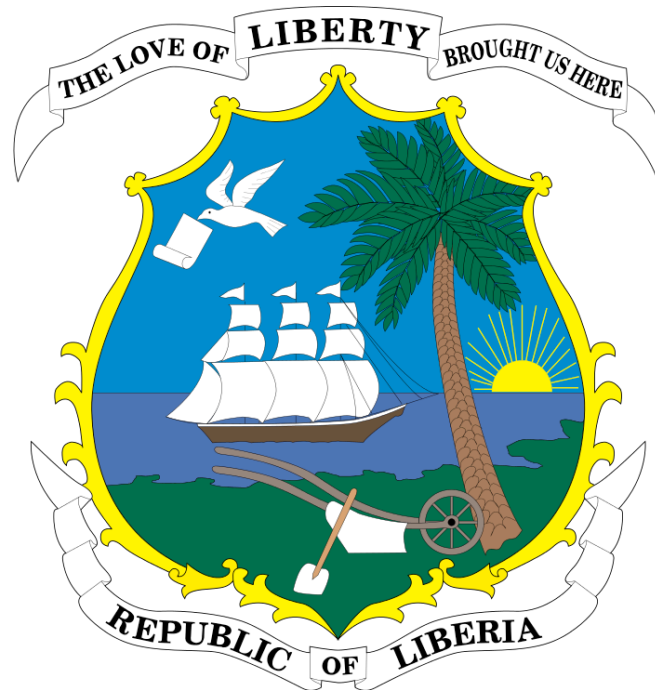

2015 SBA NATIONAL MSME CONFERENCE



KEEPING THE PROMISE, BUY LIBERIAN, BUILD LIBERIA

INTRODUCTORY REMARKS

DELIVERED BY

**H.E. AXEL M. ADDY
MINISTER**

2015 SBA NATIONAL MSME CONFERENCE

MONROVIA CITY HALL

9:00AM, NOVEMBER 17, 2015

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

Our Keynote Speaker, Mr. Mahmud Johnson, CEO of J-Palm

Our Guest, Dr. Henry Kerali of the World Bank

H.E. Deborah Malac, Ambassador of the US to Liberia and other members of the diplomatic corps,

Honorables Eugene Nagbe Minister of Youth and Sports, Honorable Neto Lighe, Minister of Labor, my fellow colleagues of the Cabinet,

The Honorable Jim Tornonlah, Senator, Margibi County and Chair of the Senate Committee on Commerce and Industry and other members of the National Legislature,

_____, LoneStar Corporation

Other Members of Government here present,

Our Hard Working MSMEs,

Our dynamic entrepreneurs,

Our Partners and Sponsors, including USAID Fed, Government of Japan, IFC/World Bank Group, LoneStar Cell, MTN, Ecobank, LBDI, West Africa Venture Fund, Building Markets, IBEX, Business Start-up Center, Single Sparks and others.

Members of the Private Sector

Members of the Press,

Fellow Liberians,

Distinguished Ladies and Gentlemen,

Good morning and Welcome.



Introduction

My fellow Liberians, colleagues, friends, today marks yet again, another important day of changing the Liberian story, from destruction to transformation. I am humbled by the adventure and hopeful for what more amazing is to come. Today we celebrate the unsung drivers of our economy, our heroes, who day in day out, dare to take a leap of faith and invest in our transformation story, one with a noble aspiration – achieve growth that is equitable and inclusive. Today we join many others around the world in celebration of Global Entrepreneurship week. Global Entrepreneurship Week is a celebration of the innovators and job creators, who launch startups that bring ideas to life, drive economic growth and expand human welfare.

Ladies and gentlemen, please join me in a round of applause for our many MSMEs who are in this hall today, the true investors in our transformation story.

Colleagues, friends, I am proud to officially welcome you to the SBA 2015 Annual MSME Conference, our flagship platform for the promotion of micro, small and medium-sized enterprises, the bedrock of the real economy. Thank you for being here today.

This event brings MSMEs, officials of government, multi-nationals, our friends and partners from the international community and members of the private sector to discuss how best to develop Liberia's MSME sector and showcase the best Liberia has to offer. This year I am particularly proud of the focus on youth innovations for economic empowerment and the launch of our E+ Program and E+ First Class.

Ladies and gentlemen, today is possible because of a dynamic team that collectively, despite the odds continue to deliver and bring new ideas to life and take on this challenge to full execution. Will the members of the 2015 MSME Conference Technical Working Group led by Deputy Minister Paygar, members of the Commerce family and partners please stand.

Madam President, colleagues, I would like to particularly recognize the leadership of Deputy Minister Andrew Paygar, who inherited this portfolio and this conference and fully committed to the success you see here today. Working with his colleagues and our dynamic partners, we are here today for another experience.

Ladies and gentlemen, please join me in a round of applause for this team.

Finally, please join me in thanking our major partners of today's event USAID Liberia, the Government of Japan, the World Bank Group, Lonestar Cell MTN, and our other partners including Building Markets, IBEX, the AEDE, and BSC Monrovia. We also want to express



our thanks and appreciation to our private sector sponsors including LBDI, Ecobank, West African Venture Fund (WAVF), Total Liberia, Premier Milling, and others who sponsored the awards and other activities of the conference. We greatly appreciate your support and hope that this event demonstrates a sign of our lasting partnership.

Two Days of Activities

Ladies and gentlemen, over the next two days, policymakers, private sector operators, youth entrepreneurs, service providers will participate in the conference and trade fair where ideas will be shared, new friendships will be brokered, new opportunities for partnerships will be explored, and new deals leading to the growth of some of our participants will emerge. Over the last two years we have seen this very magic happen and we believe the same will happen again.

This year's Trade Fair yet again will showcase a diverse selection of goods and services produced by some of Liberia's top MSMEs. In order to participate the selected group of 50 had to go through extensive training for two weeks that cover basic business management skills and financial management skills training among others.

In an effort to support MSMEs across the four pillars of Liberia's MSME Policy - Legal & Regulatory Reforms, Access to Markets, Access to Finance, and Building Skills & Knowledge - this year's Conference highlights important policy concerns relevant to MSMEs at both a micro and macro scale – from business registration to WTO accession. We hope these discussions will be enlightening and engaging.

This year's spotlight is on Youth Entrepreneurship for Economic Empowerment in Liberia. We are particularly excited to unveil the Entrepreneur-Plus (“E+”) program, a two-year IFC and MoCI co-sponsored business incubation program where the most promising young entrepreneurs will constitute the E+ First Class. The E+ First Class will undergo IFC flagship business edge training match with business innovations training. Upon completion, the E+ First Class will get financial support of up to \$10,000 each to start their businesses from the Liberian Innovation Fund for Entrepreneurs (LIFE).

The Conference will also climax with “The Liberian Experience Concert” and the “Wear Your Pride” fashion show promoting the Lofa Cloth, our country cloth, in celebration of the passing of the Intellectual Property Law and ratification of various intellectual property treaties and protocols for the protection of traditional knowledge among others.

I invite you to fully participate in this year's Conference, Trade Fair and the launch of the E+ Program. Your full support and participation contributes to transforming the many lives that



benefit from an ever growing and transforming MSMEs sector. When you buy Liberian, your help build Liberia by supporting our inclusive growth agenda. This year's conference is yet again, another example of Liberians, and particularly our youth, exercising their potential to positively contribute to the national transformation story by being productive entrepreneurs and innovators, contributing to the real economy.

Why MSME Matter

Ladies and gentlemen, this too is our story, one of hope, one of promise, one of transformation. It is the Liberian experience, the Liberian story worth telling. And so I say to you today, welcome to this celebrations of our micro, small and medium-sized enterprises.

As we dare to reform and rebrand the Ministry of Commerce and Industry, we have embarked on a journey to transform our MSMEs from micro to small, small to medium, and medium to large enterprise. Through these conference recommendations we have been able to achieve the following:

- **Liberia Marketplace trade store** funded with support from the WTO Enhance Integrated Framework, Firestone and Chevron, today provides a place where our talented MSMEs can sell their products. I am proud of the Liberian contractor, Ms. Angie Howard who took on this challenge and is running this activity. Our MSMEs are generating an income and their capacities are being built at various levels through this initiative.
- **The Lofa Women Weaving Center**, the first major project under our Rural Industrial Promotion Program for Economic Empowerment (RIPE), design has been selected and our new DMI Honorable Ellen Pratt is now working with the SBA for the selection of the construction contractor to build the center in Kolahun working with the county leadership. Minister Pratt please stand. Minister Pratt recently returned from India with some good news, we have found the machines for the center and we are working on sending some of our people to India to be trained on those machines. This initiative will boost the quality and production of our local textile.
- **Entrepreneur Plus – E+ program** uses business plan competition between youth entrepreneurs to select the best innovators to participate in a First Class. They will now go through a training process, which will lead to seed funding, to start businesses in key areas identified through a sector scan and a business in a box model. I am excited about this project as it is now moving from concept to implementation and has the



potential to create new opportunities for our predominantly youth population. You all will have a chance to visit the Innovation Hall to experience E+ where Single Sparks will be presenting the Business in the Box.

- I remain eternally grateful for the collaborative efforts of the two branches of government, the Executive and Legislature in passing the **Small Business Empowerment Act** elevating the MSME division to the Bureau of Small Business Administration. The Act sets aside 25% of all public procurement opportunities for Liberian owned businesses with 5% of that allocation for Liberian women owned businesses. Today I stand proud because for once, after some 25 years of hearing my father advocate for Liberianization and the need for government to increase support to enhance Liberian greater participation in the economy, I can say, we are taking big steps to that goal. Today, a whole Department is responsible for tracking and reporting this impact and I am looking forward to the first publication of the value of the awarded opportunities and the institutions that are fostering this inclusion. It's a start that I am optimistic will grow with each year of implementation, and impact the lives of our people. I am grateful to the Government of Japan and the US that have provided support in various capacities to make this a reality.
- I am also happy to say thanks to the Government of Japan for the **Liberian Innovation Fund for Entrepreneurs (LIFE)**. The team has concluded negotiations with LBDI to commence the target financing for SMEs in transformative areas. I know that much more is needed to increase financing opportunities under this program, and I am looking forward to more partnership participation in expanding our MSME access to finance.
- Madam President, let me say you get an **A+ for wear your pride**. As there has never been a Friday that I have walked into your office and not meet not only you but also your staff wearing something made in Liberia. You listened to me pitch another of my wild ideas to drive inclusive growth, and as a true innovator, you said, lets do it, and you are doing it. This is why I work for you Madam President.

Every morning on my way to work, I make the left turn on Ashmun St. and as I drive up the hill up to my office, I pass two astonishing structures. They represent the two Liberias I am privileged to call home.

On my left, a shiny new Central Bank building, for me, a symbol of hope, hope in unity of purpose and vision. What we can achieve together as one people.



To my right, is the EJ Roye building, the building I first heard my mother sing “One Day at a Time” at a gospel concert, and on one of the pillars at the bottom of that building there is an engraving “Deeds Not Words.” It reminds me everyday from where we have come; however the many challenges, we also have come from a proud place. That place is etched in our history by deeds, and not words.” You get A+ Madam President, for wearing your pride, because in your actions, and when all of us act, we help put food on the tables of many of our people who struggle for a single meal in a day. Thank you.

- **Eating what we grow:** we also promoted the consumption of local rice to encourage our local farmers to grow rice as a business. This year we purchased the local rice for the Commerce family. When we do this, and other government institutions do this, we build local demand that is directly going to impact our farmers. These government spending behavioral adjustment will increase the demand of locally produce products and put money in the hands of our SMEs and farmers, encouraging them to grow more of what we eat and not just only what we export.
- Finally, we also aggressively pursued the **WTO Accession Process** and will celebrate that hard work in December at the Nairobi Ministerial when Liberia, the last of continental Africa, will join the multilateral trading system.

What does it mean for us – well, think of it this way – domestic reforms that makes our systems more easily accessible, where the rules are the same for everyone, where the processes for doing business are clear and predictable tend to work to the benefit of MSMEs who have smaller profit margins who cannot afford to spend money on unplanned incidentals. It works for MSMEs who want to export to the global market by putting in place the standards regime that allow for our products to be exported and access global value chains. It makes the rules of participation more transparent.

There are people who like the system the way it is today because they know how to operate in the system as it is, but this system is not driving inclusive growth and not very resilient to shocks. These people know that new competition will not be able to operate at their level and so will loose trying to navigate what can be an expensive system if you do not know the rules. When we reform the system, it will create a level playing field which will foster greater competition that will lead to new innovations and drive down the cost for goods and services while protecting domestic interest and respecting existing laws.



Closing

Fellow Liberians, it is important that we embark on this journey of inclusion because the world is forever changing and we must evolve with the times to stand on our own two feet by fostering reforms that will drive economic growth that is driven by economic diversification beyond our traditional business if we are to achieve inclusive growth. To achieve such resilience, we must implement domestic reforms and foster key infrastructure investments that will make us more competitive for the growth of the domestic private sector while promoting responsible and productive partnerships that truly supports our development agenda.

A few months ago the world converged on Addis at the UN Financing for Development Conference and in New York for the adoption of the Sustainable Development Goals. Issues of domestic resource mobilization, fostering trade and investment for development and poverty reduction, the role of the private sector and linking of SMEs to global value chains as a means for sustainable and equitable growth were some of the many topics discussed.

The adoption of the Sustainable Development Goals (SDGs), among others, aim to encourage sustained economic growth by achieving higher levels of productivity, through technological innovation and promoting policies that encourage entrepreneurship and job creation.

My fellow Liberians, friends and colleagues, the work exhibited by this collaboration today further pave the way to achieving some of those ambitious goals because according to a recent publication by the International Trade Center, the SME Competitiveness Outlook, SMEs are the missing link to inclusive growth as they account for approximately 60-70% of total global employment. They make up over 95% of all firms and account for approximately 50% of GDP. They form a major part of the real economy but majority in countries like ours operate in the informal economy and impact mostly young people, the majority of our population. What we are doing matter, because they matter.

Distinguished guests, friends, fellow Liberians, I am proud to stand before so many up and coming entrepreneurs who have travelled from around the country to be at this event. To our dynamic entrepreneurs in this room I say to you, thank you, you have done the first thing right today, you are here. I now challenge you to see this as yet again, another opportunity to have a conversation, to network, to inspire, and to further unlock your potential. I encourage you to participate in the various discussions, listen and learn and of course, sell all the products you brought in for the trade fair.



Let me say a big thank you for your constructive commitment to the new Liberia and to our transformation story. I feel lucky to be your humbled servant and be apart of this experience.

Colleagues, friends, please join me in the implementation of this vision! **“BUY LIBERIAN, BUILD LIBERIA”**.

Thank you and God Bless Our Republic.