

**MESSAGE FROM H. E. ELLEN JOHNSON-SIRLEAF
PRESIDENT OF THE REPUBLIC OF LIBERIA
ON THE OCCASION MARKING THE OBSERVANCE OF
INTERNATIONAL ANTI-CORRUPTION DAY
HELD ON DECEMBER 9, 2011 IN BUCHANAN, GRAND BASSA COUNTY.**

DELIVERED BY HON. AUGUSTINE KPEHE NGAFUAN, MINISTER OF FINANCE

As you may know, Her Excellency Madam Ellen Johnson Sirleaf along with co-Nobel Peace Prize laureate, Madam Leymah Gbowee, departed the country for Oslo, Norway on Wednesday, December 7, 2011 at the invitation of the Nobel Awards Committee to receive, along with a Yemeni women's rights advocate, the prestigious Nobel Peace Prize for 2011 in recognition of their work in the advancement of world peace as well as women rights and empowerment. The President has accordingly asked me to extend her profuse regrets for her absence from this auspicious occasion marking the observance of "International Anti-Corruption Day", a day set aside by the UN General Assembly on October 31, 2003 for State Parties to the UN Convention Against *Corruption* to raise awareness about the menace of *Corruption* and re-commit to taking effective actions in dealing with it.

Fellow Citizens and friends of Liberia, the international theme for this year's observance "ACT Against Corruption Today" as well as the slogan "*Corruption, Your NO Counts*" could not have been more appropriate. The theme and the slogan

together suggest that *Corruption* remains one of mankind's fiercest enemies and must therefore be confronted with the utmost urgency at both the global and national levels; and within each country, by more decisive actions on the part of governments, corporate bodies, civil society organizations, religious institutions, the family and the individual.

Corruption is a virulent disease. *Corruption* impacts negatively on economic growth and development as it adds to the cost of doing business; it undermines investment, erodes faith in public institutions, leads to political instability and frustrates poverty reduction. We should Act Against *Corruption* Today because as we work tirelessly to disentangle our nation and people from the throes of poverty, one of the most challenging obstacles to achieving our goals is *Corruption*. Studies have shown that there is a high correlation between poverty and *Corruption*. A poor country is likely to be corrupt and a corrupt country is likely to be poor. The line of causation between poverty and corruption moves in both directions - poverty leads to *Corruption*; and *Corruption* leads to poverty. To deal with poverty in our country, we must deal with *Corruption* and to deal with corruption we must deal with poverty.

Corruption and the perception of *Corruption* affect our ability to build our nation. In the Liberian context, it is like the *bug-a-bug* which undermines and weakens the foundation we are trying to build. It perpetuates the perception that a government job is an "elephant meat," and everybody simply comes and eats their piece. A part of the

problem is deeply rooted in our nation's history, and the years of civil only made this situation worse: There was little or no accountability from top to bottom, and *Corruption* permeated the whole system. *Corruption* became so normal that it became an abnormal occurrence to find individuals and entities that did not join the *Corruption* train.

That's why when we came to power in 2006, we committed ourselves to changing that culture. Given the pervasiveness and intensity of the *Corruption* malaise, our government crafted a multi-dimensional approach to fight it. Undergirded by a solid foundation of openness and the protection of the inalienable and democratic rights of our citizens, we have pursued an *Anti- Corruption Strategy* anchored on five pillars.

First, *Increasing Compensation to Reduce Vulnerabilities*. In January 2006 when this Government came to power, civil servants average pay stood around US\$15 and was delayed for sometimes, as long as six months or more. Thereafter, the Government would announce on radio that it was paying its workers only pay to for two months. With the radio announcement, everybody knew that government workers had gotten paid, so creditors came to collect their debt. People adopted the attitude that "wherever you tie a billy-goat, that's where it will eat," and began stealing government resources. Personal interest was placed above the collective good. Our entire value system was turned upside down by the conscious destruction of institutions and systems that uphold the dignity of labor and honesty. Today the least paid civil servant gets US\$100 and gets it more often than not about a week before the end of the month. With the passage of the

FY 2011/12 Budget, we increased the pay of government employees across the board with a special emphasis on teachers, health workers, police officers and members of the armed forces. Today, from a paltry sum of US\$15 before our Government Came to power, a teacher with a bachelor's degree now makes US\$350, with the possibility of further increases in subsequent budget years.

The second pillar of our multi-pronged anti-corruption effort is *Building and Strengthening Institutions* to assist the government in the fight against corruption. We transformed the erstwhile Governance Reform Commission into a Governance Commission which has focused on defining the functions and mandates of government ministries and agencies with to viewing to advancing recommendations to improve effectiveness and efficiency. The General Auditing Commission has been made truly independent and autonomous, reporting to the Legislature instead of the Executive. We have ensured that the Auditor General is competitively hired and competitively remunerated, and have increased Government's funding to the Commission. We have established the Liberia Anti-Corruption Commission (LACC) which is assisting us in rigorously combatting *Corruption*. We have now tabled a bill at the Legislature to give prosecutorial powers to the LACC. The Public Procurement and Concessions Commission is another institution that is working assiduously to deal with *Corruption* by ensuring that we get value for money in our procurement of goods, works, and services.

The third pillar of the strategy is *Building of Systems and the Adoption of Standards that Enhance Transparency and Accountability*. We have focused on automation as a means to improve efficiency, strengthen control and enhance reporting and accountability. At the Ministry of Finance, we have launched the Integrated Financial Management Information System (IFMIS) that has automated budget execution and the ASYCUDA software that has automated revenue collection at our major ports of entry including the Freeport of Monrovia. We have adopted International Public Sector Accounting Standards and are well on our way to, for the first time ever in the history of our country, produce financial statements in line with international standards. We have also introduced the *Direct Deposit Scheme* whereby our civil servants are being paid through bank accounts instead of through check; and by so doing, have drastically dealt with the problem of ghost names on the government payroll. Today, our budget, our fiscal reports, and our concession agreements are open to all. We have made asset declaration a requirement for individuals assuming public offices. Our report shows that many of officials in the Executive have complied with this requirement but we are still facing some serious challenges with the other branches of Government.

We have adopted an Internal Audit Strategy which will professionalize the internal audit function across government. Internal Auditors will no longer be hired or fired at the whim or caprice of a minister or head of agency. As per the strategy, through an independent Secretariat, we will competitively hire internal auditors and deploy them across government ministries and agencies on a rotational basis. We have already hired the first sixteen (16) internal auditors and will later this month start to deploy them

at eight government ministries and agencies - the Ministries of Finance, Education, Health, Public Works, Lands Mines and Energy, Internal Affairs, Foreign Affairs, and Agriculture. Joining the Extractive Industries Transparency Initiative (EITI) in which we were the first African country to be validated as compliant, passing the Freedom of Information Act, and instituting a Whistle Blower's Executive Order are additional standards and actions we have adopted in our anti-corruption fight.

The fourth pillar is *Capacity Building*. To properly implement law and deliver services, we need competent personnel who understand laws, procedures, and best practices. The lack of capacity was noted as a binding constraint in the implementation of our Poverty Reduction Strategy. To address this problem, we have adopted a host of measures including the introduction of the Senior Executive Service (SES) program that has attracted about hundred highly-skilled Liberians both at home and abroad into the public service. Additionally, we have also introduced a host of local and foreign training programs, and have intensified on the job-training and professional workshops.

Finally, *Punishment*. An important part of it is to enforce the rule of law and instill discipline. The Ministry of Justice, the LACC, and the judicial system – our courts, our judges, our lawyers, the jury system are all part of our punishment architecture; and if they are not working effectively, it makes it difficult for us. We need to change our jury system so that it can be less of a professional jury system, it can be one based on the systems of other places where anybody can be called to jury duty from all levels of

society as serving on a jury is considered the exercise of a civic duty, not necessarily a service motivated by the desire for money. In order to professionalize the judicial system, we have established a Judicial Training Institute that has now begun to train Liberians to man our judicial system. We are encouraged by the fact that the Judiciary, with Government and partner funding, has now recruited, adequately trained, and is now deploying these trained professionals as judges in our magisterial courts that have come under a barrage of criticism for the quality of judgments rendered.

In the global context, the way Liberia is being perceived today is far better than a few years back. One example is Liberia's performance on Transparency International's ***Corruption Perception Index (CPI)***, the annual survey of business and popular views on how countries stack with respect to the prevalence of *Corruption*. In 2007 Liberia scored 2.1 and ranked 36th in Africa and 150th in the world alongside eleven other countries, including Kenya, Sierra Leone, Belarus and Azerbaijan on Transparency International's Corruption Perception Index (CPI). The *CPI* for 2011 places Liberia at 91st worldwide and 11th in Africa. Countries ranked above Liberia in 2011 included Rwanda, Ghana and South Africa – nations with long and established anti-corruption laws and institutions. Liberia is ranked above all of its Mano River neighbors on Transparency International's *CPI*.

These laudable efforts notwithstanding, we cannot say that we are happy with the state of corruption in our country. We have done much - transitioning the

perception of corruption from “rampant” to “serious”; but we must do even more.

The most significant challenge in the fight against corruption is the absence of a *Code of Conduct* for public officials. Despite the fact that we submitted the Code to the 52nd Legislature in the early stages of our tenure, it is regrettable that the Code remains one of the unfinished businesses of the 52nd Legislature. The absence of a Code of Conduct for public officials represents a weak link in the chain of measures – establishment of LACC, strengthening and granting autonomy to the GAC, passage of a comprehensive Public Financial Management (PFM) Law, strengthening the PPCC and amending its Act, etc - that we have been put into place to curtail *Corruption*. The passage of a Code of Conduct is a requirement of Article 8 of the UN Convention against Corruption and Part V Section 5.2(I) of the Anti-Corruption Commission Act of 2008.

Therefore, if the 53rd Legislature wishes to be more effective than its predecessor in its oversight of the use of public funds, I urge the new Legislature to quickly finish the unfinished businesses of the 52nd Legislature by passing the Code of Conduct in its first official sitting in 2012 and enact the bill granting prosecutorial powers to the LACC, which will enable the Commission to initiate prosecution without further encumbering the already crowded case files at the Ministry of Justice.

Another challenge that continues to dog the LACC and the Liberian government in general is Declaration of Assets, Liabilities and Income by all public officials. There should be no excuse for failure to declare assets, unless those assets were acquired through illegitimate means. All officials of the Government, in all branches, must declare their assets, liabilities, and income in accordance with procedures prescribed by the LACC.

Another function of the LACC that has been overlooked, or not emphasized enough is the issue of corruption in the private sector. While there is the compelling need for the LACC to put the public sector center stage in its functions, we should not overlook the fact that those who come to public office are members of society, some of whom have worked with the private and civil society sectors. Millions of dollars is lost annually as a result of Corruption in the private and other non-governmental sectors. *Corruption* in the private sector or in non-governmental institutions not only has a damaging effect on society in general but also on the public sector in particular as it concretizes the notion that *Corruption* is a societal norm, thereby making the fight against it the public sector doubly difficult. The LACC should also step up its awareness and education activities so that private and public institutions and whistle blowers who must report acts of Corruption can have a clearer idea of the procedures they should follow.

Finally, fellow Liberians and international partners in the fight against Corruption, we should remember where we came from. Just eight short years ago, we were coming to the end of over twenty years of political turbulence, to which

Corruption made a significant contribution. As we enter the New Year and a new administration, let us make every effort to sustain the minimum gains we have made and take bolder actions, collectively and individually, in curtailing *Corruption*. The nations that rank above us in the Transparency International's Index would not have reached that high if their peoples and policy makers had given up because of initial setbacks. The fact that countries with similar histories of political instability have succeeded in the fight against *Corruption* should be a source of motivation.

Every month, people in the footballing world keenly look out for the latest FIFA rankings for nations of the world. A country can move up or down the scale depending on the number of competitive and friendly matches won, lost or drawn. The FIFA rankings serve as one of the bases for football administrators and strategists to develop the game in a given country. In the same way we urge all Liberians and residents with interest in the war on corruption to start following local and global indices that measure our anti-corruption performance. These indices should motivate each of us to make a solemn commitment to do whatever is required to "ACT against *Corruption* Today by "saying NO" to the flirtatious advance of this menace.

ACTING against *Corruption* today begins with our renewed commitment to ensuring that all officials within the Executive Branch become trusted stewards of the nation's resources and never to shortchange the interest of the nation for private gains. The incoming 53rd Legislature can ACT against Corruption by passing

the Code of Conduct. Judges of the various criminal courts can ACT against Corruption by committing to rendering impartial judgments in cases that come before them. Lawyers can ACT against corruption by ending the despicable practice of jury tampering. Civil Society and Non-Governmental Organizations can ACT by beginning to see resources donated to them by international partners as belonging to the people of Liberia and not for their personal benefit. Businessmen and women can ACT by refusing to inflate the value of the goods, services or works just to get unwholesome profits.

The bank employee can ACT by stopping the disgusting practice of tampering with the accounts of customers. The petty trader in Rally Time market can ACT by stopping the practice of putting candle wax at the bottom of the measurement cup. The gas pump attendant can ACT by refusing to cheat the taxi driver through the manipulation of the calibrating machine at the gas station and the poor taxi driver himself can ACT by reducing his fares whenever the Ministry of Commerce announces a drop in the price of gas. Teachers can ACT by refusing to demand and students can ACT by refusing to offer money and sex for grades. Multi-national corporations and their governments can ACT against *Corruption* by ensuring that their activities in the developing world are not only geared to accruing super-normal profits but also ensuring that the developing countries in which they operate get the full benefit from the exploitation of their resources.

Finally, as we enter the next six years of executing the mandate given to us by the Liberian people in the recent elections, we commit to working with the incoming

53rd Legislature and our international partners to increase funding to all our anti-corruption institutions including the LACC. But as we do so, we call on all of these institutions that constitute our Pillar of Integrity to manage available resources prudently and responsibly; and to also proceed with their work in an impartial, objective, and transparent manner.

Let us say thanks to Cllr. Frances Johnson-Allison and other commissioners of the LACC for a good job thus far. *Corruption* is stubborn. So we all in the anti-*Corruption* fight – officials in the Executive, the Legislature, and the Judiciary, the LACC and other institutions in our Pillar of Integrity, civil society organizations, the Liberian people in general, and our international partners – must be even more stubborn in dealing the deadly blow that *Corruption* deserves.

Thank you.