into exile.

Pillar IV: Infrastructure and Basic Services

Under our Infrastructure and Basic Services Pillar, we are rebuilding our nation. Destroyed infrastructure is being restored. We have brought lights and water and basic sanitation service to most parts of the Capital City for the first time in 14 years and we have extended a small measure of these services to three counties other than Montserrado.

Roads and bridges, hospitals and schools, clinics and playgrounds, and other public buildings are being constructed, renovated or repaired throughout the country. The ELWA Junction to RIA is completed and Cotton Tree to Bokay Town is under construction as we move toward full pavement to Buchanan in the next dry season. Red Light to Ganta and onward to the Guinea border is under design, somewhat delayed, but the bidding to determine appropriate contractors will soon begin. Monrovia streets are being paved, the Vai Town Bridge is under construction and a new Stockton Creek Bridge to Caldwell will start by the end of this year. The Medina to Robertsport, Jovahn to Todee, Zorzor to Yealla all permit smooth travel. Several neighborhood roads – SKD Boulevard, Rehab, Matadi, Jamaica, Old Road, A.B. Tolbert – have been rehabilitated from laterite to chip seal.

We plan, by 2011, to build, rehabilitate or maintain 1,187 miles of primary and secondary roads, 130 miles of feeder roads, 61 miles of neighborhood roads and install 27 bridges. This will include, some of which have already started, Pleebo to Barclayville, Fishtown to Harper, Zwedru to Greenville, Gbarnga to Foya, to be added to the ongoing Rivercess to Greenville road.

Administrative buildings have been constructed or renovated in all 15 counties and 10 peace huts constructed in 4 counties aiming at construction of a total 33 in all 15 counties. Citizens from communities along the path to Belleh Yalla enjoy vehicle traffic for the first time in their lives as we move to turn Belleh Yalla from a place of horror to a place of hope. The two-hour walk that others and I enjoyed, as we headed to spend Christmas there, motivates me toward the achievement of this objective.

The Maritime Institute, with renovation 90 percent completed, will open in a few months after several years of closure, and will now train our people for employment on Liberian registered vessels. We invite you to Shefflin when it opens.

Enrollment in primary schools throughout the country is 605,000 compared to 540,000 in 2008, representing an increase of 11 percent. Secondary school enrollment is 183,000 compared to 158,000 in 2008, an increase of 14 percent. For the first time, subsidy has been provided to private schools

which have contributed to this enrollment performance. We have provided over US\$400,000 in subsidy to 20 private institutions.

The University of Liberia is undergoing positive change and is preparing to move into the newly constructed facilities at the Fendell Campus. The Tubman Technical College in Harper, renamed Tubman University, has reopened its doors for the first time in 15 years. It now has over 300 students in 4 Colleges. We commend Dr. Emmet Dennis and Dr. Elizabeth Davis Russell who have left their high-level and well-paid jobs at prestigious U.S. universities to return home and render sacrificial services that will have a significant impact on the young people of this country as they prepare for a bright future.

Community colleges under construction or renovation in Grand Bassa and Nimba are also expected to become operational this year. The long-standing unfinished structures for the Sinje Technical College are now under construction to be integrated into the University of Liberia system with private donations of over US\$1 million sourced through my own personal initiative. Our teacher training and institutes at Kakata and Zorzor have graduated the first class of over 500 teachers with continuing support from an increased level of Peace Corps volunteers.

The Telewoyan Hospital in Voinjama has been renovated and is operational. The referral hospital in Tappita is under construction and will be ready for operation this year. The John F. Kennedy Hospital, with renovated facilities and new equipment in Monrovia, is moving rapidly towards regaining its status as a quality referral medical center. Professional voluntary service rendered through the HEARTT program ensures the availability of well-trained professional doctors year round.

Our country's health is of primary importance because without a healthy population, we cannot do the work that needs to be done to "lift Liberia." We have made significant progress in this regard: the prevalence rates of malaria, cholera and anemia have been reduced in children by 25 percent, 90 percent and 30 percent, respectively. We conducted an unprecedented nationwide immunization program against yellow fever in which 90 percent of our population participated. We have also increased service delivery of important life-saving anti-retrovirals to Liberians living with HIV.

A 10 MW generator is to be installed this year that will bring electricity to most of Monrovia, and with solar lights and mini hydro power under our rural electrification program being put together to bring service to several of our counties. Plans are under way to mobilize resources for the rehabilitation of the Mount Coffee hydro plant which is the most cost efficient means of providing affordable electricity to our people. Water supply to Monrovia will increase by 16 percent, and Voinjama, Robertsport, and Sanniquellie will join

Kakata, Gbarnga and Zwedru whose citizens now benefit from public supplied water. Sanitation facilities, woefully lacking throughout the country, including the Capital City, will be a focus of our Water and Sanitation plans over the next two years.

Albeit still underdeveloped, a public bus transport service is operating in Monrovia and beyond. I am pleased to note that as a result of our growing confidence, a private housing boom is under way in all counties, particularly Montserrado.

The Freeport of Monrovia has, for the first time in 5 years, become ISPS compliant and negotiations with private entities are nearing completion for management support and renovation of facilities. This will reform and transform our economy – lowering prices and expanding trade. Furthermore, Roberts International Airport is also being renovated, and, as a result, choices of international destinations have increased. For example, a new route to Addis Ababa has recently been started through Ethiopian Airways. The airport's new direction has steadily increased with prospects of resuming trans-Atlantic flights. Direct flights to the United States by Delta Airlines should start around mid-year as RIA meets ICAO security requirements.

The Firestone Rubber Company has done a lot to improve the situation for its workers. I invite members of the Legislature to go there to see the changes that have been made.

With private funding in the order of US\$10 million mobilized through personal effort, we have constructed or renovated markets, built wells and latrines, extended scholarships to over 5000 young girls and literacy training to 1,500 of our market women. Special programs have enabled us to use specialized professional skills of Liberians from home or repatriated from abroad.

We continue to benefit from strong partnerships – bilateral, multilateral, foundation, private sector and non-governmental organizations – who support our development work with annual funding on the order of US\$534 million. Let me be clear: only 17 percent flows through our budget; the rest is managed through their institutions. Twenty-five diplomatic missions are resident, up from 15 in 2006, and 35 non-residents, have presented their credentials, up from 15 in 2006.

Internationally, we have moved from the status of an outcast on the international stage to one of the leading countries representing Africa internationally. It is no accident that, when I was in New York, on the margins of the UN's General Assembly in September, Liberia was singled out as one of the nations to speak at a meeting between the nations of Africa and President Barack Obama. Just five years ago, who would have thought that that was possible? We are a small country, but our influence is growing and can also be seen through the large number of esteemed international visitors that call on us last year. Presidents Wade of Senegal, Kagame of Rwanda, Mbasogo of Equatorial Guinea, Pohamba of Namibia, Hilary Clinton,

ECOWAS President Ibn Chambas, Security Council delegation headed by U.S. Ambassador Susan Rice, Indian Foreign Minister Shashi Tharoor, Africa Command General Richard Ward, Helen Clark of UNDP and Nigeria's First Lady Hajija Dr. Turai Umaru Yar'Adua.

We are proud to say that we have excellent relationships with all of our neighboring countries and with all other African countries as well. We continue to play a meaningful role in regional and international institutions, such as our leading role with our neighbors in the Mano River Union. Most recently, this Government played an active role in paving the way for democratic change in Guinea, thereby averting the potential for increased regional conflict.

Thank you, **Dear Colleagues**, for the significant part you have played in this achievement. Much more needs to be done, no doubt, given the needs and expectations of our people. Every county, every district, every city, every community demands and desires roads and schools and clinics and lights and water. Together we must try to meet these needs; together we must consult and convince them on the realities of the possible.

Honorable Legislators, let me now address three topics that will be defining to the future of this country. First, **the issue of transparency and accountability**. This is a societal problem which we must all work to address. The corruption which we face is long-standing in our nation's history,

exacerbated by the recent years of deprivation in which citizens were left to fend for themselves, to survive by any means possible. It is a value system turned upside down by the conscious destruction of institutions and systems that uphold the dignity of labor and honesty. When this Administration took office, and declared corruption Public Enemy Number One, we knew that it would require several measures, some unprecedented, to set the country on the right course. We knew that we had to improve compensation levels and introduce financial management systems to minimize vulnerabilities. We knew that we had to ensure a transparent budget and financial reporting process with the Legislature and the public exercising specific roles. We knew that we had to restructure the Civil Service and establish proper internal auditing systems. We knew that we had to punish violators of the public trust through legal action. We did most of these things. We introduced other measures aimed at enhancing national integrity. This includes strengthening the Public Procurement and Concessions Commission, supporting and strengthening the Governance Commission, and reorganizing and strengthening the General Auditing Commission.

We established the Anti-Corruption Commission. We drafted a Code of Conduct to govern the behavior and action of public servants, a Freedom of Information Act, and a Corruption Offenses Act which are still before you. We have required Officials in the Executive to declare their assets and issued an Executive Order to protect Whistleblowers. This Government – your

Government – has had the courage to confront this evil through all of these measures. We have allowed all citizens and the media and the institutional pillars of integrity to expose, without restraint, violation of the public trust.

We know that more needs to be done particularly in the areas of punishment under the law. This is the step that we must now climb. This is the deliverable for our justice system. There is also a step that I must climb to protect the reputation of hard work and honesty that I have built over 40 years of development work at home and abroad. Without prejudice to their rights of being innocent until proven guilty in a court of law, I must act against those, including the ones close to me, whose malpractices have put my credibility and the credibility of the country at risk. I must also act against those in the media and elsewhere who carelessly try to bring our country to shame by maliciously and falsely accusing citizens and institutions only for political relevance or commercial gain.

The second issue relates to the **report of the Truth and Reconciliation Commission**. Substantial local and international resources were expended and significant man-hours of the highest caliber of people from within Liberia and from foreign parts were invested into producing the TRC Report. While one may not agree with all of the findings and recommendations resulting from the report, there is no doubt that it dissects and analyzes our problems and makes meaningful recommendations for the healing, reconciliation, restoration, peace, prosperity and progress of our nation. It is therefore

important that we carefully digest the Report and make a conscious national determination to move ahead cautiously and strategically in the implementation of the recommendations.

One thing must be made clear, however, as we strive to understand the contents and objectives of the Report. Like you, I took an oath to defend, protect and uphold the Constitution and laws of the Republic of Liberia. It is therefore incumbent upon us all to uphold that oath.

That said, I recognize that the TRC Report makes several generalized recommendations. They include: (i) Extraordinary Criminal Tribunal; (ii) Domestic Criminal Sanctions; (iii) Public Sanctions; (iv) National “Palaver Hut” Programs; (v) Economic Crimes Investigations and Prosecutions; (vi) Reparation; (vii) and others.

Recommendations which relate to criminal tribunal, criminal sanctions and public sanctions and economic crimes and investigations, have been the subject of great debate since the TRC Report was made public. To deal with this, I propose amendments to the Independent National Human Rights Commission (INHRC) Act of 2005 to enable that body to seize itself of those aspects of the TRC Report, and to work in collaboration with the Ministry of Justice to determine those recommendations that are implementable or enforceable under the Constitution and laws of Liberia. I also urge urgent

Senate confirmation of those persons nominated to serve the INHCR as Commissioners in order that they may start their work.

I welcome the recommendations on national “Palaver Hut” programs and reparation as true measures for reconciliation and I am committed to working with your Honorable Body to determine the processes and identify the resources for their implementation. I suggest that we start this process immediately.

I also welcome the recommendations regarding the Liberian Diaspora, which appear to be feasible and do not infringe on any constitutional right of the individual, that Liberians, their relatives and offspring who migrated to foreign parts on account of the civil crisis or who migrated to foreign parts prior to the civil war but remained in foreign parts on account of the civil crisis and in other instances had to acquire foreign nationalities, should benefit from dispensation of maintaining their foreign nationalities without forfeiting their Liberian citizenship. I am prepared to work with you, **Honorable Legislators**, to give these citizens the opportunity to live in and work for their country once again.

The third issue relates to **County Development Funds**. As you know, Honorable Legislators, it is the Government – your Government – which, for the first time in the history of our country, makes budgetary appropriations and allocations by concessionaires for direct payment to counties to support

development priorities as determined by the people of the counties themselves. As a result of this policy, over US\$22 million has been directed to the counties, which includes Government direct appropriation of US\$12.5 million, Mittal Steel, US\$9 million, and others. In approving such budgetary appropriations, you gave yourselves, as Legislators, a role in determining the development priorities. We welcomed this role for you as representatives of the people.

However, I hope that you will agree with me that the implementation of this program has fallen far short of our expectations and that the procedures must change. While we endorse your continuing role in the selection of those representatives of the citizens of the county who will determine development priorities, we believe that the success of the program will be more rewarding if management of the development process such as the procurement and financing, is left to the Executive Branch to be handled directly and solely through the office of Superintendents and other local Government officials. This way, I can hold my officials responsible for implementing those programs in accordance with established laws and procedures. You, in turn, can hold the Executive accountable through your constitutional oversight role to ensure that funds are used properly and strictly for the purpose intended. We are seeking a similar change in the guidelines governing the management of Social Development Funds of the Concessionaires so that these procedures apply to all funds allocated directly to the counties.

Honorable Legislators, I have come today not only to address the distinguished men and women of this August Body, but to speak frankly and directly to our fellow citizens who sent us here to work on their behalf.

I know that for many Liberians listening right now, the lack of a job or little or no income is a concern that rises above all other issues, and rightly so. If you haven't been personally affected by this situation, you probably know someone who has. You don't need to hear another list of statistics to know that we have a lot to do, because you live it every day. I feel your pain as your President. It's the worry I wake up with every morning, the burden that I bear as I work more than twelve hours a day. It's the source of many sleepless nights. It's the jobs you wish your government had created by now when we announced all those concession agreements, but have not done so due to delays in planned investments. It's the business you started and built your dreams upon that's now hanging by a thread. It's the school fees for your children that you had to use to feed the family.

Yet, if we are honest with ourselves, we will admit that for too long, we have not always met our responsibilities – as a government or as a people. I say this not to lay blame or look backwards, but because it is only by understanding how we arrived at this moment that we will be able to lift ourselves out of this predicament into a better and bright future for our children and our grandchildren.

The fact is that our country did not fall into this situation overnight. Nor did all of our problems begin with the global economic crisis. We have known for decades, since the beginning of our nation that our institutions were extremely weak; that our survival depended on our own endeavor.

In other words, we have lived through an era where too often short-term gains were prized over long-term prosperity; where we failed to look beyond the next payment, the next quarter, or the next year. We have too many times put personal interest above national interest.

But while our economy may be feeling the pinch of this global economic crisis, and your confidence may be a bit shaken, today I want every Liberian to know that we've come a long way in rebuilding our country. We are recovering, and the trajectory for our long term growth and development is strong and sound. I have recounted for you the progress we have made in the relatively short period of four years and I know that Liberia will emerge stronger in the next four.

The weight of rebuilding our country and the destiny of our nation rest with us all. The answers to our problems do not lie beyond our reach. They exist in our homes, schools, religious and traditional institutions and universities; in our farms and our mines; in the imagination of our business people; in the pride of the people – the most resilient people on earth by virtue of what we have been through as a nation. What is required now is for all of us to pull

together as one, to confront the challenges we face, and take responsibility for our shared future.

Our challenge – and my focus – has been nothing less than removing the economic and social burdens of a generation of misrule. But I realize that this is only the beginning, that we have a long way to go. Now is the time to act boldly and wisely – not only to rebuild our economy together, but to build a new foundation for lasting prosperity for all Liberians. Now is the time for all to work and make contributions to propel the economy and to create jobs for our people, particularly the youth. Now is the time to reconcile our country by reaching across to all those who disagree with us on how best to advance the rebuilding of our country. Now is the time to provide your answers, your prescriptions, your contributions to the development of our nation. We want to hear from, we want to reach out to all of those who feel that they have not benefited from our success.

The foundation in place, we are poised to accelerate our development over the next two years. We pledge to build more roads and bridges; to connect areas that have been deprived of such facilities; to strengthen our education and health systems; to get more of our children in schools; to improve the quality of schools to that of other West African countries; to prioritize throughout the country agriculture so that we can feed ourselves and produce the surplus for export; to increase the salaries of civil servants, of teachers and nurses, of security personnel and pensioners; to solve the serious

sanitation problem in our Capital City, making Monrovia a city of which we can be proud.

I have spent the past four years, sometimes to the neglect of family and friends building the foundations upon which our economic recovery and our future prosperity will be based. I have carried the big load and I have accepted the responsibility when we have not reached our goals. You have acknowledged that and understood my position. You, the people, have been there with me. You have been there with me.

I know from whence we came yesterday. I know where we are today; I know where we ought to be tomorrow and I know how we will get there.

Therefore, however I act, whatever I do, it will be for you, the people. And so it is for these reasons and to bring to an end all speculations, that I now announce to you and to the thousands of supporters in radio land and abroad, that I will be a candidate, a formidable candidate, in the 2011 elections. Let us travel the road together knowing that the God who brought us this far will not leave us.

I thank you.