

Statement by Toga McIntosh  
Date of Meeting: June 29, 2010

### **Liberia: HIPC Debt Initiative – Completion Point, First PRSP Annual Progress Report**

On behalf of my Liberian Authorities I wish to enthusiastically welcome the discussion of this HIPC Debt Initiative Completion Point and the first annual Poverty Reduction Strategy Progress Report. I commend staff for their hard work and diligence manifested not only in the preparation of the documents, but also for the advice and technical assistance given to the Liberian leadership and team to get to this very decisive point in record time.

#### A) HIPC Initiative

Please note that my authorities are generally pleased with the objective assessment of the significant progress achieved and the shortcomings largely attributed to lingering policy challenges, endogenous capacity constraints and exogenous factors caused by the global downturn. They are also pleased that the staff assessment reveals that the status of the floating completion point triggers were all rated as “implemented” except the public financial management which was rated “substantially implemented”.

Considering the enormous post-conflict challenges, the government has steadfastly engaged in a reform process and initiated other measures that contributed to socio-economic recovery. Specifically, there has been improved security, law and order, a stable macroeconomic environment with a substantial growth in GDP; an enhanced delivery process of socio-economic services; and modest infrastructural reconstruction. There has also been institutional capacity improvement, increased domestic and external investment, better governance and inclusive development opportunities. Progress made in these areas is a testimony of the government’s commitment to reducing poverty and installing an effective and efficient governance apparatus.

While recognizing the overall progress, my authorities are fully aware that much more needs to be done in these and other areas. Nevertheless, they are grateful to the WBG, the IMF, bilateral partners and the general Liberian populace, without which assistance, participation and cooperation, the progress achieved, would have been exceedingly more difficult and prolonged. This is equally true in the context of the current accomplished status of the specific HIPC Completion Point.

My authorities therefore express their appreciation to the management of the Bank and the Fund for the positive signal being sent through their recommendation for approval of Liberia’s fulfillment of the floating completion point conditions under the Enhanced HIPC Initiative.

The major challenge now is not necessarily focused on what needs to be done, but rather on how best we can combine our efforts to build on the success made today in a post HIPC environment. What is clear is the upscale level of the government’s determination and commitment to continue its assiduous strives towards more significant pro-poor growth, macroeconomic stability, fiscal

and monetary prudence and sustainable development through the PRS and other development frameworks.

#### B) PRS Progress Report

With reference to the PRS, we are most pleased, as indicated in the Joint Staff Advisory Note on the Annual Progress Report of the PRS, that while the negative impact of the global economic crisis slowed the pace of growth and implementation, noteworthy progress was made under the four pillars of the PRS. It is further encouraging to note, as reported, that after the government adopted a results-based project management, the pace of implementation was significantly accelerated. The government remains committed to this approach.