



# PPD IN FRAGILE & CONFLICT-AFFECTED STATES

*THE LIBERIAN PRIVATE SECTOR PERSPECTIVE*

*MR. DEE-MAXWELL SAAH KEMAYAH, SR.*

*PRIVATE SECTOR CO- CHAIR, LBBF*

*PRESIDENT, LIBERIAN BUSINESS ASSOCIATION (LIBA)*

## HOW HAS THE LBBF ADDRESSED LACK OF COORDINATION BETWEEN GOVERNMENT MINISTRIES AND PRIVATE BUSINESS ENTITIES?

1. The Liberia Better Business Forum (LBBF) allowed a full participation of both the public and private sector to decide on policy/administrative reforms by constituting a *Governing Board*, which also oversees the content and operation of the forum. The Board is co-chaired by a public (GOVERNMENT MINISTER) and private sector (Business Association Head) representatives.
  
1. The four (4) *Working groups* comprised of public (government officials) and private (Business owners and association heads) sector participants along with representatives of civil society and academia meet regularly to discuss issues relevant to economic reform geared toward improving the investment climate in Liberia. Each Working Group is co-chaired by a private and public sector representative.



Above & below show participants at a Public-Private Sector forum held at a local hotel in Monrovia



# ELEMENTS THAT HAMPER/CHALLENGE A SUCCESSFUL PPD PROCESS IN A FRAGILE ENVIRONMENT (LIBERIA)

1. **Political**
  - a) Any shift in the President's cabinet can lead to change in LBBF's Governing Board (i.e. National Investment Commission, Ministry of Commerce & Industry, Ministry of State & Ministry of Finance and Development Planning)
  - b) Limited political will to implement and sustain the reforms
  - c) "Reform Fatigue" in the public sector
  - d) Difficulty in having Public Sector representatives; especially at the level of the principals to attend Governing Board and Working Group Meetings
  - e) Inconsistency in reform agenda (e.g. More than one revenue code being used simultaneously, etc.)
2. **Economic**
  - a) Decrease / lack of donor funding to LBBF Secretariat; budget gaps can delay transition
  - b) Limited requisite capacity of the private sector to take advantage of business opportunities that emerge from the PPD
  - c) Lack of financial support from the private and public sectors
  - d) Corruption (personal interest threatens reform), lack of credibility, transparency and accountability within the public sector
3. **Social, Cultural & Health**
  - a) Conflicting priorities between the business associations /organizations on reform agenda; different interests
  - b) Reforms that don't benefit all members of the private sector; especially MSMEs
  - c) Difficulty in achieving inclusiveness - poor infrastructure i.e. lack of accessibility (road) to other stakeholders around the country; high level of illiteracy within the local MSME sector
  - d) Outbreak of Ebola Virus Disease (e.g. Regular Governing Board meetings and Stakeholder consultations disrupted, etc.)

## LESSONS LEARNED FROM DOING PPD IN A FRAGILE CONTEXT. WHAT IS DIFFERENT NOW?

1. **Creative Outreach** - The LBBF devised a strategy to reach all stakeholders through its radio program “Business World”, which is aired on the National Radio two (2) times a week. As a result of this endeavor, businesses, especially MSMEs learned best business practices; and are registering their businesses with the Government of Liberia; as well as paying their taxes
2. **Transition Planning** - Need for public sector to adopt or work within the framework of the national agenda for the purpose of continuity whenever new heads of government Ministries and Agencies are appointed
3. **Private Sector ownership** - Need for the private sector to have requisite capacity to take advantage of business opportunities that emerge from the PPD
4. **PPD Sustainability** - Transition of the LBBF to local ownership is taking longer than anticipated due to delay in the finalization of operational and logistical details

**What is different:** In contemporary PPD in Liberia, systems and structures are being put in place to actualize the results of these dialogues;

- a) Example, the Collateral Registry was established by the Central Bank of Liberia with support from IFC to allow the use of movable properties to secure loan; especially for SMEs
- b) Another example is the recent enactment of a law which mandates all agencies and ministries of the Government of Liberia to procure not less than 25% of their goods and services from Liberian owned businesses; and
- c) Engagement of the public and private sector can enhance reform geared toward improvement of the investment climate.
- d) Commercial Court - First court established exclusively for commercial cases
- e) Liberian Business Registry - An automated one-stop shop, registering businesses within 48 hours