



***High Level WTO National Workshop on Liberia's Post Accession
Implementation Plan***

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Minister

Ministry of Commerce and Industry, Republic of Liberia

Bella Casa Hotel, Monrovia, Liberia,

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Salutations

Cabinet Colleagues and other members of the Executive Present;

Excellencies, Distinguished Members of the Diplomatic Corp,

Members of the 53rd National Legislature,

Members of Political Parties Present,

Representatives from the People's Republic of the China,

Representatives from US, EU and Sweden

Dr. Juneyoung Lee and Ms. Anna Varyanik of the WTO Secretariat, and Secretary and Co-Secretary of the Working Party on Liberia's Accession

Honorable Commissioners,

Our Development Partners,

Representatives of the Private Sector,

Members of academic community,

Members of the fourth estate,

Our Dynamic Technicians,

Distinguished Ladies and Gentlemen.



Introduction

1. I am honored to be here today with you all who participate in the first out of three days of this National WTO Workshop on Post Accession, to engage in the work towards a successful WTO Membership of Liberia.
2. I am fortunate and grateful to our team that worked on this process, my Co-Chair for the Steering Committee, Hon. Elfrieda Stewart Tamba, Commissioner General of the Liberia Revenue Authority, our Chair, Ambassador Joakim Reiter, Director General Roberto Azevedo and the WTO Secretariat led by Dr. Cheidu Osakwe and our committed partners (US, EU, Sweden, SIDA/NBT, ITC, UNTAD, ACWL, World Bank, EIF, and King and Spalding Law Firm) for the support and mutual coordination. I also want to extend my gratitude for the privilege to work with some of the most talented Liberian technicians I have ever come across who steadfastly worked to get Liberia's accession to its fast tracked conclusion over the last seven years. This would not have been possible without the work of my predecessors and in so in this manner I want to recognize the contribution of my predecessors, including former Hon. Olubanke King Akerele and Hon. Miatta Beysolow who started and managed this process over the years of their tenure.
3. I am also particularly honored to have the support of our President, H.E. Mrs. Ellen Johnson Sirleaf and would like to thank her for her strong leadership shown during the accession process, paving the way for fast-tracking the process and enabling us to keep momentum and stay committed during some most difficult times.
4. Let me also take this occasion to welcome Dr. Juneyoung Lee and Ms. Anna Varyanik, Secretary and Co-Secretary of Liberia's Working Party core representatives of the WTO Secretariat – who are here in Liberia for their very first time. Ladies and gentlemen, these two ladies play a very critical role in this success. Their prowess, ability to motivate and challenge the team to work harder and harder to achieve benchmarks, negotiate from a position of strength, stand by our NOs, to simply just get the job done regardless of mental or physical condition, help deliver what is now known as the Liberian Fast Track accession process at the WTO. Please join me in applauding them.
5. Colleagues, friends, on behalf of Her Excellency, Ellen Johnson-Sirleaf, President of the Republic of Liberia and the people of Liberia, let me also use this occasion to thank all of you for your support, leadership, and flexibility in getting Liberia's accession to its conclusion, ratifying the Protocol of Accession and putting together the Liberia's Post Accession Implementation Plan to promote trade in Liberia.
6. I would particularly like to recognize Hon. Jim Tornonlah, Senator of the great county of Margibi and Chair of the Senate Committee on Commerce and Industry, Mr. Roland Walta Morris, Intellectual Property Advisor and Legislative Liaison at the Ministry of Commerce and Hon. Stephen Marvie, Deputy Minister for Trade Services for their leadership in working with the legislature to make sure the protocol and the accompanying legislations were ratified before the deadline. I would also



like to thank the leadership of the legislature for their support in making this a reality for Liberia, and all those who contributed directly or indirectly to this process.

Liberia in a Post-Accession context

7. Only two weeks ago, on 14 June 2016, the National Legislature ratified our Protocol of Accession. Amazingly, we were able to deposit the “Instrument of Acceptance” at the WTO on the same day. I am absolutely pleased to inform you that with this deposit Liberia’s final hurdle for *full-fledged* WTO membership is removed and we are now poised to become the 163rd Member of the World Trade Organization. Liberia’s flag will be flown at the front of the WTO Building on 14 July 2016 in recognition of the historic membership.
8. Upon the instruction of H.E. Madame Ellen Johnson-Sirleaf, President of Liberia, the negotiating team of the Liberian Government has strategically used Liberia’s accession negotiations as an instrument for domestic reforms designed for post-conflict reconstruction and national reconciliation, and to integrate Liberia into the global economy on the basis of the WTO core values of the market economy, good governance, transparency and the rule of law.
9. Importantly, the Liberian accession has not been treated as an isolated process; instead the process is linked to critical domestic reforms and the Agenda for Transformation. This has been of major importance and continues to be just as important also post accession, since only through an inclusive process the full economic potential of WTO membership can be achieved.
10. Liberia has indeed remained committed to the multilateral trading system throughout the accession and more recently the post-accession process. We have emerged from the accession process hopeful and assured of the confidence placed in the values of the Multilateral Trading System and the fact that they will lead to critical reform, facilitate the business environment and lead to a fair and healthy competition driving innovation and economic diversification.
11. Membership enables Liberia to lock in market-oriented reforms domestically and to have credible enforcement mechanisms that otherwise could become subject to reversals under pressure by special interest groups. By committing to the principles of non-discrimination, openness, predictability, transparency and competitiveness, WTO membership will be a path towards a more prosperous country.
12. WTO membership matters for Liberia and has tremendous potential because our country’s rules and laws will be approximated to international standards and likewise it will enshrine the rule of law. It matters because it will, and already has, stimulated Liberia to undertake domestic reforms, to engage in consultations to institute internal policy decisions, while aligning trade policy with Liberia’s broader policies on promoting the domestic private sector, economic transformation and development.



13. Modernization through domestic reforms undertaken and underway based on the principles of transparency and predictability of the rules-based Multilateral Trading System can help create a competitive and favorable business environment for private sector operators, domestic and foreign. Export-oriented operators can benefit from access to the markets of all WTO Members on equal terms on a Most-Favored Nation (MFN) basis. Hence, the greatest benefits of membership arguably go to MSMEs and consumers, who are typically not able to lobby and negotiate on their own behalf.
14. The terms and conditions for Liberia's membership impact Liberia in various ways. For instance, committing to the agreements on Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary measures (SPS), brings along the building up of crucial infrastructure based on international standards to ensure safer products for Liberian consumers in order to protect the health and environment of Liberian citizens, animals and plants. By relying on a TBT and SPS infrastructure based on international standards, Liberian companies can become more competitive. By aligning to new requirements, Liberian products will be more attractive to the international community, which gives Liberian companies a bigger (international) market to sell to. The poorest and most exposed Liberian citizens are also those most likely to buy the cheapest products often with the poorest quality. Reforming the infrastructure in TBT and SPS through WTO membership will likely lead to gains for them. Likewise, small businesses, such as farmers are likely to benefit from these improvements because it will lead to better quality of crops and livestock.
15. Regarding Pre-shipment inspection fees, Liberia will ensure that the costs of PSI are specific and related to the services being provided by the PSI firms. Pre-shipment inspection services include inspection, automated trade facilitation procedures and infrastructure as well as issuance of certificate with expertise for valuation and classification.
16. We would like to congratulate the Executive and Legislative Branches of Government for the successful passage of the Competition Law, Foreign Trade Law and the Intellectual Property Act. Through the alignment of our existing laws, policies and regulations as well as adopting new legislations, such as, the Competition Law, Foreign Trade Law and IP Act, a more transparent and predictable business environment will be promoted.
17. Throughout history, Liberia is a trading-friendly nation dependant on our exports as well as imported goods and has for a long time been open to international competition. Liberia's membership is therefore not so much about trade liberalization but rather about introducing and implementing clear and transparent rules to create a better business environment. Those benefiting most from membership will likely be the Liberian citizens, workers as well as young



entrepreneurs. Simplified rules will make it possible for these economic actors to compete with other bigger players in the market.

The Way Forward

18. Since 2005 we have focused on rebuilding our hard infrastructure, so that we could return to a base level of roads, ports and energy capacity that are needed to spur broad based and inclusive growth.
19. However, prior to being able to invest in our infrastructure, we had to secure the necessary debt space. Following our qualification for debt relief in 2008 under the Highly Indebted Poor Countries Program, when our gross debt was reduced from \$4.5 billion to \$432 million, our debt to GDP ratio collapsed to 33%, Since then our gross debt has risen to \$948 million, or 45% of GDP as we took on the debt necessary to invest in our roads, energy and ports.
20. At the same time, our trade deficit has progressively deteriorated as imports boomed: our trade deficit rose from 11% of GDP in 2006 to 39% of GDP, or \$800 million, in 2015. Again, we know that this is not sustainable.
21. Over the past 10 years, our development partners have supported our development agenda by providing aid. Total disbursed grants hit \$471 million in 2013/14 and \$553.5 million in 2014/15. At 27% of GDP – one of the highest rates of aid in the world – we also know that this level of aid is not sustainable.
22. To address this, we have increasingly taken on this role, with government revenues rising from just 11% of GDP in 2005 to 33% of GDP in 2015, and government expenditures rising from 11% of GDP in 2005 to 45% of GDP in 2015. Such rapid rises in Government revenues and expenditures reflect the progress that has been made, but also suggest that such a rapid rise in revenue collection is also unsustainable without a parallel rapid rise in GDP.
23. Yet we also know that our GDP growth since 2006 has been driven by extractives, mainly iron ore and natural rubber. The vulnerability of these two commodities to the global commodity price slump and the lack of jobs, economic spillovers and inclusiveness created by these commodities have made it clear that our primary focus as a nation must now be to restructure our economy, through diversification toward inclusive sectors.
24. Today we see major investments in energy, roads and port infrastructure including the planned reopening of Liberia's Mt. Coffee hydro power plant at the end of this year and the completion of the highway from Monrovia to Bong and Nimba Counties, Liberia's agricultural heartland – we see the value economic



diversification through agriculture, agro-processing and manufacturing as key to creating sustainable and equitable employment for our people.

25. To achieve economic diversification, large-scale job creation and economic spillovers, we must focus on a mix of trade facilitation (particularly for local value addition businesses; improving the investment climate; and focusing on the targeted development of sectors in which we know we have a comparative advantage in an increasingly globalized economy.

Trade Facilitation

26. We have already started to embark on this journey. In keeping with Executive Order 74, the WTO Liberia Post-Accession Plan (LPAP) has been developed with a structure of coordination in place. It has already identified a number of critical trade facilitation reform projects, such as the adoption of the ECOWAS Common External Tariff, a single window platform for the automation of trade transactions at the ports, a trade information portal, pre-arrival processing, improved risk management by our ASYCUDA system, improved cross border management, simplification of customs procedures, electronic business registration, automation of tax procedures, security screening and visas on arrival, a streamlined work permit system, the establishment of a sanitary and phytosanitary framework and the planned accreditation of the National Standards Laboratory. Support is now needed in taking these programs forward.

Investment Climate

27. While we recognize that we must continue to invest in soft infrastructure, we have invested significantly in making it easier to start a business. As per the Doing Business Index, it now takes a maximum of 4.5 days (and most-often less than 2 days) to register a business compared to 8 days in OECD High-Income countries and 27 days in Sub-Saharan Africa. Now, help is needed in other areas of the Index, particularly Trading Across Borders, Construction Permits, Credit Registries and Paying Taxes.
28. To increase opportunities for the growth and formalization of SMEs, we have also passed Liberia's very own Small Business Empowerment Act and established the Department of Small Business Administration at the Ministry of Commerce and Industry, in order to provide a better eco-system of support services for our micro, small and medium-sized enterprises. We believe they are major drivers of our economy operating mostly in the informal sector. The provision of business



development services is critical to help us ensure sustainable, profitable MSMEs in Liberia, for the development of priority value chains.

Sector Development

29. Ladies and gentlemen, recognizing the diverse potential of the agriculture sector, under the strategic guidance of the Her Excellency the President through the Agricultural and Manufacturing Task Force, and in collaboration with the Ministry of Agriculture, the Ministry of Finance and other key Ministries and Agencies, we have developed the Liberia Agriculture Transformation Agenda, which focuses on the development of value chains in which we have a comparative advantage where we have the potential to compete in ECOWAS and in wider international markets, as per our National Export Strategy.
30. These critical value chains include oil palm, rubber, cocoa, fisheries, cassava, rice and light manufacturing. These value chains, plus support sectors like logistics and energy, have the potential to eventually generate thousands of new sustainable jobs and livelihoods for Liberians, while driving the widening of our tax base and building the core of Liberia's productive economy.
31. The LATA is a program that enables us to fix major binding constraints in these strategic value chains, in an export-oriented, market friendly yet targeted way, such that we may ensure local value addition and the export of agricultural produce and high-value downstream products. This is critical for our capacity to create jobs at scale, to manage our trade deficit, to finance our debt and to enable government revenues to grow so that we can continually invest in our infrastructure, our healthcare system, our schools and our social protection programs.
32. At the heart of the LATA and the National Export Strategy, are a number of flagship investment projects, which includes:
 - a. World Bank fish landing facilities at Robertsport;
 - b. The development of oil palm farms, mills and outgrower schemes at Golden Veroleum, Sime Darby, EPO and Maryland Oil Palm;
 - c. The development of five rubber processing facilities for ribbed smoked sheet production and value addition and the development of rubber wood factories
 - d. The investment in cocoa value chains by input supplying and off-take companies such as Wienco;



- e. The planned investment in a storage and warehousing receipts solution for rice and other dry crops; and
 - f. The electronic registration of all of Liberia's smallholder farmers and the development of Liberia's farm input agro-dealer network for import substitution
33. We also see the value of the services industry and the potential to create employment opportunities for our youth. This is why, working with the Ministry of Information, Culture and Tourism, with support from the WTO/Enhance Integrated Framework and the International Trade Center, we will soon launch the Tourism Strategy and pilot tourism projects coordinated through the inter-ministerial tourism committee. We believe this is an investment that has huge potential given our natural endowments.
34. In furtherance of our diversification agenda for inclusive growth, we are also developing the rubber wood furniture manufacturing strategy for the promotion of rubber wood and are in the process of constructing the Lofa Women Weaving Center for the promotion of Liberian textile. Today we are reclaiming the Monrovia Industrial Park to foster manufacturing in the park. Today, we have dynamic SMEs, young operators in fish processing, palm oil and rice processing. Today our SMEs are accessing global value chains at a very small scale, but with the implementation of the post accession plan, they will be able to do more.

Conclusion

35. Ladies and gentlemen, our Membership has provided us with a unique opportunity to show the power of trade for poverty reduction; to show that development is not sustainable without trade; to show that trade can trigger economic transformation that is inclusive and sustainable; and, with the right support, the right reforms, the right innovations, we can transform lives using companion policies that support trade.
36. Implementing and living up to all WTO commitments is no "quick-fix" and will require continued and long-term commitments from all of us.
37. WTO-membership is a long-term commitment and an ongoing sometimes-painful process of domestic reforms where benefits are likely realized in the medium and long term. WTO accession works best when it is supported by the relevant companion policies.



38. Ladies and Gentlemen, it is my belief that these three days will mark yet another crucial occasion for Liberia on its path towards reaping the full benefits of membership and I am confident that our time together here will be very fruitful.
39. As I conclude, let me remind us that we as a people, against many odds have collectively contributed to our transformation story from war to peace, recovery, development and growth. With the help of our partners, and our collective commitment to a Liberia at peace with itself and its neighbors, we must recognize from how far we have come and appreciate the long distance under sometime very difficult circumstances, we have traveled, to get here.
40. We must recognize that we do not have a monopoly on crises, conflict and poverty as other nations too have caught the world's attention for aid. As such, collectively we must look within, step back and appreciate the challenges abound while recognizing the opportunities therein to continue to transform Liberia for the Liberia we want for us and our children. Our commitment to the ever-changing transforming story must be embedded in domestic reforms that ensure that we are able to stimulate the growth and diversification of our economy to support ourselves. This I believe must start with each of us as citizens of Africa's oldest democracy. Our nation can only succeed in true transformation, if we commit to collectively and positively contribute to our transformation story.
41. With these words, let me once again welcome you and thank you.
42. May God continue to bless us all and bless our Democracy.