

**STATEMENT BY HIS EXCELLENCY THE PRESIDENT, DR. ERNEST BAI KOROMA
AT PRIVATE SECTOR FORUM
THE BRITISH COUNCIL HALL, TOWER HILL - JUNE 12, 2008**

Hon Ministers,
Co-Chairs of the Sierra Leone Business Forum
Colleagues from the private sector
Colleagues from the public sector
Distinguished Ladies and Gentlemen:

Let me first of all thank you all for taking the time to attend this private sector forum that my office has convened in conjunction with the Sierra Leone Business Forum.

As you may recall, in my Maiden Speech to Parliament back in October 2007, I emphasized my government's commitment to the development of the private sector as the key driver of our country's economic growth agenda. I also stated that it was my intention to meet frequently with the private sector so we could consult each other on pertinent issues of the day and work together to identify constraints to the growth of the private sector and determine solutions that would accelerate the growth of the private sector.

Today, is only one of many such consultations that I personally and my government will have with the private sector as we further develop a partnership between public and private sector that will drive economic growth. We anticipate that this will be an ongoing exercise wherein we meet and discuss issues and agree on actions which each side should go back and execute and then come back and report on progress at the next consultative forum that we have. From the presentations that we have already heard today, this process has already started. Representatives from my government have been participating in working groups with the private sector and by all accounts, we are making progress. The challenge for us all is to transform dialogue into action.

The responsibility for delivering national economic growth is not only for the public sector. Indeed, it is mostly through the activities of the private sector (sometimes supported by public sector) that real economic growth can be achieved. Government can make all the policy decisions and implement all the legislative and administrative reforms that support those policy positions that it sees fit. But inevitably, it is only when the private sector responds positively to these initiatives with more efficient business practices, new investment and other innovations, that we are likely to see demonstrable results. These should include increases in income generation across the board, increased employment for our youth and increased revenue to government that allows it to make social investments in infrastructure, education, health care, sports etc.

There is no question that Sierra Leone is not an easy place to do business. The hurdles that local and foreign investors have to overcome in order to make and secure their investments here are many and vary in their severity. Having overcome the airport transfer process, business people are then challenged with access to finance, access to land, complex tax and customs procedures and concerns around contract enforcement and resolution of commercial disputes. While there is definitely progress already underway in addressing some of these areas, I believe that today provides a good opportunity for us all to take stock of where we are and to then map out action plans for moving our country forward.

Since assuming the reigns of government in 2007, it is clear to all that the global economy has changed significantly. The credit environment has impacted negatively on the international banking community, driving huge losses for major banks and forcing them to raise additional capital from the financial markets. One implication of this is that potential foreign investors will find it more difficult to obtain capital to invest in Sierra Leone. Thus, we need to see how our domestic financial institutions can support foreign and local investors.

"The days of cheap food are over," is what we hear from analysts across the world. Not only is there an increased demand for grains that is affecting the price of our staple food rice, softening capital markets has pushed speculative investors into the commodity markets causing additional pricing pressures on grains and oil. And of course increased oil prices mean increased food production costs and a further increase in the price of grains such as rice.

My government takes these challenges very seriously and has been fortunate and successful in executing some short-term efforts to mitigate the price increase and its impact on the consumer population. But short term measures are exactly that.-a quick response driven primarily by factors outside of our immediate control. However, colleagues, the intermediate term and long term future are much more in our control. It is our ability, as public and private sector, to work together to craft solutions that are specific to our needs, circumstances and environment that will make a difference in the lives of our people and contribute to the development of our nation. Whether you consider them electorate or consumers, we have the responsibility to deliver to them and in so doing provide for ourselves. Therefore, we have a vested interest in embarking on a range of collaborative exercises by starting on the right note.

This means we must take honest stock of ourselves and not only give consideration to how we see ourselves, but how others see us. As I have traveled frequently in pursuit of our development agenda, I have been struck by the perceptions people have of Sierra Leone. Indeed many still see us an early post-conflict economy with little to offer in terms of investment opportunities even as we see ourselves as being in the development phase. Additionally, the conduct of some unscrupulous people in both the private and public sector with regard to incidences of corruption, outright fraud and ineffective justice, portrays Sierra Leone as a high-risk country to invest in. In short colleagues, the image of Sierra Leone and its attractiveness as an investment destination is unsatisfactory, and requires some remodeling and rebranding. And as you all know remodeling means an investment of time and money in addition to a change of attitude and behaviour. We must all be committed to all of these for us to make real progress. Once we successfully remodel we will then be in a position to communicate a rebranded country. And given the urgency of our situation, I dare say that process must start right now.

So colleagues as we continue with today's deliberations let us keep in mind the following joint objectives:

- the need to project a new and better image of Sierra Leone generally, but more so as an investment destination. This should include providing solutions to concerns with our airport as a gateway into the country and the first experience of our beautiful country for many visitors. It is from this first experience that both investors and tourists will form a lasting impression.
- The need to develop robust home-grown solutions to global challenges and be proactive in shaping our country's economic destiny.
- The need to find a solution to hunger and the rising cost of food, particularly rice. This will depend on improving agricultural productivity and the prevention of our produce and other commodities from going across the borders.
- Access to finance, land and justice are themes that recur in all our discussions. Indeed, it seems that they are inextricably linked particularly to making the financial sector more responsive to the needs of businesses.
- Even as work is currently underway in some of these areas, we need to do more and accelerate our current efforts. We need to fully explore the prospect of specialized financing for Agriculture. Who will deliver it, how will such an entity be structured and financed?

Let me conclude my remarks here today on a high note that my intention to unite both the private and public sectors for a well-ordered society and economic progress is now well underway with our presence here together. Colleagues, as President and your colleague, I implore you to fashion with me a developed Sierra Leone. Together, we shall attain what will make us proud again as a nation. Let us make the change together to create wealth in Sierra Leone. I thank you for listening to me and for your contributions.