

**Remarks by H.E. President Ellen Johnson Sirleaf
on the High-Level Forum of g7+ Group
of Fragile and Conflict-Affected States
Wednesday, September 26, 2012**

Distinguished Panelists;
Excellencies;
Distinguished Delegates:

With still three years to the end of the Millennium Development Framework, the international community is abuzz with discussions of a post-2015 development paradigm. Lessons are being drawn from the past 12 years of development efforts, under the aegis of the Millennium Declaration.

There are noteworthy MDG successes. Sustained growth in developing countries, especially in Asia, places the world on track to meet the poverty reduction target. Sub-Saharan Africa has registered the best record for improvements in primary school enrolment.

Challenges remain, judging from the realization that no fragile or conflict-affected country is on track to meet the eight MDGs. This is particularly unsettling when you consider that a quarter of the world's seven billion people live in countries characterized as fragile or conflict-affected.

The people in these countries have dreams and visions too: for an end to disparities between their sons and daughters in education, income, power and opportunities, ushering in a more equitable economic and political landscape.

It is to address and remedy these disparities that we have convened this High-Level Forum of the g7+ group of fragile and conflict-affected States, to assess and report on approaches to rolling out a "New Deal," developed by the International Dialogue on Peacebuilding and Statebuilding as a major framework in international development assistance.

We all know the history of what has brought us to this point: from the Paris Declaration on Aid Effectiveness, agreed in France more than seven years ago; to the 2008 Accra Agenda for Action; to Busan, in 2010, whose outcome recognized, for the first time, that fragile, conflict-affected States face unique circumstances and contexts which must be overcome to engender a more secure foundation for development.

Our purpose here is to focus attention on the New Deal as a competitive model for development assistance; to mobilize international will and consensus around it; and to situate the New Deal at the center of approaches to constitute the post-MDG international development order.

The New Deal could not have come about at a more opportune time, as the conversation on structuring the post-MDG development framework gains momentum. The High-Level Panel of Eminent Persons on the Post-2015 Development Framework, which I co-Chair, has commenced its work. The g7+ countries believe that the principles of the New Deal must inform the design of the post-2015 development framework. The fact that many countries in this category are not expected to meet any of the MDG targets by 2015 is a compelling argument to incorporate New Deal principles into its successor regime.

There are advantages for making the New Deal an integral part of the post-2015 development order.

First, the attempt to provide aid or development assistance, without first understanding the fundamental factors affecting fragility, or removing the causes which lead to conflict, may waste scarce development and aid resources. For example, policy reforms and governance transformations may need 20 to 40 years to take hold in such States. With 30 percent of official development assistance being spent in these countries, aligning development assistance to the circumstances and contexts of aid-receiving countries may accelerate the pace of transformation while leading to a more efficient use of aid resources.

Second, New Deal principles provide a far better platform for aid alignment and harmonization as contained in the Paris Declaration and the Accra Agenda for Action. New Deal Compacts, which are expected to be signed between aid-recipient countries and development partners, provide practical and easy-to-follow guideposts in delivering resource and program alignment.

Third, the New Deal framework offers important avenues for addressing key issues that were not effectively addressed in the MDG framework – from governance, the rule of law, human rights and inequalities, to violence against women and vulnerability to external shocks.

Fundamental to the logic of the New Deal is that meeting Peacebuilding and Statebuilding Goals increases the probability of meeting any of the MDGs, as well as other socio-economic development goals. A stable, sustainably peaceful and predictable governance environment provides a solid basis for designing policies and programs that promote human development. In focusing on the factors that impinge upon fragility and conflict, the New

Deal corrects a recognized flaw of the MDG framework, namely, the overwhelming focus on ends, to a very conspicuous exclusion of means.

Another important consideration is that fragile and conflict-affected countries have enormous potential than is generally recognized. Many are heavily resource endowed and are more likely to embark on an aid-independent trajectory if the right approach to aid delivery and management is adopted. If the factors that affect fragility are sufficiently addressed, domestic resources in these countries can provide important avenues for development financing. Also, lessons from these States can inform the design of the post-MDG framework in avoiding a repetition of critical mistakes.

A critical step in implementing the New Deal is generating momentum in some g7+ countries. Currently, Afghanistan, Democratic Republic of the Congo, Timor-Leste, Sierra Leone, South Sudan and my own country, Liberia, have volunteered to pilot the New Deal.

In Liberia, we have initiated the pilot process together with two partner countries, the United States and Sweden, piloting transparency and use of country systems. Liberia's many dimensions of fragility have been mapped into a fragility spectrum, and corresponding indicators have been developed to measure progress on the Peacebuilding and Statebuilding Goals. We have decided to pilot PSG No. 5, which focuses on managing revenue and building capacity for accountable and fair service delivery.

Under the New Deal Trust principle, our Government is committed to improving the financial systems in key ministries, namely, Finance, Health and Education. Our partners, in turn, have committed to increase the use of and support our local country systems.

The use of country systems by development partners would accelerate Liberia's institutional service delivery capabilities. Our budget, audit and procurement systems, which have made dramatic improvements, are critical to delivering development impact and fostering transparency and accountability. Given the volume of aid expected to flow to Liberia, the use of these systems would put Liberia on a more resilient path to national development, minimizing shocks and vulnerabilities to procurement, audit and national budget systems.

In this connection, Liberia is testing commitment from the United States Agency for International Development (USAID), through the Fixed Account Reimbursement Agreement (FARA), which would fund expenditure under the Ministry of Health's budget. Sweden has, since 2008, been providing direct coordination support to the implementation of Liberia's Poverty Reduction Strategy and will now support the new implementation structure for the Agenda for Transformation.

Excellencies;

We stand at the crossroads of international development planning. The prosperity of the future, especially in fragile and conflict-affected States, will depend on the consensus we forge, the commitment we marshal and sustain, and the frameworks we deploy. The New Deal affords ample opportunity to foster effective and efficient local and country-led ownership of economic development. Heads of State from fragile and conflict-affected nations are particularly challenged to provide exemplary leadership in rolling out the New Deal and to demonstrate outstanding commitment to its principles. Donors and development partners have in the New Deal an effective means to deliver aid and engender a transformative outcome.

We strongly believe that the New Deal and the post-MDG development framework are, indeed, inseparable!

I thank you.