

April 13, 2008

PRESS STATEMENT

Fellow Liberians:

As we reflect during this month of April, we must all thank God for the peace that prevails, for His continued blessings despite the challenges which we face. We thank the Council of Churches for organizing the 3 day fast and the program on Friday commemorating Fast and Prayer Day. Since its founding, our nation and the body polity have rested on traditions that derived from fear of survival, anxieties of assimilation, scarcity of resources. Years of conflict exacerbated the structural deficiencies of old, undermined the family unit, and introduced new dimensions of violence, indiscipline and dishonesty.

We are today challenging these undesirable attributes, accelerating the process of changing minds and changing attitudes. This is not an easy process, as humans normally resist change.

But we must stay this course as it is the only way that our nation, unlike the past, can be assured of sustainable peace, growth and development.

Let me now comment on a few topical issues.

COMMODITY PRICES

We are aware that the cost of commodities, particularly food items with emphasis on rice, are increasing worldwide. This is because the demand from countries, whose population are larger and richer, have overtaken the production or supply of these commodities. There is also the diversion of traditional food products to biofuel production.

We cannot control the increase in the world market price but we can do some things on the domestic side to bring relief to the population. In fact, the government has already taken a major step by removing the US\$2 tax on a bag of rice. This implies a revenue shortfall of over US\$3 million.

Without this action, the price of a bag of rice would be more than the current official price of US\$26 to US\$28 dollars for the four to five months stock that is on hand. The real solution to this problem is that we must grow our own rice. Every space in the back yard, every farm, every community must start to grow rice, cassava, plantain, for projections show that increase in food prices will be with us for a long time to come. In this regard, we have approved and forwarded for Legislative ratification a US\$30 million Concession Agreement for investment in large scale mechanized rice production. Another proposal is under consideration and we have requested the Chinese agricultural team to start the training and the program for production of large scale mechanized rice near the Central Agriculture Research Institute (CARI)

in Bong County. A committee chaired by the Ministry of Agriculture will look at the purchase and distribution of seed rice for those ready to plant and we are studying the possibility of offering public land to those who are willing to go to their communities to engage in farming.

We have also taken measures to mitigate in small measure the increase in petroleum prices by providing subsidy to the Monrovia Transit Authority to keep transportation cost at current levels. Other measures such as reduction in LPRC storage fees would undermine our effort to address urgent needs in repairing the oil jetty and the storage tanks that have been without maintenance for years.

In addition, we have taken measures on cement that should assure availability at the retail price of US\$10.50 which is lower than that which is the reported street price.

We are still looking at other general price control measures that can be taken such as the several NPA charges at the port and we are finalizing an Executive Order that will put a moratorium until the end of December on taxes and duties for agriculture, forestry and road building equipment. We know what need and have instructed the Ministry of Commerce & Industry to be even more vigilant in price control enforcement. The Ad-Hoc Price Commission which has been established and is now at work should provide us with additional recommendation, not only for rice but other essential commodities as well. At the same time we are reviewing the entire tax system provided

in the 2000 Revenue Code to make those revisions that will reduce certain taxes while harmonizing others consistent with ECOWAS protocols.

ARMED ROBBERY

The latest report confirms that once again armed robbers are on the increase, particularly in the Paynesville area. There is nothing that pains me more than to see innocent citizens who are trying to rebuild their lives fall victims to these criminals. I have asked UNMIL to be more vigilant and proactive in patrols and I have asked the Minister of Justice to do more in terms of logistical support for the Police and a more effective system of justice. If there is no improvement in the situation within a month or two, I will take more drastic measures, even if unpopular, to ensure better protection of our innocent population.

On the other hand, we are concerned about those citizens who through mob action take the law into their own hands and proceed to destroy public and personal property.

Those people are also criminals who must bear the weight of the law and be required to pay for what they destroy.

INDEPENDENT HUMAN RIGHTS COMMISSION

As I have reported several times in the past, there is no lack of political will to get the Commission functional. However, we discovered some major flaws in the 2005 Act which established the Commission. I could not appoint the Commissioners until these flaws were corrected. Finally, we have some progress on this as the Ministry of Justice has now completed the Draft Act that would amend certain provisions of the 2005 Act to bring them more in conformity with the constitution and statutes. The Draft Act will be submitted to the Legislature this week. If accepted and passed by the Legislature in a reasonable period of time, I hope to put the Commission to work before the end of this fiscal year.

WESTERN CLUSTER

In accordance with the Public Procurement and Concessions Law, the Ministry of Lands, Mines and Energy called for bids for the exploration of the Western Cluster Iron Ore mines found in Bomi and Gbarpolu Counties. Six firms responded and the Ministry, conforming to the requirements of the PPCC Act, constituted an Inter-Ministerial team comprising the Ministry of Lands, Mines and Energy, which headed the committee, the Ministries of Finance, Justice, Labor, Planning & Economic Affairs, the Central Bank and the National Investment Commission. The result of that review placed the Delta Mining Consolidated Ltd. in first place and this is what I reported to the Legislature in my Annual Message. Since the Inter-ministerial team

comprised all technicians with the requisite qualification and since their review process conformed to the law, I did not see reason to question their judgment.

The process under the law which calls for due diligence of firms after bid evaluation is now under way through a private firm with USAID funding. At the same time based on this experience, we are looking at a change in the PPCC Act and the process to require due diligence as a part of the bidding process, prior to evaluation. The team of Senior International Lawyers who assist us in the renegotiation of Concession Agreements is assisting us to get this process right.

CORRUPTION

I wish once again to assure the public that I remain steadfast in my commitment to fight corruption.

The slow progress in this regard is not a lack of political will or a weakening in my resolve. We have relieved officials of their positions where there was evidence of dishonesty. We have several cases involving past and current officials that are before the courts. We are awaiting Legislative action on the Anti Corruption Commission and the Code of Conduct that will provide the legal basis for certain action such as the Declaration of Assets. We are supporting the General Auditing Commission in its audit program which is ongoing. It has just proved more difficult and sometimes frustrating at the slow pace of

due process which limits us in providing details to the public on the basis that those accused are deemed innocent until proven guilty.

We also need more courage on the part of those who are affected by corruption or those who are asked to participate in corruption. This is why we are encouraging whistle blowers to come forth – those who will provide evidence without being required to expose themselves.

There are those who say that we are undermining reconciliation by bringing to book those of past governments who amassed wealth at the expense of the poor. On the other hand, the public and the international community say we are not doing enough to bring those people to justice.

We continue to try to find the right balance between those two views, ensuring that we apply the same standards of accountability to past and current officials.

LIBERIAN REFUGEES IN GHANA

The Government has done its best to respond to the refugee crisis that started when our compatriots expressed their desire not to integrate into the Ghanaian society or return home. The demonstration by women and children which followed and which involved a harsh response from the Ghanaian authorities could not be condoned. However, we immediately took action through our Ambassador in

Ghana followed by a high level Ministerial delegation. I talked to President Kufuor who responded positively to my appeal for moderation. Although some initial sixteen persons were returned to Liberia, perhaps against their will, as a result of our Mission those who had been relocated from Buduburam have been allowed to return and the UNHCR is once again in charge to continue the staggered process of repatriation.

In general, conditions at the camp have returned to normal. A tripartite commission comprising Liberia, Ghana and UNHCR has been established to determine the repatriation process. The first meeting of the commission is set for this week in Accra.

For those returning, the government has made arrangements for temporary accommodation and feeding until they can integrate into the society through the support of family and friends and Government. We urge those with skills to take advantage of the many job opportunities that are unfolding and, to the extent possible, return to their communities of origin and join in the rebuilding that is taking place there.

Liberians should remember that many of the refugees have lived in Ghana for over 15 years where they enjoyed the hospitality of the Government and people of that country.

Therefore this latest action by the Ghana authorities should not be the basis for reprisal against Ghanaian citizens living as bothers, sisters, business partners and peacekeepers in our country.

I therefore thank all Liberians who have done their best to preserve this friendship between our two countries.

KENDEJA

We have listened to all the criticisms about the hotel project at the old Kendeja site, many claiming that we are undermining our cultural values. The majority of those who make these remarks have never even visited Kendeja and seem unaware that cultural activities on that site have ceased for several years. In fact continuing squatters and illegal sales have reduced the land area and threatened the very existence of the little that was left. Our interest is to relocate Kendeja to a 50 acre site and to build and operate a new Kendeja cultural village that we all can be proud of.

At the same time, the old site will provide facilities that will bring jobs to people in the community and the opportunity for regular cultural shows for the guests of the hotel. We see this as a win win situation.

On the other hand, we did promise the students of the Kendeja community that alternative school facilities to those on the site would be ready when they returned to school after the Census break. We failed in this regard but corrective measures have been taken with

strong support of the Ministers of Education and Public Works so that the students have returned to the classroom this morning. In keeping with my word, I have already taken the first step action against the primary responsible official of Ministry of Information and I thank Counsellor Augustine Toe of the Justice and Peace Commission for his agreement to serve as the Chair of a 3 person Investigation Committee, which includes a representative from the Ministry of Information and the General Services Agency, to probe further into the modus operandi and the possible misuse of funds provided for the school renovation.

PARTNERSHIP

We are pleased that our country continues to receive the support and partnership that supplements our effort to accelerate implementation of our development agenda.

As you know, last week I joined President Kufuor of Ghana and President Mbeki of South Africa along with thirteen other world leaders in a Progressive Government Summit. In subsequent bilateral talks, UK Prime Minister Gordon Brown responded positively to our request for support for our justice system, particularly the Police and the judiciary – this is in addition to ongoing support for our health and education sector and for civil service reform.

I also visited with President Gbagbo of La Cote d'Ivoire who decorated me with that country's highest honor for my work in the development of Africa over the years. He also confirmed the decision of Cote d'Ivoire to join the Mano River Union and we expect that he will participate in the Union Summit which is scheduled to be held in Monrovia next month.

Through the effort of the Vice President and our Representative at the United Nation, a delegation from Cuba has just ended a visit which we expect to result in Cuban doctors to serve at our hospitals and clinics in the very near future. A high level delegation is expected later this month from the China Africa Development Fund to look at possible support for our Economic Free Zone and investment in the mining and agriculture sectors.

Fellow Liberians, we know that things are a bit difficult today especially as relates to prices. We are doing our best to control this. More importantly, recognizing our limitations in this regard, we hope to continue to activate our Mines and our Agricultural Concessions to provide jobs and we intend to increase civil servants pay in a small way in the next fiscal year budget to enable them to cope with the anticipated global increase in commodity prices.

We also hope that the public gives due recognition to the many good things, the massive development that is taking place all over the country – the building of schools and clinics and roads, the expansion in

electricity and water supply, improvements at air and sea ports, the settlement of domestic and external arrears, the credibility and good image that Liberians now enjoy all over the world.

Several challenges remain and we know that we have a long way to go to meet the needs and expectations of our people but with God's help we have made progress and will continue to do even more.

I leave the country on Tuesday, first for a few days official trip to Denmark where I will join 17 other world leaders in launching the Africa Commission proposed and chaired by the Danish Prime Minister. The Commission will formulate new creative strategies to strengthen international cooperation with Africa. I hope also to reactivate our bilateral relationship with Denmark.

After that, I go to the United States for two weeks of Church Conference, fund raising, medicals and a few days of what I hope you will agree is a well earned rest. I will return early May with renewed and reinforced commitment both in body and spirit.

May God continue to bless us all.