

2008 Liberia Poverty Reduction Forum
Toward Rapid, Inclusive, and Sustainable Development

Forum Report

July 9, 2008

Introduction¹

This Report provides an overview of formal sessions of the Liberia Poverty Reduction Forum (LPRF) held in Berlin on June 26-27, 2008.

The Government of Liberia and its key international partners met in Berlin at the 2008 Liberia Poverty Reduction Forum hosted by the Government of Germany. Participants expressed their deep appreciation to the German Government for their warm hospitality and strong support. The participation of foundations and private firms was a welcome addition to the Forum. Partners applauded Liberia's significant progress in the last 2 years and enthusiastically endorsed Liberia's Poverty Reduction Strategy (PRS). Appreciating that significant financing gaps remain, particularly for infrastructure, partners praised the Government of Liberia for aligning its 2008/2009 draft budget around PRS priorities and acknowledged the need for greater harmonization and alignment by international partners. Some partners agreed to meet in Liberia this Fall to further their support for Liberia's impressive development efforts.

Partners welcomed the significant progress Liberia has made under its Interim Poverty Reduction Strategy (iPRS). Key areas of success included reaching the HIPC decision point, qualifying for support under the IMF Poverty Reduction and Growth Facility (PRGF), creating the foundation for rebuilding the security forces, restoring services to 350 health facilities, increasing school enrollment by 44 percent, and reactivating the traditional growth sectors.

The Government of Liberia thanked the many countries which continue to generously contribute to the UN peacekeeping force in Liberia, as well as those which contributed resources to allow for the clearance of Liberia's arrears to the major multilateral financial institutions. At the margins of the Forum, Liberia and Germany signed a bilateral debt relief agreement going beyond Paris Club terms, providing immediate cancellation of all bilateral claims totaling some 400 million USD.

While noting the progress made, there was recognition that significant domestic and international challenges risk undermining Liberia's hard-won peace and stability. Liberia experienced one of the largest recorded economic collapses, with GDP falling by over 90 percent between 1987 and 1995. This has left a legacy of extreme poverty, with almost two-thirds of Liberians living below the poverty line, severe capacity constraints, significant underemployment, and a vast infrastructure deficit. These challenges underline the urgency of accelerating the reconstruction effort and working towards achieving the

¹ This introduction is drawn from the LPRF Communique released by the Government of Liberia and its partners at the conclusion of the Forum.

Millennium Development Goals through the PRS. The need to consolidate peace by strengthening institutions of security and rule of law were noted as an essential aspect to the continuing recovery effort.

Regional fragility, high global food and fuel prices, and the accelerated return of refugees from within the sub region have the potential to destabilize the recovery and these require urgent responses. Partners commended the Government of Liberia's timely response to the high international food prices as well as Liberia's agricultural strategy, and agreed that while Partner support has already been provided, more support was needed.

Partners endorsed Liberia's PRS which sets out the priorities for promoting rapid, inclusive, and sustainable development. There was recognition of the unprecedented amount of consultations and the commitment the Government of Liberia demonstrated to ensure broad-based participation in the development of the PRS. Partners noted that the PRS lays the groundwork for promoting access to resources and benefits to ensure that growth is shared and does not repeat the patterns of Liberia's past. Areas highlighted for special attention include children, youth and the empowerment of women. The meeting also emphasized the need for continued participation in implementation and monitoring.

There was an open dialogue between partners and the Government of Liberia regarding challenges and opportunities in implementing the PRS. Specific areas of implementation, namely security, economic revitalization, governance and rule of law, and health and education were discussed in greater detail. Discussions centered on building capacity, strengthening public financial management, closing the financing gap, accelerating implementation, and improving coordination of aid. There was also a dedicated session on the challenges of rebuilding infrastructure, particularly transport, water and sanitation, and energy which are central to achieving the Government of Liberia's major objectives.

Limited technical, human, and financial capacities were noted as potential constraints to successful implementation of the PRS. Concrete steps are being taken to build capacity for implementation through civil service reform, implementation arrangements such as the Infrastructure Implementation Unit, and the provision of significant levels of external assistance.

The Government of Liberia is fully committed to continue to press rapidly forward with the reform efforts outlined in the PRS. The 2008/09 draft Budget meets the commitment of contributing at least 55 per cent of total resources towards PRS priorities. In support of the Paris Declaration principles, partners agreed to work to harmonize and align their commitments to PRS priorities over the next twelve

months. The Government of Liberia committed to develop more detailed costing to facilitate partner harmonization and alignment. In support of this objective, it was agreed that the Government and Partners will provide assistance to strengthen aid management and coordination, including through the regular provision by partners of information on aid flows. Government will review with partners their support to Liberia twice a year, as input to the preparation of the national budget and to ensure coordination and alignment.

Some partners took the opportunity to announce new financial and technical assistance commitments to Liberia. Partners confirmed that their support to Liberia is on the order of 250-300 million USD for the first year of the PRS; partners agreed with the Government of Liberia on the need to fully align these funds to the PRS. In recognition of improved efforts to strengthen public financial management, the African Development Bank and World Bank made commitments of 26 million USD in budget support over the PRS period, building on prior budget support received from the World Bank, France, and China. Significant resources will continue to be provided through pooled funds, including for health and education, and other coordinated sector-wide funding. Given the exceptional infrastructure deficit, there was agreement on providing additional grant financing to the Liberia Reconstruction Trust Fund. New commitments to the Trust Fund of 73 million euros (approximately 115 million USD) from the EC, Germany, and Ireland were made during the conference, adding to previous support from Sweden, Germany, and the World Bank to bring the total in the Trust Fund to 133 million USD. In addition to the commitments to the LRTF, there is an additional \$100 million from the World Bank and \$40 million from the African Development Bank to support infrastructure financing during the three year period of the PRS. Alternative private sector financing options for certain infrastructure will continue to be kept under review.

The following sections of this Report provide an overview of different sessions at the LPRF. In addition, the agenda for the LPRF is provided in Annexure I, a list of participants is set out in Annexure II, and Annexure III provides a list of commitments announced at the LPRF.

I. Plenary Session: Welcome and Introduction

Opening remarks were made by President Johnson Sirleaf and representatives of Germany, the United States, the United Nations Mission in Liberia (UNMIL) and the World Bank. An overview of these opening remarks is as follows:

a) H. E. Ellen Johnson Sirleaf, President of the Republic of Liberia

President Johnson Sirleaf extended a warm welcome to the LPRF and thanked attendees for their support for Liberia in its efforts to achieve rapid, inclusive and sustainable development, as well as their assistance in organizing the forum. Special thanks were given to the World Bank for all its support and to Germany for hosting the event. The President then announced that an agreement would be signed that day to immediately cancel over 400 million USD in bilateral debt to Germany. Previous commitments of Germany, including an important contribution to the Liberian Reconstruction Trust Fund, were also acknowledged.

The President reminded attendees that an aim of the LPRF was to focus people's collective energies on the task of continuing to rebuild Liberia following the war, and creating a brighter, more secure and more prosperous future for the Liberian people. Attendees were urged to pay particular attention to supporting the everyday people of Liberia who have suffered greatly as a result of the conflict.

Gratitude was expressed for strong support already received, especially for the UN peacekeepers and other members of United Nations' organizations who have done a tremendous job in helping to provide the foundation for peace and recovery.

The President updated attendees on progress made since the last Partners' Forum in 2007, including in relation to education, health, infrastructure, security, agriculture and public financial management. Special mention was made of progress in obtaining debt relief. However, a warning against complacency was provided, the President noting that as the five-year anniversary of the end of the war approaches, Liberia is at a critical juncture in its recovery process. As Liberia shifts from an emergency phase to a focus on longer term development, many young ex-combatants remain unemployed, several former senior officials have been charged with corruption making their allies uneasy, the work of the Truth and Reconciliation Commission provides disturbing memories, high oil and food prices are making life more of a struggle for the very poor, and challenges continue to be faced in the repatriation and reintegration process. The next three years were identified as being critical, with the Liberian people needing to see results and confirm that peace, democracy, hard work, accountability, and cooperation pay off with real dividends.

Regarding the charting of Liberia's future in the PRS, President Johnson Sirleaf noted that the process of developing the PRS had been as important as its ultimate content. In particular, the public consultation process had been extensive and had allowed the Government to gain perspective and formulate its strategies. The Government heard that Liberians envision a future that is

peaceful, secure and prosperous, with democratic and accountable governance based on justice and the rule of law, together with decent economic opportunities, basic health care, and education. Based on the consultations, the PRS was designed around the four pillars of consolidating peace and security, revitalizing the economy, strengthening governance and the rule of law, and rehabilitating infrastructure and delivering basic services. A brief overview of pillar strategies set out in the PRS was provided, and the particular importance of infrastructure was stressed; Liberians consistently named roads as their number one priority during the PRS consultations, and rebuilding the road network is critical for almost every goal in the PRS, including maintaining security, creating jobs, revitalizing agriculture, increasing mineral and timber production, fighting rural poverty, decentralizing the Government, making schools available for children, and expanding access to health services.

The President proclaimed that Liberia is on the move, but still has a long way to go. Although the main responsibility lies with the President, the Government and the Liberian people, Liberia cannot achieve its goals without partner support. The President then requested partner endorsement of the PRS, as well as ongoing technical, moral and financial support.

The President made a particular plea for exceptional, additional funding for infrastructure such as roads and port facilities. Her Excellency also referred to the manner with which any funding is to be provided, encouraging partners to contribute to the Liberia Reconstruction Trust Fund, as well as consider modest amounts of funding to directly support the budget in light of improvements in public financial management systems. The President finally asked partners to look at their capacities and procedures, as would the Government, with a view towards speeding up implementation.

The President expressed the commitment of the Liberian people to build a new Liberia from the ruins of war to a future of hope and promise, and again thanked partners for their support over the LPRF, the coming months, and into the future.

b) Heidemarie Wieczorek-Zeul, Federal Minister for Economic Cooperation and Development, Germany

Minister Wieczorek-Zeul welcomed LPRF attendees to Berlin and expressed her pleasure that so many and high-ranking participants had come to the LPRF at a time at which Liberia urgently needs cooperation and support. The Minister also thanked Liberia for choosing Germany as the venue of the LPRF and the World Bank for co-organizing the meeting.

The Minister reminisced about an October 2007 trip to Monrovia, noting reminders of Liberia's past but also leaving with the impression of a committed government. The Minister stated that notwithstanding the admirable record of President Johnson Sirleaf, there are a number of challenges that cannot be met without partner support, including rising expectations for improvements in basic services and dramatic increases in food prices.

German support to Liberia was then discussed. Minister Wieczorek-Zeul described Germany's focus on infrastructure development through capacity building and a contribution to the Liberia Reconstruction Trust Fund (LRTF). After noting harmonization and other benefits of the LRTF, the Minister announced that Germany would pledge another 10 million euros to the LRTF and called upon other bilateral and multilateral donors to follow suit. The Minister also stated that Germany would increase its technical cooperation resources for capacity development in the transport sector by 2 million euros and continue to provide emergency aid worth about 3 million euros. Finally, it was confirmed that a bilateral debt cancellation agreement would be signed that day which, in addition to implementing the Paris Club Protocol, would also provide for the cancellation of all German Finance Cooperation debts owed by Liberia. The total value of such bilateral debt relief from the German side is 268 million euros.

The Minister then detailed what was expected from the LPRF. In particular, the Liberian Government would present its PRS and the support required for its implementation. Bilateral and multilateral partners would then have an opportunity to ask questions and engage in dialogue with Government representatives regarding solutions for the most urgent problems.

The Minister wished the President and her Government every success and noted partners' responsibility and desire to contribute.

c) Ms. Henrietta Fore, Administrator USAID & Director of U.S. Foreign Assistance

Ms. Fore stated that it was a privilege to be at the LPRF, recognizing the achievements of the Liberian Government and reaffirming the support of the United States to the people of Liberia.

The important achievement of the PRS was acknowledged, as well as the historic and countrywide consultation process on which the PRS was based. The Government of Liberia was commended for its spearheading of the process, as well as for strengthening its economy, fighting corruption and committing half of its annual budget to implementation of the PRS. Ms. Fore noted that the PRS merits partners' support and requires their effective coordination.

Regarding United States' assistance to Liberia, Ms. Fore stated that the United States has provided over \$760 million USD since 2003 and is contributing another \$940 million to support the United Nations Mission in Liberia. The United States has also joined other Paris Club creditors in expressing its intention to cancel all of its \$420 million USD claims on Liberia. For 2009, the Bush Administration has requested \$179 million USD of assistance for Liberia to span across all four pillars and build on previous support.

Ms. Fore expressed support for the particular focus on infrastructure, and commended the World Bank for its efforts in developing the LRTF and donors such as Germany which have taken a lead role in the LRTF. Ms. Fore pledged the support of the United States for the PRS and called on all other partners to help Liberia advance on its path to peace and prosperity.

d) Ms. Ellen Margrethe Løj, Special Representative of the Secretary-General, United Nations

Ms. Løj applauded the Government of Liberia for its leadership and remarkable progress, as well as the Government of Germany and the World Bank for hosting and helping to coordinate the LPRF. Ms. Løj stated that the PRS is a comprehensive vision that will position the country to move forward, as well as being formulated through a truly consultative process involving dialogue with local actors in all counties and across all districts.

Despite many successes, Ms. Løj reported that the job is not yet done and that the situation in Liberia remains fragile. She noted that Liberia presents a constant reminder that development cannot be achieved without security, and that security cannot be achieved without development. For Liberia to advance on both fronts it needs the continued attention and support from its international partners.

Ms. Løj noted that particular needs exist in relation to the operational capacity of national security and rule of law agencies, and that rule of law and justice need to be prioritized during the PRS period. However, such reform is complex and takes time, and therefore UNMIL's drawdown is being carried out in a phased and well-planned manner to minimize threats to security and to deal with any serious disruption should it arise. The drawdown will provide the time and space for Liberia to develop and strengthen its own police and security forces.

With the PRS now underway, the Government and its partners need to focus on implementation and ensuring an equitable distribution of benefits from the

development process. The ultimate test of success for the PRS will be whether it raises living standards for all Liberians.

Ms. Løj also warned of the need to remain realistic. This PRS is Liberia's first and it will not solve all problems. Although the PRS expresses the country's priorities, successful implementation will require more detailed prioritization. With this in mind, it will be important to communicate realistic goals to the population – to manage expectations – and to deliver concrete results that will improve their daily lives.

Ms. Løj also emphasized that it was a key priority for the United Nations' family to work together in an integrated manner. An essential element of doing so is the formulation and implementation of several joint programs within key priority areas in close cooperation with and under the leadership of the Government.

e) Mr. Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank

Mr. Wormser expressed honor at the opportunity to participate in the LPRF. He noted that the World Bank has done its utmost in the past, and would continue to give all it has, to help Liberia succeed.

Mr. Wormser said that Liberia's poverty belies its middle-income past and its enormous future potential. Thanks to its abundant natural resource wealth, Liberia could rise again if it draws on its natural resources and agricultural assets to invest in education and health, and over the long term, orients its labor force towards manufacturing and services.

Impressive achievements over the past two years were described, but the benefits and visible results were said to remain below the peace dividend expected by the Liberian people. More than ever before, Liberia was said to need scaled-up assistance from all its partners: multilateral agencies, bilateral – including non-traditional – donor countries, foundations, and vertical funds. Development partners must also do business in better ways – shifting funds to neglected sectors, reducing duplication and transaction costs. And, because planning requires predictability of funding, multi-year support should be forthcoming, especially from Liberia's larger partners.

Mr. Wormser said that particular challenges needed to be addressed, including better alignment of donor funding in health and education (in part through the use of direct budget support and pooled funds), creating employment in growth industries, responding to the food price crisis (with respect to which the World Bank recently provided a \$10 million USD grant), ensuring that

infrastructure investments are efficient and sustainable, facilitating private sector development (in relation to which the International Finance Corporation is ready to assist), and building capacity and strengthening state institutions.

Mr. Wormser noted that the World Bank Group supports Liberia through both grant financing and knowledge and advisory services. He then reported that a new IDA allocation of about \$120 million USD for the PRS period was expected to increase. Mr. Wormser also said that IDA funds would focus primarily on transport and agriculture.

II. Plenary Session: PRS Overview and Lessons from the iPRS (Chair: H. E. Ellen Johnson Sirleaf, President of the Republic of Liberia - Co-chair: Ms. Ellen Margrethe Løj, Special Representative of the Secretary-General, United Nations)

The opening session presented progress made during the iPRS period, high level themes from the PRS, and lessons for implementation. The key message was that the Government has set its priorities for achieving rapid, inclusive and sustainable development. The focus of the Government is to now move to implement these policies. Partners strongly endorsed the PRS and welcomed the emphasis on ensuring a consultative process. Some partners took the opportunity to announce increased support to Liberia, particularly with respect to infrastructure needs.

PRS Overview (Dr. Antoinette Sayeh, Minister of Finance)

The Minister of Finance stated that the PRS responds to an unprecedented collapse of the national economy with a 90% decline of GDP between 1987 and 1995.

Poverty diagnostics indicate that about 64% of Liberians now live below the poverty line. This is significantly more than the West and Central African average of 55%. Poverty is also more pronounced in rural areas than urban areas.

In response to feedback on the iPRS process, as well as to counter previous marginalization of certain groups, the PRS involved extensive consultation throughout districts and counties, as well as with the Legislature, the private sector and civil society. Several surveys were also undertaken to improve the evidence base and analytical rigor of the PRS including the PPA, DHS and the Core Welfare Indicator Questionnaire (CWIQ) exercise.

The central messages of the PRS are the need to consolidate peace and security in light of the phased drawdown of UNMIL, support for inclusive, widely shared growth, and the overwhelming need to rebuild physical and social infrastructure. PRS priorities across the pillars are geared toward meeting these interrelated objectives. But there are important challenges and risks. Domestic fragility and risk of conflict, implementation capacity, financing gaps and sensitivity to the regional environment are significant challenges that would need to be effectively monitored for the PRS to deliver expected results.

The PRS process was a truly participatory process. It reflects not only an inclusive process but also strong national ownership, committed leadership and continuous support of national and international partners. Liberia has evidently come a long way, but there is also a long way to go. Continued leadership of the Government and sustained engagement of all partners will remain critical to effective implementation.

From iPRS Stocktaking to PRS Implementation: Key Lessons Learned (Mr. O. Natty B. Davis, National Coordinator, LRDC)

The National Coordinator of the LRDC began by providing attendees with a pillar-by-pillar look at significant successes achieved during the implementation of the iPRS. In the Peace and Security Pillar, it was noted that 90,000 ex-combatants had been demobilized and reintegrated and that regional security had been improved through Joint Board of Security Committee meetings between Liberia and Sierra Leone. The most notable successes under the Economic Revitalization Pillar related to numerous improvements to Liberia's public financial management systems. The National Coordinator also highlighted Liberia's clearance of arrears to the World Bank, the African Development Bank and the IMF, as well as the renegotiating of key concessions to improve their economic and social impacts. Under the Governance & Rule of Law Pillar, 7,000 Government "ghost" employees were removed from the payroll and the Governance Commission was established. Meanwhile, numerous strides were made under the Infrastructure & Basic Services Pillar; rehabilitation began on four major highways, services were restored to 350 health facilities, and school enrollment was increased by 44 percent.

The National Coordinator highlighted a series of important lessons learned by the Government from the iPRS period that will be applied during PRS implementation, including the importance of strong leadership, a focus on results, the creation of durable institutions, appropriately timed financing, and coordination and collaboration between development partners and the Government. Broadly speaking, iPRS successes were driven through strong presidential leadership which enabled progress despite the absence of strong

institutions in Liberia. The National Coordinator described how capacity continually slowed progress during the iPRS despite Government programs such as the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) Senior Executive Service (SES).

The pace of road reconstruction was slow due to financing and capacity limitations. During the PRS period, the National Coordinator noted that the Government will address this by aiming to attract more capable contractors with bigger contracts and by creating a strong Infrastructure Implementation Unit (IIU) inside the Ministry of Public Works.

The National Coordinator spoke of the need for more active policy and partner coordination. The Government aims to accomplish this through the LRDC as well as by expanded reporting systems which better connect the Cabinet to activities in the Counties. The National Coordinator also stressed that PRS implementation would be aided by a monitoring & evaluation framework which requires frequent reporting on PRS deliverables.

Partner Statements and Discussion

In general, partners expressed strong support for the reform pursued by the Government of Liberia and praised the participatory process that produced the PRS. Partners applauded President Johnson Sirleaf and her Government for landmark progress in bringing peace to Liberia; being an essential condition for recovery and reconstruction. The PRS was welcomed as appropriate even though it is ambitious. The progress made and results achieved so far with respect to arrears cancellation, gender empowerment, focus on shared growth, stability and public financial management were noted.

Partners called for a strengthened oversight structure to improve implementation. Partners welcome continued attention to gender empowerment, noting that it is both a human rights issue and smart economics. There were calls for stronger emphasis on capacity development, aid coordination, participatory monitoring and evaluation as well as improvements in relations between the Legislature and the Executive.

Partners committed to improve cooperation and collaboration with the Government as the implementation phase proceeds. In this regard, partners agreed with the Government to ensure better harmonization and alignment of their support to PRS priorities.

Summaries of individual statements are as follows:

a) IMF (Ms. Benedicte Christensen, Acting Director, African Department)

Ms. Christensen described Liberia having made significant progress, with arrears being cleared and Liberia having embarked on an ambitious program supported by the Poverty Reduction and Growth Facility (PRGF) and Extended Fund Facility (EFF). The macroeconomic framework and structural reforms under the PRGF program are consistent with Liberia's PRS. Liberia also reached the HIPC decision point in March 2008—the first step toward securing comprehensive debt relief covering all Liberia's creditors.

An overview of recent economic developments was provided, with good prospects for a continuation of the economic recovery in 2008, albeit at a slightly slower pace than in 2007. Performance under the Government's cash-based budget in fiscal year 2007/08 shows strong improvements, both in terms of revenue mobilization and higher expenditures. Financial management at the Central Bank of Liberia has also improved and the commitment to maintain relative price and exchange rate stability has helped increase investor and donor confidence in macroeconomic management.

The IMF Representative commended the Government for the timely completion of its first full PRS, and for the extensive national consultations leading to this impressive and ambitious three-year program of reforms. It was noted that the PRS responds to the causes of poverty in Liberia and lays out a program of reforms to deepen and modernize democratic institutions, and to foster more inclusive private sector-led growth. It emphasizes the critical importance of maintaining macroeconomic stability to underpin rapid, inclusive and sustainable economic growth.

While Ms. Christensen welcomed the ambitious PRS, it was emphasized that implementation will require strong partnership, with external grants and clear alignment of donor assistance crucial to meeting the PRS objectives. Improving capacity, partnership between the Legislature and the Executive, and further strengthening of public financial management were also identified as critical.

b) ECOWAS (Ms. Minata Samate, Chair of ECOWAS Council of Ministers)

Ms. Minata Samate expressed ECOWAS' delight at the tremendous achievements that Liberia has registered within a short period of time under the enlightened leadership of President Johnson Sirleaf, and confirmed that ECOWAS will accompany Liberia in the process of creating inclusive and sustainable development.

Ms. Samate reminded attendees that without development there will be no peace in Liberia, and that without stability in Liberia, there will be no stability in the region. Ms Samate then informed attendees that ECOWAS has a regional strategy to complement individual country efforts.

The international community was urged to support regional programs for the maintenance of stability in the sub-region, especially in the context of the current food crisis.

c) African Development Bank (Mr. Joseph B. Eichenberger, Vice President, Country and Regional Programs and Policies)

Mr. Eichenberger stated that attendees had gathered to reaffirm their faith and confidence in a future of peace, dignity and shared prosperity for the Liberian people, and to commit anew to the hard work that lies ahead. He said that Liberia's PRS admirably captured both the immensity of the challenge and the common purpose with which it can be overcome. Although the PRS is hugely ambitious, it is appropriately so. It is both resolutely pragmatic and infused with hope and confidence to inspire.

Mr. Eichenberger noted that the PRS is grounded in a fundamental humanity, and stressed that Liberia's partners need to intensify efforts and build systematically on what has been started. For the African Development Bank, this includes providing increased resources to Liberia, reducing procedural obstacles and transaction costs, supporting infrastructure, strengthening institutions (including through direct budget support), preparing a Joint Assistance Strategy with the World Bank and investing in a dedicated presence in Monrovia. Mr. Eichenberger stated that the African Development Bank was committed to helping deliver these objectives in Liberia.

d) Norway (State Secretary Hakon Arald Gulbrandsen)

The State Secretary of Norway congratulated the President of Liberia on the Government's impressive progress and updated the meeting on Norway's support in the areas of energy, security (including gender-based violence), social services and the Millennium Village program. The State Secretary also noted that good governance and the rule of law is high on the agenda of the Government of Norway, and that Norway is ready to support Liberia in relation to good governance and rule of law interventions, including the fight against corruption.

The challenges associated with different donors operating in-country were acknowledged and support was given for a division of labor between donors and joint financing mechanisms to enhance efficiency. The State Secretary voiced support for Ms. Henrietta Fore's idea of a joint visit to Liberia by development ministers later in 2008.

The State Secretary mentioned that Norway had contributed significantly to the clearance of Liberia's debts and will go beyond what was negotiated in the Paris Club to cancel all bilateral debt after the HIPC completion point is reached. It was also announced that Norway will, as requested by the Government of Liberia, contribute \$5 million USD to the International Development Association's planned debt reduction facility for the buyback of Liberia's \$1.6 billion USD private debts.

e) European Union (Mr. Manuel Lopez Blanco, Head of Delegation of the European Commission)

The European Union Representative noted the considerable strides taken by the Government of Liberia since the last Partners' Forum, the most notable being the announcement of the HIPC decision point, the continued effective implementation of GEMAP and encouraging macro-economic indicators. However, the Representative warned against losing sight of the enormous challenges still facing Liberia, and encouraged partners to take advantage of the opportunity to create the conditions to ensure that Liberia makes a final break with its past, eg. inclusive governance, eradication of corruption, access to justice, and transparency, as well as partner harmonization and improved dialogue at a sector, pillar and eventually county level.

The PRS was said to be an excellent medium through which to achieve this aim and, consistent with Liberia's priorities, the European Commission's (EC) main priority area over the short term will be infrastructure. The Representative then announced the EC's willingness to participate in the LRTF, with an initial contribution of 60 million euros, and declared that it intends to devote the main part of its allocation to roads, as well as continue its involvement in energy and water. This was seen as the best option because roads were identified as the highest priority during the consultation process, there is a need to increase the rate of implementation and disbursement of the EC's aid cooperation, and supporting the LRTF furthers the principles of harmonization and alignment of development aid. The Representative noted that it made little sense for some partners to operate in the LRTF while others operated outside it, and therefore encouraged other partners to participate.

The Representative stated that in the short term the EC would continue to focus on the Institutional Strengthening Capacity Building Programme, maintain its support to the General Auditing Commission and the Bureau of Customs and Excise, as well as promote decentralization of public financial management. Mr. Blanco also said that its representation in Monrovia is in the process of being strengthened in view of the forthcoming upgrading to a full delegation, so as to close and deliver on projects which have been pending from previous cycles.

The Representative then discussed the ACP-EC Partnership Agreement which governs EC relations with Liberia. The Representative was pleased to learn that the procedures for the ratification of the Partnership Agreement had been completed by the Liberian Executive, and said that once the relevant instrument is deposited, funds from the 10th European Development Fund (EDF) can be brought on stream.

The EC, in line with its commitment to contribute to the clearance of the arrears of Liberia owed to other multilateral creditors, noted that it had pledged the amount of 8 million euros towards the arrears clearance operation of the African Development Bank. Furthermore, a 3.5 million euro envelope envisages the repayment of arrears owed to the EIB. The Representative also indicated that the Regional Indicative Programme for West Africa could be tapped by Liberia.

The EC finally mentioned that it had finalized a response strategy regarding the global food price increases and is ready to contribute to Liberia's own strategy in all its stages of response.

f) Denmark (Ambassador Carsten Nilaus Pedersen)

The Ambassador congratulated the Government on its progress and creating new hope for the future, although noted that Liberia still faces enormous challenges in securing long-term peace and prosperity for all her citizens.

The Ambassador discussed a recent visit of President Johnson Sirleaf to Denmark and the strong partnership between the countries. Denmark's emphasis on promoting gender equality was also mentioned, and its interest in supporting Liberia as one of the most progressive countries in Africa.

In relation to supporting gender equity during the PRS period, the Ambassador referred to the Danish Government's commitment of 100 million kroner (corresponding to \$21 million USD) for 2009 – 2011, the focus of which will be on economic empowerment of women. Denmark was also said to be prepared to commit a further 10 million kroner (approximately \$2 million USD) in 2008 as "seed money", likewise targeted at supporting women's equality and

empowerment. These amounts are in addition to the 160 million kroner (approximately \$35 million USD) provided in bilateral debt relief.

The Ambassador also noted that Denmark was keen to harmonize its support and encouraged other partners to do likewise.

g) Finland (Ms. Marjatta Rasi, Under-Secretary of State)

The Representative of Finland noted the very promising road to stability on which the Government of Liberia is travelling. Liberia serves as a positive example and is an inspiration to neighboring countries, and Finland wants to support its journey to sustainable peace and development.

Ms. Rasi stated that Finland's priority is to fight corruption and it is happy to offer Finnish expertise in this endeavor to Liberia. The gender issue was also identified as being important.

Ms. Rasi described Finland's previous assistance for Liberia, having committed 800,000 euros to the clearance of arrears to the African Development Bank and also supporting the decision to forgive the Liberia development credit of 2 million euros. Finland will also fund the International Colloquium on Women's Empowerment, Leadership Development, International Peace and Security that will be co-chaired by the Presidents Ellen Johnson Sirleaf and Tarja Halonen and will be held in Monrovia March 2009.

Finally, Ms. Rasi referred to her role as the chair of the UN Peacebuilding Fund Advisory Group and emphasized the essential role and support of the Peacebuilding Fund in Liberia.

h) United Kingdom (Mr. Desmond Curran, DFID)

The Representative of the United Kingdom congratulated the Government of Liberia on the development of the PRS, including the highly consultative process. It was noted that it is a very ambitious PRS – understandably so given the needs and expectations faced – and puts a premium on the continuing commitment of the Government, and on the full support of partners.

Mr Curran stated that the United Kingdom commits to continued substantial support to Liberia in the implementation of the PRS and will collaborate fully with the Government in ensuring that its resources are used most effectively in promoting the goals of the PRS. The United Kingdom was said to be particularly pleased with the emphasis on shared growth (so as to avoid the mistakes of the

past) and on the undertaking of security sector reform. The Representative also congratulated the Government on progress in improving public financial management but stressed that the same commitment needs to continue going forward. Finally, capacity constraints were considered to be a threat to implementation of the PRS, and the Representative welcomed plans for an enhanced oversight structure focused around a strengthened LRDC Secretariat to coordinate, channel and support the work of the sectoral ministries. Mr Curran also acknowledged that the international community needs to do much better to respond to the Government's calls for greater coordination and harmonization of its support, and much greater transparency and predictability in the assistance that is being provided.

i) Sweden (written statement on behalf of the Swedish Minister for International Development Cooperation, Ms. Gunilla Carlson)

The statement by Sweden noted the progress made by the Government of Liberia, with the support of its international partners, in rebuilding Liberian society and creating a foundation for democracy and sustainable development. A window of opportunity has opened for Liberia and the West African region, with the previous chain of conflict being replaced by a chain of possibilities.

Sweden commended the President and the Liberian Government for its important work in seeking good relations and cooperation with its neighbors, with regional cooperation and integration identified as being key for a peaceful future. Sweden also highlighted the important role played by women in the process towards peace and development, as well as the fact that risks of future conflict still remain.

Sweden then welcomed the Liberian Government's PRS as a means of facilitating economic growth, fair distribution of resources and respect for human rights. The PRS was described as a needed platform for the continued and coordinated cooperation between Liberia and the international community, and Sweden in its bilateral capacity and as a member of the EU expressed its commitment to support Liberian efforts ahead.

Sweden also announced that it will substantively increase its bilateral cooperation with Liberia to a total of 800 million Swedish kroners (approximately 130 million USD), in the period 2008-2013.

j) France (Ambassador Jacques Gerard, Ambassador of France to Liberia)

The French Ambassador to Liberia commended the team who prepared the PRS and said the quality of the content stood out against many other PRSs.

Ambassador Gerard described the engagement of France in the renaissance of Liberia, as a main contributor to the European Development Fund, a financier of the United Nations Mission in Liberia, and an active participant in the debt relief process.

The Ambassador then announced that the Board of the French Development Agency had added 4.91 million euros to funds available to clear the IMF arrears.

Further, on the bilateral side, the French Fund for Global Environment recently co-funded a project to improve the management and conservation of Sapo National Park for an amount of \$1.2 million USD. There are also potential opportunities for French enterprises to invest in various sectors of the Liberian economy.

The Ambassador affirmed the focus of French Government support to security sector reform and to improving access of students and civil servants to learning and training opportunities.

k) Kuwait fund (Abdulrahman Al-Hashim Representative of the Kuwait Government and the Kuwait Fund for Arab Economic Development)

The Representative of the Kuwait Government and the Kuwait Fund noted that the Kuwait Fund first participated in the development of Liberia in July 1978, but that its participation has been very limited due to the civil war. The Kuwait Fund is hoping to renew the close cooperation and support for the development efforts of Liberia, and support the Government in its efforts in reconstruction, economic development and poverty reduction.

Kuwait's bilateral participation was said to be normally based on the development priorities determined by the Government. The Representative then announced that the Kuwait Fund is ready to participate in co-financing priority development projects through concessional loans, subject to the completion of a detailed feasibility study. The Kuwait Fund was also said to be ready to provide some funds for technical assistance that may be required by the Government of Liberia to conduct the feasibility study.

The Representative also informed the LPRF that the Kuwait Fund has decided to provide Liberia with debt relief of the outstanding amounts due to the Kuwait

Fund within the framework of the HIPC initiative. The outstanding amounts will be rescheduled over 40 years, including a 16 year grace period.

l) Ireland (Ambassador Kyle O'Sullivan, Ambassador of Ireland to Liberia)

The Ambassador of Ireland to Liberia, on behalf of the Government of Ireland, commended H.E. President Johnson Sirleaf and her administration on the preparation of Liberia's PRS. Ambassador O'Sullivan stated that the document is the culmination of a prodigious amount of work, as well as extensive consultation within Liberia and with foreign and international agencies. The degree of preparation and planning was essential given the challenges facing Liberia, but the extent of local consultation was still remarkable and praiseworthy.

The Ambassador referred to Ireland's commitments at the 2007 Partners' Forum in Washington D.C. and said that these commitments would be met; with most already having been disbursed. A commitment of at least ten million dollars for 2009 was then announced, as part of Ireland's focus on supporting the health, governance/security, water & sanitation and infrastructure sectors over the next two years.

The Ambassador also stated that any activity supported by Ireland in Liberia would be aligned to the PRS and help deliver the priorities as decided by the Government of Liberia.

Discussion

In closing, the session Co-chair, the Special Representative of the Secretary-General of the United Nations Mission in Liberia, concluded there had been a clear endorsement of the PRS from Liberia's partners and recognized the remarkable process by which it was formulated.

The statement by ECOWAS that "without development there will be no peace" was repeated and attendees were reminded that not only is Liberia at stake, but so is the entire sub-region.

The Special Representative of the Secretary-General also noted the commitment of partners to harmonization and cooperation.

III. Plenary Session: Liberia's Response to Global Food Price Increases (Chair: Dr. Christopher Toe, Minister of Agriculture - Co-chair: WFP/FAO)

Liberia's Response (Dr. Christopher Toe, Minister of Agriculture)

The Minister of Agriculture provided an overview of the global food price crisis, explaining that prices of basic food commodities (particularly rice) had risen dramatically over the last two years, rendering low-income, food-importing countries with high rates of poverty and malnutrition vulnerable to instability and conflict. In Liberia, the consumer price index increased 14 percent from January 2007 to January 2008, while the cost of the food basket for the typical household rose by more than 25 percent.

Liberia was said to be particularly susceptible to adverse world food price trends because:

- the post-conflict environment is very fragile, with a high risk of food-related violence;
- continuing food price increases will worsen high rates of poverty, food insecurity and malnutrition prevailing in the country;
- Liberia is highly dependent on food imports;
- food is a major component of household expenditure; and
- domestic rice stocks are expected to run out by the middle of September.

Dr. Toe noted that the Government had begun implementing its strategic national response. The predominant goal of its interventions has been to ensure that food is available and affordable for its citizens and all who reside within its borders. Its objectives, designed to be coherent and mutually-reinforcing, are:

- to mitigate the impact of domestic price increases and ensure consistent food supply;
- to maintain access to food and improved nutritional well-being for vulnerable households through safety nets; and
- to promote increases in domestic food production.

Actions already commenced include suspending the import tariff on rice imports and seeking to ensure adequate import supplies. The response is also focusing on food assistance for refugees and other vulnerable groups, re-introduction of the school feeding program in urban areas, supplementary feeding for women and children, and food- and cash-for-work programs for the unemployed, especially our young people.

The Minister explained that although these short term measures are essential, it is the promotion of increases in domestic food production over the medium to long term that will provide a long term solution. To do so, policies will be

implemented to expand production amongst existing smallholder farmers, support increased marketable surplus with post-harvest interventions and investment in rural roads, expand agricultural land and diversify production, and encourage large-scale farming through an appropriate policy environment. For example, the Government has suspended tariffs on agricultural equipment, materials and supplies; provided a quarter of a million dollars in the current planting season to purchase and distribute seed rice to farmers, with an additional half a million dollars earmarked to buy surplus paddy rice following this year's harvest; and it has significantly increased the 2008/2009 fiscal year budget for the Ministry of Agriculture in a bid to accelerate PRS-related food and agriculture priority interventions.

The Minister thanked partners who had already made commitments to support the Government's food crisis response objectives, but noted that further partner support was needed. In particular, the Minister said that Liberia needs \$175 million USD over the next three years to fund both emergency preparedness and response requirements and our medium term priorities. \$65 million USD of this amount is needed for food assistance and expedited food production programs; \$110 million USD is required for PRS food and agriculture interventions and other medium term priorities resulting from the food crisis.

Dr. Toe then informed partners of the Joint Government of Liberia - United Nations Programme on Food Security and Nutrition alternative funding mechanism, a fast funding, pass-through mechanism that offers an opportunity for complementarity, harmonization and cooperation.

The Minister concluded by noting the linkages between hunger and PRS objectives.

Discussion

The Representative from Japan noted Japan's commitment to increasing productivity and capacity of food production in Africa. The Representative said that Japan is seriously considering implementing food aid in coming months and it would be expected to relieve the food crisis and support the economy in Liberia.

A question was asked regarding the budgetary effect of suspending the subsidies on rice, and whether there were any donors who could provide budget support to compensate for the reduction in income. The Minister of Agriculture responded that the Government was expecting to forgo revenue of \$5.7 million USD in 2007/2008 and \$8.5 million USD in the next fiscal year.

The Representative of Italy announced that Italy would cancel its bilateral debt of 68 million USD.

Other comments warned about regional impacts of the crisis and individual country interventions, praised the leadership of the Minister of Agriculture, and reminded attendees of the need for a coordinated response.

IV. Breakout Sessions: Pillar-level Examination of PRS Implementation

The breakout sessions provided the opportunity for more detailed discussion between the Government and partners on each of the pillars. Partners were presented with a brief overview of the strategy and discussion focused on the challenges and opportunities for implementation.

Security Pillar (Chair: Mr. Brownie Samukai, Minister of Defense – Co-chairs: Thomas Dougherty, US Government and Ms. Ellen Margrethe Løj, Special Representative of the Secretary-General, United Nations)

The Minister of Defense explained that during the PRS consultations, Liberians emphasized that improving security and rule of law were key priorities. This was also reflected in the National Security Assessment carried out by the Government, which has been the foundation for the formulation of the National Security Strategy for Liberia. The Strategy is currently with the Legislature, while the Government is working in parallel with partners to develop an implementation plan. The aim is to reform and restructure all national security institutions, including avoiding duplication of functions.

In total, national security institutions will comprise approximately 8,000 persons, including 2,000 AFL officers, 3,500 LNP officers plus 500 officers in the ERU, 2,000 BIN personnel and 200 NSA officers. The PRS costing estimate for the security pillar included the three key priorities and amounted to \$252 million USD. Following more detailed discussions within the pillar, a revised costing estimate for all the pillar activities – going beyond the three key priorities – is now set at approximately \$377 million USD.

The rebuilding of the national security institutions is closely linked to the pace of the UNMIL drawdown. It was pointed out that while progress has been made, particularly in the retraining of AFL troops, the situation in Liberia remains fragile. Nowhere in the world is the link between peacebuilding and peacekeeping more clearly illustrated. Security cannot be achieved without development, and development cannot be achieved without security. The participants in the security breakaway session agreed that additional donor support would be

necessary to address the financing gap within the security pillar in order to ensure that the development gains are not undermined by future instability.

The Minister of Defense and the two Co-chairs highlighted that the security sector reforms needed to address both the external security dimensions and the internal threats. The US continues to be the main supporter of the rebuilding of the AFL. Based on the findings from the recent Joint Security Assessment carried out by the Government and the UN in all counties, the chair and UN SRSG noted that progress related to LNP reform had been slower than expected.

Participants raised several issues during the discussion period. This included an emphasis on the need to deal with unemployment, especially youth unemployment, in Liberia. The proliferation of small arms and existence of active groups of ex-combatants are not considered the main threat to peace in Liberia at this point, but rather the challenge of creating meaningful peaceful employment for Liberians. It was also noted that the security sector reforms are closely linked to the empowerment of women and girls. They are the first to suffer from an instable environment. The focus on gender equality also included a recommendation to ensure female representation in the security institutions.

Economic Revitalization Pillar (Chair: Dr. Antoinette Sayeh, Minister of Finance - Co-chairs: Ishac Diwan, World Bank and Mr. Mikael Barfod, European Commission)

The Minister of Finance presented Liberia's 3-prong growth strategy:

- to rebuild basic infrastructure, especially roads;
- to revive natural resource industries, the best medium term source of growth; and
- to build the foundation for diversification over the longer term by continuing to improve the enabling environment, including reducing red tape and amending the tax code to improve competitiveness to attract both local and foreign investment.

Public financial management reforms were also identified as being critical for stimulating and sustaining rapid and inclusive growth.

The breakout session then discussed a range of topics including implementation, capacity, generating employment and the forging of concession sector links with SMEs. Women, youth, rural inhabitants and SMEs were identified as key to economic revitalization. Particular items of discussion and responses included:

- the Government mainstreamed gender throughout the PRS, particularly with respect to agricultural policy, and changes in the enabling environment will make it easier for women to set up businesses;

- to generate employment the Government is pursuing labor-based public works while still working towards bigger procurement packages to attract contractors in the road sector;
- to ensure robust growth, the Government needs to develop national ports and ensure the supply of electricity which currently add prohibitive costs for possible new investors; and
- a microfinance bank is to be launched which will deepen and strengthen access to finance and will help to develop SME and gender empowerment.

Overall the economic revitalization policy set out in the PRS was well received and the focus of the Government and partners must now turn to rapid implementation.

Governance & Rule of Law Pillar (Chair: Dr. Toga McIntosh, Minister of Planning and Economic Affairs - Co-chair: Mr. Dominic O'Neill, UK Government)

Minister McIntosh used the breakout session to provide brief highlights as to progress made during the iPRS period, followed by the key governance and rule of law priorities set out in the PRS, the challenges to implementation and financing requirements.

The key priorities for the PRS period include decentralization, development of effective and efficient public institutions, and increasing access to justice. The main challenges to implementation included capacity building, avoiding an inequitable distribution of resources, and building a system of national integrity.

Minister McIntosh noted that the costing of governance and rule of law interventions in the PRS is \$224 million USD, but that an effective partnership also required technical assistance.

The Co-chair, Mr. Dominic O'Neill of DFID, highlighted that governance and the rule of law was central to the achievement of the PRS objectives across pillars.

The breakout session then discussed a number of issues, including:

- the need for a review of the structure and organization of the governance and rule of law pillar;
- following an inclusive preparation process, the implementation of the PRS also needs to be inclusive, including with respect to the Legislature, the Judiciary and civil society;
- core teams in different ministries and agencies could be established and charged with overseeing the implementation of PRS priority interventions

- the importance of the peacebuilding agenda and that the implementation of governance and rule of law policies need to take account of what did not work well in the past; and
- the long awaited rule of law workshop should take place as soon as possible, but without compromising its effectiveness.

The Director of the Civil Service Agency also presented its new Civil Service Reform Strategy to the breakout session, which covers restructuring and rightsizing, pay reform and pension reform, improving service delivery through decentralization, human resources management, developing leadership, and gender equity in civil service.

Social Sectors (Health and Education) (Chairs: Dr. Walter Gwengale, Minister of Health and Dr. Joseph Korto, Minister of Education - Co-chairs: Ms. Rose Gakuba, UNFPA and Ms. Rozanne Chorlton, UNICEF)

Both the health and education sectors have made progress over the iPRS period, but more remains to be done in key areas, including expanding access to under served areas, improving alignment and partner coordination, and ensuring the financial sustainability of priority interventions.

The Ministers of Health and Education presented the key areas for support and major deliverables in the PRS, including:

- expanding access to effective education & health services;
- rebuilding critical health & education infrastructure; and
- investing heavily in developing essential human resources.

These areas reflect the common challenge facing both sectors, namely limited access to basic services due to inadequate infrastructure and limited human capacity. Strong national leadership in support of both sectors, as well as strong partner support, present important opportunities for achieving these ambitious deliverables. To address these challenges, and transform resources into results, a variety of financing approaches (national budgeting, budget support, pool and project funding) were noted as being available.

During the session many partners congratulated the Ministries for remarkable progress made, but cautioned that much more remained to be done. In particular, the inequity in services was identified, particularly in the southeast region of Liberia. The need to improve coordination and alignment of partners was highlighted as necessary to address equity in service provision.

Partners reiterated their respective support for health and education. Specifically, DFID reiterated its support for pooled funding. Irish Aid signaled their

intention to use such a mechanism in the next couple months. UNFPA also praised the pooled fund approach and expressed a desire to contribute in the near future. The World Bank offered to assist the Ministry of Education in carrying out a training institution assessment. USAID is providing substantial support to both sectors.

A number of action points were identified:

- MoHSW is to review the Health Plan & Policy during July 2008;
- MoE will connect with World Bank to discuss carrying out a training institution assessment;
- Ministries need to work with donor and NGO partners to increase equity in underserved areas, reallocating resources as required from other counties; and
- coordination and linkages between health and education sectors must continue to be reinforced.

V. Plenary Session: Reports from Breakouts (Chair: Mr. O. Natty B. Davis, National Coordinator, LRDC – Co-chair: Katherine Almquist, U.S. Government)

A 10 minute presentation from each of the four breakout sessions was provided, followed by discussion.

In summing up the discussion, the Co-Chair from USAID commended the PRS and noted the interdependence between different pillars. The Co-Chair also emphasized the need to prioritize efforts and manage expectations during the implementation process.

The National Coordinator of the LRDC reiterated that without development there can be no security, and that without security there can be no development. Rule of law and shared growth are therefore very important elements of the PRS.

VI. Plenary Session: Costs and Financing (Chair: Dr. Toga McIntosh, Minister of Planning and Economic Affairs – Co-chair: Ms. Benedicte Christensen, Acting Director, African Department, IMF)

This session provided details on the financing gap for meeting PRS priorities and discussed the means through which partners are best placed to support the Government.

Costing and Financing PRS Priorities (Dr. Antoinette Sayeh, Minister of Finance)

The presentation by the Minister of Finance set out the methodology and total cost of the PRS for the implementation period 2008-2011, provided an overview of the draft FY 2008/09 budget, and presented an estimate of the financing gap for implementing the priorities set out in the PRS.

Dr. Sayeh explained that the costing of the PRS was derived through a bottom-up approach, with each working groups costing their top three priorities over the implementation period. Each working group was provided with the same framework to calculate costs supplemented with sector specific methodologies. To prevent double-counting, the costs of cross-cutting groups were applied to individual pillars which represented the majority share of expenditures. The total of the costing exercise is \$1.6 billion USD, with close to 60% of this amount attributable to infrastructure and basic services.

The Government has increased the resource envelope in recent years, but resources remain very limited. Civil service reforms and the further removal of ghost workers can help create additional fiscal space, but structural rigidities in the budget somewhat restrict expenditure on PRS implementation in the short-to-medium term.

Notwithstanding these constraints the Government committed to allocating at least 55 percent of Government resources to the implementation of the PRS during its first year. The FY 2008/09 draft budget reflects that commitment with 58.3 percent of Government resources allocated to PRS implementation. This commitment will be strengthened over the PRS period by continuing to raise revenues and develop public financial management systems.

The Minister of Finance then thanked partners for their support to date. She expressed disappointment that no firm and consistent data was available on committed financing and projected disbursements, and therefore emphasized the need for increased transparency and alignment of donor funds with Government priorities.

The gross financing gap (PRS costing less Government resources) for the first year of PRS implementation was estimated to be \$406 million USD, however this estimate does not include current donor commitments. The most significant gap was in the infrastructure and basic services pillar.

The Minister of Finance concluded the presentation by stating that now that the Government has set out its expected allocations consistent with the PRS, it hopes that its partners will align their support in a way that maximizes PRS implementation.

Partner Harmonization, Alignment and Financing Instruments (Mr. O. Natty B. Davis, National Coordinator, LRDC)

The National Coordinator of the LRDC provided an overview of the modalities through which partners deliver their support to Liberia. During the initial period of the Johnson Sirleaf Administration (the 150-Day Action Plan), partners mainly used NGOs to execute projects and routed support through the UN. This began to shift during the iPRS period; in addition to an increase in the quantity of support for Liberia, the number of Government-executed projects rose and several pooled funds emerged. The National Coordinator expressed to LPRF attendees the Government's desire for partners to harmonize their support with the PRS and to further expand the number of Government-executed projects in the next three years.

The National Coordinator provided an examination of each of the three main Liberia pooled funds. He noted that each pooled fund features a different expenditure decision-making mechanism. It was also pointed out that each pooled fund incorporates efforts to improve capacity building.

The National Coordinator also reviewed Liberia's partner coordination system. The LRDC Secretariat tracks partner support through several mechanisms including regular presentations by partners to the LRDC Steering Committee and, more recently, the Paris Declaration Survey. Moving forward, the LRDC is seeking to strengthen its coordination efforts by developing an aid management strategy and launching an aid information management tool.

The National Coordinator concluded with a brief examination of why the Government of Liberia believes that partners should begin to channel increasing support through the budget. It was noted that the Government has had "satisfactory" performance under 2 successive IMF Staff-Monitored Programs. Additionally, the Government has implemented numerous public financial management reforms such as improvements to the budget preparation process and instituting a strategy for domestic debt resolution.

Discussion

The session Co-chair, Ms. Benedicte Christensen, Acting Director, African Department, IMF praised the Government's improvements to public financial and debt management, and suggested that more external support should be provided, including through the Government budget. Ms. Christensen also advocated for further public financial management reforms, the development of a more detailed breakdown of PRS costs to better identify areas in which financing gaps exist, and for Liberia to create a better mechanism for tracking partner support to Liberia.

The session Chair, the Minister of Planning, reiterated the inability of the Government to meet the infrastructure financing requirements and called for partner support. The Minister of Finance agreed that an exceptional response from partners was required, given the size of the infrastructure deficit and constraints on borrowing.

VII. Plenary Session: Infrastructure Strategies for Poverty Reduction (Chair: Dr. Eugene Shannon, Minister of Lands, Mines and Energy – Co-chair: Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank)

Given the central importance of infrastructure to meeting all of the Government's major objectives there were a number of dedicated sessions on the challenge of reconstruction in this area. The LRTF was discussed as the primary means through which partners should channel their support.

Introductory Statement on Donor Harmonization in Infrastructure and the Liberia Infrastructure Trust Fund (Delivered by Dr. Christiane Bögemann-Hagedorn, Federal Ministry for Economic Cooperation and Development)

Dr. Bögemann-Hagedorn explained that a functioning infrastructure is crucial for economic growth and poverty reduction in a developing country, but that it is even more crucial in a post conflict environment. In the Liberian context, the rebuilding of roads is crucial to also achieving peace and security, inclusion, access to security and legal institutions, and making services reachable for all citizens.

Dr. Bögemann-Hagedorn then discussed the experience of Germany in focusing on infrastructure in its support of Liberia. In particular, Germany is concentrating on infrastructure because it is aligned with Liberian priorities, it is visible and will

demonstrate the peace dividend, and it is labor-intensive. After considering effectiveness, transaction costs, that the existing Liberian administrative structure is still weak, harmonization and minimal resources on the ground in Liberia, Germany decided to join and help fund the LRTF, administered by the World Bank.

A number of issues or challenges facing multi-donor trust funds such as the LRTF were identified, including the need for an exit strategy leading to budget support, the consideration of issues including gender and conflict sensitivity and the adoption of labor-intensive implementation measures, the need for multi-donor trust funds to be endorsed by all participating donors (with the dominance of individual donors to be avoided), and that multi-donor trust funds can only be an effective instrument if a large number of donors contribute.

Dr. Bögemann-Hagedorn concluded by inviting other partners to join in financing the LRTF.

Infrastructure Overview (Mr. Loseni Dunzo, Minister of Public Works)

The Minister of Public Works gave an overview of transport sector and utilities sector infrastructure, including challenges to be faced during the PRS period. The strong linkages between infrastructure and other sectors were noted.

The overview of the transport sector addressed the poor quality of the Liberian road network, with only 456 miles of paved roads out of a total of 6,162 miles. Given an intense wet season and a lack of maintenance for many years, the condition of roads is very poor. Over the PRS period, the Government plans to re-construct 1,000 miles of primary roads, 300 miles of secondary roads, 400 miles of rural feeder (farm-to-market) roads, and 150 miles of community roads.

Similarly, Liberia's seaports are in bad shape. Of the four seaports in Liberia, only one - the Freeport of Monrovia - is operational. However, even it is saddled with many problems ranging from the lack of adequate cargo handling gear to navigational aids. Over the PRS period, the Government plans to rehabilitate the marginal wharf, oil jetty, and navigational aids to facilitate 24-hour berthing and un-berthing of vessels at all ports in Liberia.

Regarding utilities, the total installed capacity of the Liberia Electricity Corporation dropped from approximately 192 MW before the war to the current capacity of approximately 12 MW. In addition, only 10 percent of urban residents and 2 percent of rural residents have access to electricity produced mainly by private generators at prohibitive cost. More than 90% of Liberia's population therefore depends on unreliable and unsustainable sources of

energy such as firewood, charcoal, candles, kerosene and palm oil. Access to safe drinking water and sanitation services is also very limited.

Human resource capacity in the infrastructure sector needs to be addressed in order to achieve the PRS objectives. In the roads sector, the Government plans to rehabilitate the Road Maintenance Training Center (RMTC) to provide training public and private sector personnel. In the airport, maritime and utilities areas, the Government intends to exploit the TOKTEN and SES programs, as well as external training opportunities. The Government will also use external experts to train local people as Trainers-of-Trainers (ToT) to significantly assist the Government's capacity building efforts.

In closing the session, the Co-chair, Mr. Michel Wormser of the World Bank, called for partners to front load their support to Liberia and direct it to infrastructure needs. He also said that infrastructure efforts needed to keep in mind maintenance requirements and be ready to commence at the end of the current wet season.

VIII. Breakout Sessions: Specific Infrastructure Sectors

The breakout sessions provided the opportunity for more detailed discussion between the Government and partners on specific infrastructure sectors. Partners were presented with a brief overview of the strategy and discussion focused on the challenges and opportunities for implementation.

Transport Sector (Roads & Bridges, Ports & Airports) (Chair: Mr. Loseni Dunzo, Minister of Public Works – Co-chair: Dr. Christiane Bögemann-Hagedorn, Federal Ministry for Economic Cooperation and Development, German Government)

The Minister of Public Works expanded on the previous infrastructure overview session. He noted that the rehabilitation of primary, secondary, rural/feeder and community roads would provide pivotal transport links to medical centers, schools, and markets, as well as enable farmers to procure agricultural implements and materials at low prices.

The Minister explained that priority roads had been determined through the PRS consultation process based on:

- areas/population served; and
- connectivity and accessibility to schools, medical facilities, agriculture sites and markets.

In addition to roads, the Minister explained that the Government plans to install 33 bridges around the country.

Given poor linkages on the ground within Liberia and between Liberia and its neighbours, the current state of seaports and airports further limits the movement of people and goods. In turn this affects security, economic growth, governance and the provision of basic services.

Regarding seaports, proposed reform of the Freeport of Monrovia and other ports in Liberia over the PRS period (including adopting a landlord model approach) would facilitate economic growth and other PRS objectives. Liberia's airports (and air transport system more broadly) are also to receive attention; at present only 5 of 43 domestic airfields have been partially repaired after the conflict and are only serviced by UN flights.

The breakout session then discussed a number of specific issues including implementation, maintenance, employment creation and capacity. The participants focused on sustainability, with financial sustainability requiring the consideration of maintenance funding, user fees, a levy on trucks and increased budget allocation, and institutional sustainability requiring consideration as to the appropriate institutional structure going forward.

Utilities Sector (Water & Sanitation, Power) (Chair: Dr. Eugene Shannon, Minister of Lands, Mines and Energy – Co-chair: Mr. Joseph B. Eichenberger, Vice President, Country and Regional Programs and Policies)

The Minister of Lands, Mines and Energy emphasized the importance of energy and water & sanitation to economic growth and sustainable development, and noted the strong linkages between energy and water & sanitation and PRS objectives.

There is an exceptional and urgent need for financing for energy and water infrastructure due to the collateral damage and vandalism of utilities infrastructure during the war. For example, the installed capacity of the Liberia Electricity Corporation fell from approximately 196 megawatts pre war to a current capacity of 12 megawatts. Both access to safe drinking water and adequate sanitation facilities also declined during the 1990s and early 2000s.

The Minister described short, medium and long term plans for energy. Over the short term, the Emergency Power Program will provide approximately 8 MW of electricity to parts of Monrovia. In the medium term, the GOL has been examining various options (in consultation with the IFC) and is considering a power purchase agreement with ArcelorMittal, a concession for distribution and

generation based on heavy fuel oils, and a concession for distribution and generation based on biomass. Key factors in determining which options to proceed with will be tariff affordability, sustainability and reliability of service. Over the long term, hydropower is seen as the solution to Liberia's power needs, with feasibility studies for rehabilitation of Mt Coffee to be completed by July 2008 and connection to the West African Power Pool.

Regarding water & sanitation, the Minister explained Government policy to rehabilitate water facilities in urban areas and rehabilitate wells in rural towns and villages. Approximately 12,000 hygiene promoters are to be trained, 100,000 latrines constructed and a solid waste site developed.

Participants in the breakout session then discussed the strategy. Private sector representatives noted their interest in investing in Liberia and the potential for the Government to work with the private sector for the benefit of local communities. Further comments requested that the Government not lose sight of rural communities and sanitation issues in the focus on infrastructure. A number of participants also mentioned the need for institutional and regulatory reform, particularly the need to establish a water & sanitation directorate given the current fragmented approach to governance of water & sanitation issues across different ministries and agencies.

In closing, Mr. Eichenberger from the African Development Bank noted that the sectors' needs are vast and that critical decisions need to be made in the short and medium term regarding investments and prioritization. Opportunities for partnerships between the Government and partners were recognized, as was the need to address regulatory and capacity issues.

IX. Plenary Session: Reports from Breakouts (Chair: Mr. Loseni Dunzo, Minister of Public Works – Co-chair: Ms. Hilde R. Johansen, Norwegian Government)

A 10 minute presentation from each of the breakout sessions was provided. Ms. Hilde R. Johansen, representing the Norwegian Government, then gave some concluding comments, noting the similar challenges facing both sectors. The funding gap was noted as being very significant, however infrastructure was described as a skeleton without which the other elements of an organization would not be able to function. The need for partners to cooperate and coordinate with the Government to ensure the efficient use of limited resources was again emphasized. Ms Johansen also said that the infrastructure sector needed to ensure that it was inclusive with respect to women, as well as that funding for maintenance needs to be planned for from the beginning and be incorporated into infrastructure budgets.

X. Plenary Session: Infrastructure Financing (Chair: Dr Antoinette Sayeh, Minister of Finance – Co-chair: Mr. Thierry Tanoh, Vice-President for Africa, IFC)

Presentation: Infrastructure Financing Strategy (Mr. O. Natty B. Davis, National Coordinator, LRDC)

The National Coordinator of the LRDC began by noting that had Liberia continued on a moderate growth path from its economic position during the 1980s, Government revenue could now be in the range of \$1.5 – 2 billion USD, rather than the \$250 million USD that is currently the case. The impact of such a drop in Government revenue, together with the war, was said to be reflected in the state of Liberia's infrastructure. For example, Liberia today generates a total of 12 MW of electricity compared to 196 MW prior to the war. It was then stressed that infrastructure is crucial to the success of Liberia's recovery given infrastructure's connection to revitalizing the economy, improving access to health and education, and to consolidating peace and security.

Given the costs and financing associated with infrastructure, additional and exceptional levels of financing for infrastructure will be necessary to achieve the rapid economic growth and poverty reduction that is the foundation of Liberia's recovery and development. The National Coordinator explained that infrastructure costs over three years equal \$725 million USD; combined Government and partner financing are a maximum of \$400 million USD; and a resulting financing gap exists of at least \$325 million USD. Government financing for infrastructure is estimated to increase over the three year period (due to projected growing revenues) but is unlikely to significantly reduce the shortfall. Current committed partner financing is estimated to be a maximum of \$315 million USD. The Government will seek to use PPPs as much possible, particularly in the energy sector. In addition, concessions will offer a tool, in some cases, to help achieve Liberia's infrastructure objectives, and other innovative financing options are sought.

The National Coordinator described the characteristics and benefits of the LRTF, the Government's preferred modality for grant funding for Liberia's infrastructure. He noted that the LRTF pools funding from different sources together to support larger, expensive infrastructure projects. It was also pointed out that LRTF is a useful tool to support infrastructure for those partners who do not have a large presence in Liberia.

The National Coordinator concluded by emphasizing the importance of infrastructure to Liberia's development. He encouraged partners to mobilize exceptional resources to assist with Liberia's infrastructure aims.

Discussion

The session Co-chair, Thierry Tanoh, Vice-President for Sub-Saharan Africa, IFC noted a key challenge that Liberia faces regarding mobilizing private financing for infrastructure projects; many of Liberia's infrastructure needs require private sector funding but infrastructure needs to be improved to make infrastructure investments more attractive to the private sector.

Following the Co-chair's comments, the Minister of Finance reiterated that the Government was contributing a significant amount of its own resources to infrastructure (approximately 60 percent of Government resources for PRS priorities in fiscal year 2008/2009 would go towards infrastructure and basic services), however this only represents 22% of what is needed for infrastructure over the same period. She also noted Liberia's present commitment not to borrow, but said that there may be a strong case for highly concessional financing for infrastructure in the future.

The President of Liberia welcomed partners to contribute advice on how to close Liberia's infrastructure financing shortfall based on any best practices gleaned from other countries. The President also noted the difficult situation that Liberia was in – It cannot borrow, yet the private sector is still reluctant to invest.

The Representative of the IMF said that infrastructure financing (with a high import component) can be absorbed by the Liberian economy, and encouraged the responsible use of public private partnerships. The Representative also noted that the Government had been very responsible with its debt policy.

Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank said that Liberia had made a clear and compelling case for the importance of infrastructure to its recovery and growth. He urged partners to return to search for ways to mobilize additional financing to Liberia's infrastructure, and noted that political risk insurance may help to facilitate private sector involvement.

James Steele of Buchanan Renewable Energies said that his company had agreed to pave roads because it made economic sense for his company. He suggested that other companies might also find opportunities for the private sector to integrate its activities and benefit the public.

Jordan Ryan, UNMIL, DSRSG said that if financing were made available by other partners, certain UNMIL troops could be used to help rehabilitate roads, especially if these specific projects were linked to clear security objectives.

The Chair noted that there had been encouraging new commitments for which the Government was very grateful.

Communiqué and Closing (President Ellen Johnson Sirleaf - Minister Heidemarie Wieczorek-Zeul - Ms. Ellen Margrethe Løj – Mr. Michel Wormser)

a) H. E. Ellen Johnson Sirleaf, President of the Republic of Liberia

President Johnson Sirleaf offered thanks to everyone who had contributed to the success of the LPRF. Special thanks were offered to the Government of Germany, the World Bank and other organizers, including the Government of Liberia. The President also thanked partners for their endorsement of the PRS and those partners who had used the LPRF to announce further support to Liberia.

Going forward, President Johnson Sirleaf noted the need for speedy implementation, as well as for donors to align and harmonize their support to maximize benefits. The President also said that although Liberia would not have progressed as far as it has without the support of its partners, the responsibility for development rests with the Liberian people.

The President appealed to partners to not wait, but rather to act on current needs and frontload assistance. This will enable the Government of Liberia to deliver on the peace dividend that was promised to the Liberian people. To wait will increase the probability of further (and more costly) conflict.

b) Heidemarie Wieczorek-Zeul, Federal Minister for Economic Cooperation and Development, Germany

Minister Wieczorek-Zeul thanked the President and the Liberian Government for their information and analysis, and said that some things were clear; the serious endeavors and trustworthiness of the Government, as well as the need to address the infrastructure deficit through innovative financing opportunities.

The Minister noted that partners had to act quickly to ensure that the confidence of the Liberian people remains high. Further, the Minister stressed that just as the international community is quick to condemn bad governance, it

also needs to be quick to support good governance; in the long run, those partners who wait only make the endeavor more difficult. Germany's own experience with rebuilding demonstrated that quick help is the best help and the Minister urged other donors to join in supporting Liberia. A particular request for support was made to OPEC countries and others which are benefiting from high oil prices.

c) Ms. Ellen Margrethe Løj, Special Representative of the Secretary-General, United Nations

Ms. Løj congratulated the Government of Liberia, Germany and the World Bank for a successful forum and noted that the objectives had been achieved; partners endorsed the PRS, the Government of Liberia clearly demonstrated its clear vision and commitment to move forward, and partners recommitted to staying the course and assisting the Government of Liberia in the implementation of the PRS.

On behalf of the United Nations Mission in Liberia, Ms. Løj pledged to work hard for the shared goal of Liberia living in peace and prosperity, and support the President to make Liberia a post-conflict success story.

d) Mr. Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank

Mr. Wormser said that the presentations at the LPRF demonstrated that progress had been made under an effective government, but that much still needs to be done. He described Liberia as being at an inflexion point between emergency and development.

Valuable contributions to the LRTF had been made and Mr. Wormser requested that other partners respond to the urgent request for support, particularly through the LTRF, the pooled funds and budget support. Mr. Wormser also noted the need for the private sector to become involved and for maintenance and capacity building to receive particular attention.

e) Communiqué

A communiqué was also agreed upon by attendees and read to the LPRF. The communiqué is set out in full in the introduction to this Report.

Lunch for Foundation Representatives with the Minister of Finance & Mr. O. Natty B. Davis, National Coordinator, LRDC (hosted by the Federal Ministry for Economic Cooperation and Development)

Minister Sayeh opened the meeting by acknowledging the critical work of foundations and other non-traditional partners to the development of Liberia. The flexibility and innovation of foundations complement other sources of assistance.

Three objectives were identified for the meeting:

- to ensure that foundations are fully connected with appropriate ministers and other Government personnel to facilitate alignment of the work of foundations with the PRS;
- to identify better means of communication between the Government and foundations (and vice versa); and
- to draw on the expertise and innovation of foundations to promote private sector growth, particularly for marginalized groups.

Mr. O. Natty B. Davis noted that the Government was interested in learning from foundations as to how it could assist them and other non-traditional partners going forward, without the imposition of unnecessary bureaucracy.

Attendees then introduced themselves, enabling them to learn about the activities of different foundations, as well as to meet various ministers, including those of health, education and gender.

Regarding communication, the meeting noted that better communication with the Government and with other foundations had also been identified as important at a recent meeting of foundations in May 2008 in New York. It was agreed that the LRDC would create a list of contact details to share with relevant organizations. A listserve would also be developed in the short term, with non-attendees to be included, and consideration would be given to a foundation-specific website in the future. In addition to providing foundations with important information, some foundations noted that such a website would reduce the time spent by Government liaising with individual foundations. The meeting noted that in the short term, foundations could access the Executive Mansion or LRDC websites for information.

The Minister of Health stressed the importance of foundations keeping relevant ministries informed of their activities so as to facilitate alignment with the PRS and to reduce the risk of foundations having bad experiences in Liberia. The meeting expressed support for keeping relevant ministries informed.

The need for guidelines and agreements between ministries and foundations were discussed. However, while engagement is important, it was also noted that foundations have different sizes and abilities and increased bureaucracy would have a negative effect on their work.

Foundation representatives also noted that the distinction between non-traditional and traditional partners was not always necessary and that foundations could benefit from engagement with traditional partners.

The meeting was then informed that the President wanted to meet with senior foundation personnel in New York in September to express appreciation for their work and to tap into their expertise and innovation to facilitate private sector development with a focus on marginal groups (women, youth, ex-combatants, etc). Foundations were encouraged to think of innovative and tangible ideas in advance of this meeting. The meeting also encouraged organizers to tap into corporations who could provide philanthropic support

Finally, attendees were reminded that invitations for heads of foundations to meet with the President in New York in September would be sent shortly. In the meantime, foundations need to consider opportunities for facilitating private sector development, particularly that which would benefit marginal groups.

Closing Press Conference (President Ellen Johnson Sirleaf – Minister Heidemarie Wieczorek-Zeul - Ms. Ellen Margrethe Løj – Mr. Michel Wormser)

The following press release was issued at the conclusion of the LPRF:

“At the 2008 Liberia Poverty Reduction Forum which concluded today, President Johnson Sirleaf called on partners to step up support for Liberia's poverty reduction and reconstruction program. In response, partners confirmed that their support to Liberia is on the order of 250-300 million USD in 2008/2009; partners agreed with the Government of Liberia on the need to fully align these funds to Liberia's highest development priorities.

Liberia's partners committed approximately 115 million USD through the Liberia Reconstruction Trust Fund. In addition to this, there is a further 140 million USD from the World Bank and African Development Bank to support infrastructure financing over the coming three years. Partners also announced increased budget support and contributed to financing for a cash buy-back of the country's commercial debt.

Liberia is on the move.

As noted by President Johnson Sirleaf: "After decades of economic mismanagement and fourteen years of brutal civil war, Liberia's nightmare is over. We are committed as a people to build a new Liberia from the ruins of war to a future of hope and promise. We are grateful for the strong support we have received from our international Partners and look forward to their continued and strengthening support into the future."

Liberia has made great progress and is at a critical juncture in its recovery process.

Liberia has made great strides over the past three years; it has increased school enrollment and rebuilt health services, reestablished basic security; put in place improved systems for good governance and economic management. While much has been achieved, the next three years will be critical. Almost two-thirds of the population lives below the poverty line, many young ex-combatants remain unemployed, and the recent food price crisis is exacerbating the risk of a return to conflict.

"Much progress has been made, but the situation in Liberia remains fragile. Nowhere in the world is the link between our peace-building and peacekeeping efforts more clearly illustrated. Liberia presents a constant reminder that you cannot achieve development without security, and you cannot achieve security without development. And to advance on both fronts Liberia needs the continued attention and support from its international partners," said Ellen Margrethe Loj, Special Representative of the UN Secretary-General.

Partners provided endorsement of and committed to strengthening their support for the Government's Poverty Reduction Strategy. In particular, additional financing for restoration of the country's infrastructure was announced.

"Liberia's progress has been impressive and the Poverty Reduction Strategy provides a solid basis to rally partner support. The international community must sustain its support over the long term and transition to larger, and more efficient and effective programs," said Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank.

Partners committed to continue to support Liberia's reconstruction as it moves from an emergency post-conflict phase to rapid, inclusive, and sustainable development. This includes support for a broad range of priorities such as economic revitalization, governance reform, and basic service delivery. The African Development Bank and World Bank made commitments of 26 million USD in budget support over the next three years. Importantly, partners also committed an additional 73 million euro (115 million USD) to a coordinated fund supporting infrastructure reconstruction. There will also be 140 million USD from

the World Bank and African Development Bank to support infrastructure financing over the coming three years.

German Minister of Economic Cooperation and Development, Heidemarie Wieczorek-Zeul stressed, "Let us work together to help make Liberia a country of hopes fulfilled and an outstanding example that peace makes the difference. We are all responsible and will contribute.""



Annexure I – LPRF Agenda

2008 Liberia Poverty Reduction Forum Toward Rapid, Inclusive, and Sustainable Development

Wednesday, 25th June, 7:30 pm: Dinner with Heads of Delegations (Hosted by the German Minister for Economic Cooperation and Development Heidemarie Wieczorek-Zeul)

DAY 1 (26th June): Implementing the PRS

I. Plenary Session: Welcome and Introduction

9:00am – 10:00am	Opening Remarks by President Ellen Johnson Sirleaf - Heidemarie Wieczorek-Zeul, Federal Minister for Economic Cooperation and Development, Germany - Ms. Ellen Margrethe Løj, Special Representative of the Secretary-General, UN - Ms. Henrietta Fore, Administrator USAID & Director of U.S. Foreign Assistance - Mr. Michel Wormser, Director, Strategy and Operations, Africa Region, World Bank
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10:00am - 10:30am	Coffee Break
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II. Plenary Session: PRS Overview and Lessons from the iPRS

(Chair: President Ellen Johnson Sirleaf - Co-chair: Ms. Ellen Margrethe Løj, SRSG, UN)

10:30am – 10:50am	Presentation: PRS Overview (Minister of Finance)
10:50am – 11:20am	Presentation: From iPRS Stocktaking to PRS Implementation: Key lessons learned (National Coordinator, LRDC)
11:20am – 12:30pm	Partner Statements and Discussion

III. Plenary Session: Liberia’s Response to Global Food Price Increases (Chair: Minister of Agriculture - Co-chair: WFP/FAO)	
12:30pm – 12:45pm	Speech: Liberia’s Response (Minister of Agriculture)
12:45pm – 1:20pm	Discussion

1:30pm – 2:30pm	Lunch (Hosted by the Federal Ministry for Economic Cooperation and Development)
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IV. Breakout Sessions: Pillar-level Examination of PRS Implementation²	
2:30pm – 3:30pm (4 simultaneous sessions)	Security Pillar (Chair: Minister of Defense – Co-chairs: U.S. Government and United Nations)
	Economic Revitalization Pillar (Chair: Minister of Finance - Co-chairs: World Bank and the European Commission)
	Governance & Rule of Law Pillar (Chair: Minister of Planning and Economic Affairs - Co-chair: UK Government)
	Social Sectors (Health and Education) (Chairs: Minister of Health and Minister of Education - Co-chairs: WHO and UNICEF)

V. Plenary Session: Reports from Breakouts (Chair: National Coordinator, LRDC – Co-chair: U.S. Government)	
3:30pm – 4:30pm	One 10 minute presentation from each of the four Breakout Sessions on discussion highlights

4:30pm – 5:00pm	Coffee Break
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² Each Pillar breakout session will focus on 1) key priorities, 2) specific implementation opportunities and challenges (including capacity gaps) and 3) pillar-specific financing options. These sessions will begin with short, focused presentations and leave the majority of time for discussion.

VI. Plenary Session: Costs and Financing (Chair: Minister of Planning and Economic Affairs – Co-chair: IMF)	
5:00pm – 5:25pm	Presentation: Costing and Financing PRS Priorities (Minister of Finance)
5:25pm – 5:45pm	Presentation: Partner Harmonization, Alignment and Financing Instruments (LRDC)
5:45pm – 6:30pm	Discussion
7:00pm – 8:30pm	Cocktails

DAY 2 (27th June): Infrastructure

VII. Plenary Session: Infrastructure Strategies for Poverty Reduction (Chair: Minister of Lands, Mines and Energy – Co-chair: World Bank)	
8:30am – 8:40am	Introductory Statement on Donor Harmonization in Infrastructure and the Liberia Infrastructure Trust Fund (Delivered by German Hosts)
8:40am - 9:00am	Presentation: Infrastructure Overview (Minister of Public Works)

VIII. Breakout Sessions: Specific Infrastructure Sectors	
9:05am – 10:05am (2 simultaneous sessions)	Transport Sector (Roads & Bridges, Ports & Airports) (Chair: Minister of Public Works – Co-chair: German Government)
	Utilities Sector (Water & Sanitation, Power) (Chair: Minister of Lands, Mines and Energy – Co-chair: African Development Bank)

IX. Plenary Session: Reports from Breakouts (Chair: Minister of Public Works – Co-chair: Norwegian Government)	
10:10am – 10:35am	One 10 minute presentation from each Breakout Session on discussion highlights

10:40am – 11:15am	Coffee Break
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X. Plenary Session: Infrastructure Financing (Chair: Minister of Finance – Co-chair: Mr. Thierry Tanoh, Vice-President for Africa, IFC)	
11:20am – 11:35am	Presentation: Infrastructure Financing Strategy (LRDC)
11:35am – 12:20pm	Discussion

12:25pm – 12:50pm	Communiqué and Closing (President Ellen Johnson Sirleaf - Minister Heidemarie Wiczorek-Zeul - Ms. Ellen Margrethe Løj – Mr. Michel Wormser)
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12:50pm – 2:00pm	Lunch (There are two simultaneous lunch sessions. There is an informal lunch for all participants as well as a side lunch for foundation representatives with the Minister of Finance & National Coordinator, LRDC. Lunches are hosted by the Federal Ministry for Economic Cooperation and Development.)
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2:00 pm – 2:30 pm	Closing Press Conference (President Ellen Johnson Sirleaf – Minister Heidemarie Wiczorek-Zeul - Ms. Ellen Margrethe Løj – Mr. Michel Wormser)
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Annexure II – List of Participants

2008 Liberia Poverty Reduction Forum		
Country	Head of Delegation	Other Delegates
African Center for Economic Transformation	KY Amoako	Marianna Ofosu
African Development Bank	Joseph Eichenberger	Margaret Kilo Ellen Goldstein Sameh Wassel Tove Strauss
African Association	Christiano Nakonz	
Angola	Alberto Ribeiro	
Arcelor Mittal	Vida Mensah	Christiano Furtado
African Union	Jakaya Mrisho Kikwete	
Argentina	Esteban Morelli	
Australia	Ian Kemish	Daniel Sloper Chester Cunningham Henry Bray
Austria	Georg Lack	
Belgium	Annemie Lelie	Eva Leonardie
Brenthurst Foundation	Brent Cloete	
Buchanan Renewables	James Steele	
Burkina Faso	Xavier Niodogo	Jean Bengaly
Canada	Ian Shaw	
China	Mao Jingqiu	Ning Wang
Denmark	Carsten Nilaus Pederson	Pernille Falck
ECOWAS	Ms. Minata Cessouma	Amadou Diallo Ansumana Ceesey
Episcopal Relief and Development	Katharine Krall Jones	
European Commission	Manuel Lopez Blanco	Jeremy Tunnacliffe Alan Bugeja Jeanne Gould Mikael Barfod Lale Wiesner
European Union	Harro Adt	
Finland	Marjatta Rasi	Elisabeth Rehn Pirjo Virtanen Laura Ekholm
France	Jacques Gerard	

Germany	Heidemarie Wieczorek-Zeul	Katharina Hahn Herwig Schober Renate Neff Mechthild Wessler Sabine Brickenkamp Ilse Lindemann-Macha Christiane Bogemann-Hagedorn Bettina Horstmann Karl Flittner Mario Sander von Torklus Britta Apel Johannes Knapp Heinrich Plote Michael Bauer Andrea Wedekind Stephan Bethe Bernhard Tilemann Gudrun Kochendorfer-Lucius
Humanity United	Rory Eakin	
Iceland	Elin Rosa	
IFAD	Mohamed Tounessi	
IFC	Thierry Tanoh	Jumoke Jagun Frank A. Douamba
IMF	Benedicte Christensen	Robert Powell Michael Tharkur
India	Anurag Bhushan	
International Organization for Migration	Andreas Halbach	
Ireland	Kyle O'Sullivan	Brendan McMahon Grainne O'Neill
Italy	Fabrizio Nava	
Japan	Naoya Kishi	Keiichi Okitsu
KRL International	Riva Levinson	
Kuwait	Abdulrahman Al-Hashim	Fahad Al-Mazyad
Lutheran World Federation	Karin Doehne	
McCall MacBain Foundation	Donald J. Johnston	Ghislaine Grasser
Mexico	Luis Anaya Imazio	
MSG International NGOs	Helena Ostmann	Bernd Schwenk
NARDA	Lancedell Mathews	
Nike Foundation	Desiree Bliss	
Norway	Hakon A. Gulbrandsen	Thorvald Boye Hilde R. Johansen Ragnhild H. Simenstad
OPEC Fund	Mahmoud Khene	
Open Society Institute	Aleesha Taylor	Michelle Neumann
Pan African Capital	Steve Cashin	
Portugal	Carolina Cordeiro	Jose Caetano

Realizing Rights	Heather Grady	
Russia	Dmitry V. Kiku	
Saudi Fund for Development	Khalaf S. Alhulwah	
Seaboard Corporation	Ralph J. Moss	
Spain	Arantxa Herrero	Teresa Lizaranzu
Sweden	Ruth Jacoby	Andreas von Beckerath Karin Andersson
Switzerland	Bernhard Huwiler	Fritz Steinemann Urs Hammer
United Kingdom	Beverley Warmington	Desmond Curran Dominic O'Neill Gillian Dare
United Nations	Ellen Margrethe Loj	Jordan Ryan Alain Grimard Kamil Kamaluddeen Malcolm McPherson Rose Gakuba Rozanne Chorlton Stella Kaabwe Gary Stahl Micheline Ravololonarisoa Cecile Mukarubuga Andres Friborg Rasoul Mikkelsen Winfred N.O. Hammond Peter Hall Terje Tessum Louis Imbleau
United States	Henrietta Fore	Katherine Almqvist Thomas Dougherty Rick Scott Steven Koutsis Steven Pierce Kerri DiZoglio Susan McCarty Sharon Pauling Rolf David
WDR Koln	Thomas Nehls	Dirk Muller
Wellspring Advisors, LLC	Geoffrey Murphy	Kathryn Skarvedt
World Bank	Michel Wormser	Ishac Diwan Ohene Nyanin Gylfi Palsson Barbry Keller Eunice Barroso

Annexure III – Commitments Announced at LPRF

Annexure III presents a table of commitments announced by partners at the 2008 LPRF. In some cases these were new commitments, in other cases these commitments were initially announced shortly before the LPRF. However, this table does not represent all recent contributions that Liberia has received from partners. The Government of Liberia remains extremely grateful for all of the support that partners have made to the country's reconstruction and development.

Partner	Commitment	Debt Relief	Alignment
Germany	10 million euro		LRTF
	2 million euro		
	3 million euro		
		\$400 million	
Denmark	\$2 million in 2008	160 million kroner (35 million USD) in bilateral debt relief	
	\$21 million from 2009-2011		
EC	60 million euro		LRTF
	3.5 million euro		EIB
		8 million euro	ADB arrears
Finland		800,000 euro	ADB arrears
		2 million euro	
France		5 million euro	IMF arrears
Ireland	\$10 million in 2009		
Italy		\$68 million in bilateral debt relief	
Norway		\$5 million	IAD Planned debt reduction facility
Sweden	800 million Swedish kroners (approximately 130 million USD) from 2008-2013		
World Bank	Estimated IDA allocation of \$120 million expected to increase		IDA Allocation