



# Ministry of Commerce & Industry Strategic Plan 2013-16



**G**ood policy for trade  
**R**evitalizing the economy  
**O**pening up the private sector  
**W**ork opportunities for the future





## FOREWORD

Dear Colleagues and Friends:

We have embarked upon an ambitious strategic direction under the theme, “Rebranding Commerce” that is built upon the works of my predecessors while incorporating initiatives that align with the five pillars of the Agenda for Transformation (AFT): Peace, Justice and the Rule of Law; Economic Transformation; Human Development; Governance and Public Institutions and Cross-Cutting Issues. In order to achieve this national vision our colleagues in government, the private sector and local and international partners will all have to play a role.

As the Ministry of Commerce and Industry, we recognize that our role is principally to assist the private sector in creating economic transformation. To this aim, particular attention will be paid to private sector development that takes into account the growth of MSMEs, industrial development, regulatory reforms within the commerce of Liberia, intellectual property rights and the issue of creation of an empowering trade policy. This strategic plan has been developed to guide the process; and after many weeks of work, the plan is now ready for implementation.

This document outlines three result areas necessary for the cumulative success in achieving the goals of our *rebranding Commerce reform agenda*: ***Good policy for trade, Revitalizing the economy, Opening up the Private Sector and facilitating Work opportunities for the future.*** Each result area specifies strategies that the ministry will undertake to ensure success during the period of this plan (2013-2016).

Strategies within this plan provide the roadmap for Liberia’s multi-and bilateral trade agreements that will create mechanisms for short and long-term market impact; for Liberia’s manufacturing environment to be directed in a way that allows for value-added inputs, also for Liberia’s private sector development to leverage market-accessible solutions, and for the internal transformation of how the organization manages its people, time, and budget to ensure our work is aligned with the goals of the AFT and that of the Ministry of Commerce and Industry’s fundamental mandates.

This plan is a *'living document'* that will experience many changes during its lifespan; changes that will harden its ability to guide the decision of senior management and our technical team by incorporating challenges and experiences that we cannot think about at this moment.

The indicators at the end of each result area provide a quantifiable and qualitative set of goals that we hope to achieve with supports from our local and international partners by the end of 2016. Additionally, the outline of information in the annex of the document provides our stakeholders with a holistic view of the strategy and identifies where gaps in finance and capabilities exist. The operational plan will allow stakeholders to clearly identify where their goals align and potential areas of interest in the development of work plans. We hope to work in partnerships where clear synergies exist and allow our partners to avoid duplication.

I want to extend my appreciation to all those who contributed to the development of this strategic plan particularly my predecessors, our advisors, deputy and assistant ministers, directors and all technical staff who made it possible. With the constant support of the private sector, our partners and the staff of the Ministry of Commerce, I believe the policies outlined in this strategy will lead to innovations that will foster private sector development through diversification of our economy to facilitate inclusive growth.

With your support and commitment to trade facilitation investments in infrastructure (energy, roads and ports) and economic diversification, I can assure you that a rebranded Commerce will drive our aspirations of transformation for inclusive growth in Liberia.

Signed:   
**Axel M. Addy**  
MINISTER

### **Mission Statement**

*“As a strong partner we strive to create sound policies promptly for commerce and trade that facilitate private sector growth and innovations, while setting standards that will empower all of our consumers to make informed decisions improving the quality of life for all.*

*In particular we will facilitate private sector growth, and set good policies and standards to achieve this.*

*Among our many partners we will be particularly focused on existing and new business, consumers, and helping move the informal into the formal sector.*

*We will do this with respect for all partners, with accountability for efficient and effective performance and with professional standards at a high level of integrity.”*

### **Vision Statement**

#### ***GROW***

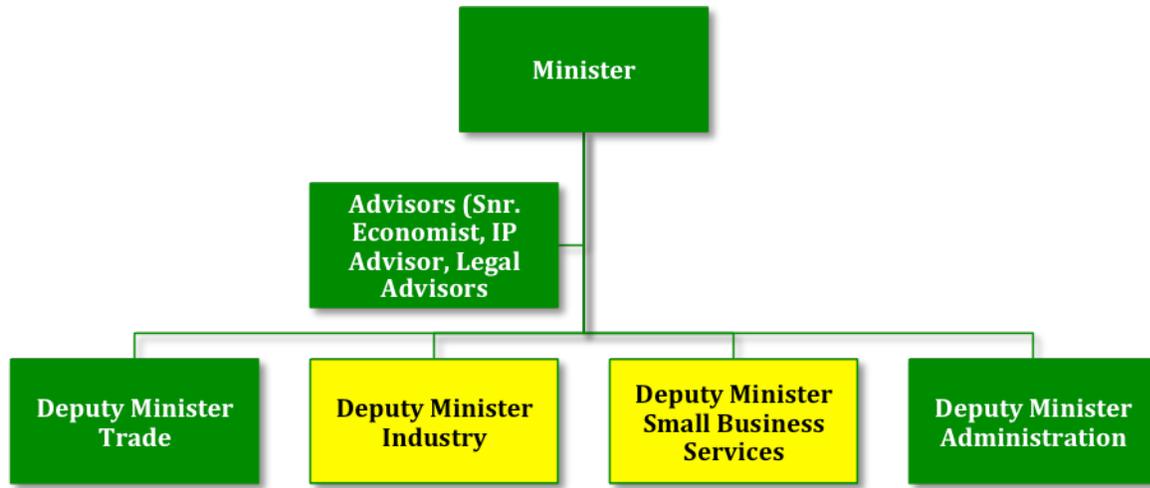
- *Good policy for trade*
- *Revitalizing the economy*
- *Opening up the private sector*
- *Work opportunities for the future*

***“Good policy, for revitalizing the Liberian economy for private sector expansion providing employment opportunities for the people of Liberia”.***

**ACRONYMS**

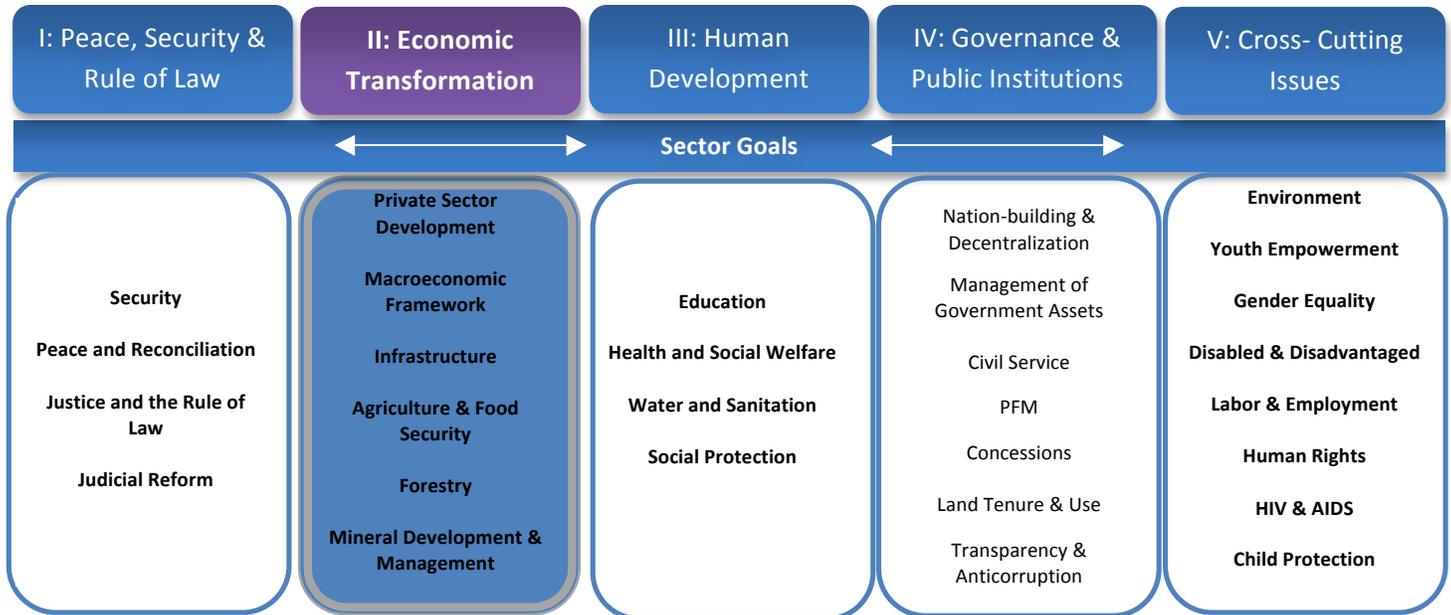
AGOA	African Growth Opportunity Acts
ASYCUDA	Automated System of Custom Data
CET	Common Extended Tariff
ECOWAS	Economic Community of West African States
EIF	Enhanced Integrated Framework
EPD	Export Permit Declaration
EU	European Union
IFC	International Finance Corporation
ITC	International Trade Center
IPD	Import Permit Declaration
LBBF	Liberia Better Business Forum
LBR	Liberia Business Registry
LDC	Least Developed Countries
LIFE	Liberia Innovative Fund for
MCC	Millennium Challenge Corporation
MRU	Manu River Union
NES	National Export Strategy
NIP	National Industry Policy
SMT	Senior Management Team
SPIU	Special Project Implementation Unit
TFF	Trade Facilitation Forum
WTO	World Trade Organization,

**New Basic Structure**



**Note:** Deputy Ministers for Industry and Small Business Administration are New Positions.

**Foundation of MoCI’s Strategic Plan: (Five Pillars of the AfT)**



The Leadership at MoCI strongly recognizes the need for restructuring the Ministry’s activities through the development of an achievable Strategic Plan for the Ministry. Earlier efforts have been made, with the drafting of the Ministry’s Strategic Plan by UNDP Consultants Devin Corporation; and in January 2012, a LIPA- facilitated retreat built on this. Also on February 26, 2013, a Senior Management Retreat was held with support from the USAID- supported Liberian Trade Policy and Customs (LTPC) Project to set interim priority tasks, identify successes and failures, and set key strategic goals for FY2013-2014.

In April of 2013, a new Minister and two new Deputy Ministers were appointed leading to a renewed effort to create a more comprehensive Strategic Plan that would detail the strategic goals and measurable objectives of the Ministry for three years from FY2013-2014- FY2015-2016.

The framework of this new Strategic Plan for the Ministry of Commerce and Industry pivots on ways and means by which the Ministry can achieve its goals and objectives through a comprehensive and an all-inclusive approach that strongly reinforces its new *rebranding reform agenda’s* mission and vision. On May 25-26, 2013, a retreat was organized by Senior Management to conceptualize the Strategic Plan to the work and activities of all Divisions in line with the Ministry’s vision. The 2-day retreat brought together all political appointees, directors/supervisors/unit heads, and several consultants, support staff and

other stakeholders. From these 2- day intensive review and interaction, draft strategic objectives and activities covering 2013-2016 were formulated.

As the result of this effort, the following objectives have been grouped into three major Result Areas:

- **Result Area 1:** Facilitating Jobs Creation through the Promotion of Industries including SMEs
- **Result Area 2:** Facilitating International Trade between Liberia And Partners
- **Result Area 3:** Capacity & Organizational Development of the Ministry for Improved Performance

## Result Area 1: Facilitating Jobs Creation through the Promotion of Industries including SMEs

### Situational Analysis Internal Commerce

The Bureau of Industry is the arm of the Ministry of Commerce & Industry that monitors, regulates, promotes, and facilitates the growth, development and expansion of the industrial sector of Liberia. Liberia has the potential for economic activities including the manufacturing and processing of downstream products such as beverages, agro-processing, furniture, and other products. Investment in such labor-intensive activities can create a significant number of jobs, encourage micro, small and medium enterprises' growth, stimulate exports, and provide the basis for sustained growth in productivity, skill levels, wages, and income overtime. The Bureau seeks to accelerate the development of striving industrial sectors in Liberia which have a history of being driven by the extractive industries concept of allowing local raw materials that are useful for local production to be exported without going through the value-addition process. Linkage to the wider economy is lacking, resulting into growth without development. The Bureau also intends to create a strong enabling environment for investment and private sector growth.

The current levels of challenges impeding industrial growth in Liberia include but are not limited to (a) Production of a limited number of commodities for local consumption by manufacturing industries without the potential for export (b) Lack of adequate or poor conditions of existing infrastructure resulting in high costs of production (c) Cumbersome procedures in establishing industries (d) Unskilled labor force and difficulties of firms transforming from the informal sector to the formal sector (e) Lack of or limited access to the financial market in terms of credit facilities, because most lending institutions' requirements are not met (f) Lack of technology or technological know-how for value addition and (g) High cost of raw materials imported from abroad and other charges.

To address these challenges, the Bureau of Industry anticipates the encouragement and promotion of Public-Private Partnerships (PPP) in order to improve the skills of our work force in the industrial sector and to also provide technical training to Liberians under TVET programs to make them more effective for increased productivity. The Bureau of Industry also anticipates the encouragement and development of our MSMEs by providing needed support and discussing strategies with relevant stakeholders in the area of infrastructural development, value addition, as well as, the provision of other basic services that are vital for industrial competitiveness on the local, regional, and international markets.

The industrial landscape in Liberia is characterized by a few large manufacturing firms, producing a limited type of goods (cement and beverages) for domestic consumption. Other manufacturing firms in Liberia are in the sectors of household products, paints, varnishes, mattresses, industrial oxygen, bakeries, woodworking, metalworking, plastic, rubber products and clothing, again for the purpose of supplying the domestic market. Liberia's available labor force is estimated to be about 1.4 million,<sup>1</sup> of which only 2,785 (or almost 0.2%) are reportedly employed in the formal manufacturing sector. The majority of manufacturing companies in Liberia tend to be small sized, employing very few people. Reported employment in the manufacturing sector in 2008 more than doubled from 2006's reported figure of 1,045. These employment figures do not include those

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<sup>1</sup> CIA, *The World Factbook*

employed in the informal sector.<sup>2</sup> The growth in employment in the manufacturing sector is against the background of manufacturing's contribution to Liberia's GDP remaining relatively stable (increasing by 1% between 2006 and 2009).

## Facilitating Jobs Creation through the Promotion of Industries including SMEs

Strategic Objective	Strategies
<p><b>SO 01</b></p> <p>Promote industry-focused value-chain and finalize and publish the National Export Strategy and Industrial Policy</p>	<ul style="list-style-type: none"> <li>▪ Present validated draft National Export Strategy to the EMT and cabinet for approval</li> <li>▪ Create industry-focused programs where MSMEs can network with large companies. Opportunities can serve to promote the environment for exports by MSMEs and inputs into the value chain for local industries</li> <li>▪ Support the establishment of Industrial Coordination Committee (ICC)</li> <li>▪ Adopt industrial standards and universal metric system nationally</li> <li>▪ Establish a standards board</li> <li>▪ Advocate for policies in support of local manufacturing establishments</li> <li>▪ Raise funding for WELD Liberia, Kumatsu training and Cassava Project targeting human resources development and placement of graduates in the industrial sector and value-addition in farming</li> <li>▪ Promote tariffs where strategic for the Liberianization policy</li> <li>▪ Advocate for tourism as an export strategy</li> <li>▪ Conduct market analysis of 4 top sectors in Liberianization Policy</li> <li>▪ Create awareness programs targeting the National Industrial Policy (NIP) to stakeholders and interested parties by preparing leaflets, brochures, and radio talk shows</li> <li>▪ Create a web portal that captures profile data for industries</li> <li>▪ Publish industrial directory online</li> <li>▪ Publish trade data and essential commodity profile</li> <li>▪ Reactivate the Quality Standard Certification process</li> </ul>
<p><b>SO 02</b></p> <p>Design, develop and implement a broad range of consumer-focused programs</p>	<ul style="list-style-type: none"> <li>▪ Improve administration of the BIVAC contract</li> <li>▪ Create product case studies for newsletter and a quarterly newsletter focused on MOCI activities and market information</li> <li>▪ Create a consumer hotline desk</li> <li>▪ Create a Standard Operating Procedure (SOP) for investigations into consumer complaints</li> <li>▪ Create consumer awareness campaigns focused on consumables and liquor regulation</li> <li>▪ Join Consumer Council International (CCI)</li> </ul>
<p><b>SO 03</b></p> <p>Begin full operation of the National Standards</p>	<ul style="list-style-type: none"> <li>▪ Resolve all issues of the West African Quality program</li> <li>▪ Initiate public and private services</li> <li>▪ Create a Public Private Partnership (PPP)</li> <li>▪ Create a marketing plan for service delivery</li> </ul>

<sup>2</sup> Ministry of Labor

Laboratory (NSL) to allow for services to public and private entities	<ul style="list-style-type: none"> <li>▪ Work toward achieving the first or second phase for application for ISO accreditation</li> <li>▪ Create a quality management system in line with requirements of ISO 17025:2005 International Standards</li> <li>▪ Promote services of the NSL</li> </ul>
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### Facilitating Jobs Creation through the Promotion of SMEs

<p><b>SO 04</b></p> <p>Improve systems, procedures and business processes for businesses at large, and enhance the Liberia Business Registry (LBR) to support an increase in business registration</p>	<ul style="list-style-type: none"> <li>▪ In collaboration with MSME Division, create a registration package targeting large, medium, and small businesses</li> <li>▪ Assess and evaluate the current structure of the LBR</li> <li>▪ Work with MSME Division to create a marketing strategy for business registration in the counties</li> <li>▪ Decentralize services of the LBR</li> <li>▪ Improve reporting of corruption in business registration process</li> <li>▪ Further reduce the time for registration of business</li> <li>▪ Integrate LBR customer feedback into consumer desk at the MOCI location</li> <li>▪ Train Inspectorate to increase business registration and provide other customer focused services</li> <li>▪ Create incentives for Inspectors that impact increase registration process</li> <li>▪ Create a program that allows free business registration for petty traders</li> <li>▪ Increase participation of LBR management in reform-focused projects [MCC, WTO, TFF]</li> <li>▪ Improve data collection and reporting of the LBR</li> <li>▪ Support the development of industrial parks to promote value addition.</li> <li>▪ Creation of innovative programs to promote financial inclusiveness</li> </ul>
<p><b>SO 05</b></p> <p>Develop programs that directly or indirectly promote opportunities for the growth of MSMEs</p>	<ul style="list-style-type: none"> <li>▪ Reorganize and expand the mandate of the MSME Division through the creation of the Bureau for Small Business Services</li> <li>▪ Create opportunities for access to market for small businesses through networking opportunities and value-chain focused opportunities</li> <li>▪ Increase the number of business registrations</li> <li>▪ Create a forum focused on the development of industry</li> <li>▪ Achieve 25% Government contracts awarded to MSMEs</li> <li>▪ Play an advocacy role for SMEs; including a change in tax rates and tax incentives for MSMEs, and ease of trade across the borders.</li> <li>▪ Perform a targeted outreach to banks and other organizations to partner on the identification of new ways to improve the financing environment</li> <li>▪ Administer activities for the Liberia Innovation Fund for Entrepreneurs (LIFE) and seek additional funding for its expansion</li> </ul>

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**Key Performance Indicators to meet Result Area 1 Strategic Objectives**

- ✓ Create at least 4 newsletters featuring trade partnerships to include MRU
- ✓ At least 6 networking events that bring together concessionaires and MSMEs
- ✓ Publish trade data, commodity profile, universal standards and weights at least on a quarterly basis
- ✓ Publish list of changes agreed upon and implemented between BIVAC and MOCI
- ✓ Database of consumer calls on hotline and status, capture any enumeration of funds
- ✓ Create an SOP for response to consumer complaints
- ✓ Perform at least 80 inter-laboratory studies on a yearly basis at the NSL
- ✓ Create a SOP for customer feedback at the business registry and increase registration by 10%
- ✓ Impact MCC through TFF by resolving at least 70% of the is issues raised each year
- ✓ Create a program for value addition to MSMEs and small-holder farmers
- ✓ Increase number of attendees at the MSME conference and report on recipients of Life Fund
- ✓ Establish ICC by the end of 2018
- ✓ At least 4 industrial focused programs developed
- ✓ NIP awareness activities planned and carried out nationwide
- ✓ National Export Strategy
- ✓ Cassava Processing Plant is operational with an identified CEO leading
- ✓ WELD program graduates place
- ✓ Create a project focused on the furniture industry and report on the growth of at least two industries

## **Result Area 2: Facilitating International Trade Between Liberia And Partners**

### **Situational Analysis International Trade and Commerce**

Liberia is rich with natural resources, which could be leveraged to achieve inclusive growth. Through the Vision 2030 and Agenda for Transformation, Liberia aspires to attain middle-income status by 2030. The graduation from LDC to middle income is based on interventions in several sectors. Most of the sectors, like transport, energy and agriculture are trade facilitation investments that will ensure the achievement of transformation.

The Liberian economy is heavily import driven, with more than 90% of what is consumed brought from overseas. About 5% of such imports are sourced from intra-regional trade. If Liberia must achieve the middle-income status, trade is the obvious link for the attainment of growth and poverty reduction.

Currently, Liberia has no formalized trade policy document; however, there exists a de facto trade policy. A trade policy captures all the activities within sectors, the region and within the global environment. The country is an active player in ECOWAS trade negotiations with other partners. More besides, the country has set itself up for accession to the World Trade Organization (WTO).

With help from the International Trade Center (ITC), a National Export Strategy that has been in development for a number of years is being concluded for validation. Through the Export Strategy, Liberia intends to improve trade competitiveness and integration, which could be leveraged to promote growth across multiple sectors. To be competitive, trade has to be more predictable and transparent. The existing regime presents sporadic challenges from port procedures, licensing and fees regimes to bureaucratic barriers that inhibit a competitive business environment.

Consequently, a trade policy has to be formulated to document cross-sectoral policy prescriptions and options available to Liberia. That policy has to incorporate Liberia's strategy for intra-regional and international trade. Meanwhile, as the country seeks to attain middle-income status, the finalization, and subsequent implementation, of the Export Strategy would be very important. It is equally important to put emphasis on the regulatory environment which, when it is more predictable and transparent, would ensure growth and development for the private sector. There may have to be modified or new regulations for example the licensing law, customs valuation, addressing constraints with pre-shipment inspection and issuance of standards and the availability of national standards. All these interventions will not only change the trade environment and prepare Liberia for a more competitive and integrated trade with the rest of the world, but also promote growth and reduce poverty.

## Facilitating International Trade Among Liberia And Partners

### Strategic Objective

### Strategies

#### SO 06

Publish a Trade Policy

- Formulate a National Trade Policy as the overall strategy document
- Automate Licenses (IPD + EPD) in ASYCUDA
- Reform of the Administrative and legal frameworks (Import & Export Permits)
- Finalize through stakeholder consultations, enact and implement draft of Intellectual Property, Foreign Trade and Competition Laws

#### SO 07

Improve Liberia's market access by integrating into the multilateral trading system

- Develop a WTO accession strategy to proceed to the 2nd working party meeting. Put on the agenda for the Cabinet EMT and Legislature.
- Implement the ECOWAS Trade Liberalization Scheme/CET
- Promote the benefits of Mano River Union Trade Protocol
- Promote EU "Everything but Arms" & China "95% Duty Free Tariff Free" and AGOA programs

#### SO 08

Design and implement an integrated industrial property and copyright agency supervised by the ministry

- Finalize and pass enabling legislation (the draft Intellectual Property Act)
- Agree on organizational structure and staffing of the IP office
- Co-location of IP offices to a single site in the new MOCI offices
- Merge Boards of the Copyright office and Industrial Property office
- Create one operational work plan for the integrated Intellectual Property Office.
- Issue brand registrations and track revenue adequately
- Ratify the intellectual property draft law

### Key Performance Indicators to meet Result Area 2 Strategic Objectives

- ✓ Finalize trade policy
- ✓ Creation of the unified Intellectual Property office
- ✓ Automated IPD and EP through ASYCUDA
- ✓ Convene 2nd Working Party Meeting Draft Foreign Trade Law
- ✓ Draft Competition Law
- ✓ Promote NES through LBBF

## **Result Area 3: Capacity & Organizational Development of the Ministry for Improved Performance**

### **Situational Analysis Institutional and Management Development**

A USAID-funded institutional review of MoCI in December 2009 identified a large number of major structural and management deficits hindering the Ministry from delivering its mandate. By November 2012, when a new assessment of Ministry human resources management took place, a good number of structural reforms recommended in 2009 had taken place but MoCI was still showing an urgent need for non-structural improvement, including an overhaul of its mission, vision, management and staff skills. There was growing impatience and pressure during this period from the highest levels of Government to move boldly away from MoCI's old "control and inspections" culture towards "facilitating business and job creation." There has been continuing frustration with performance problems, overstaffing and a push for "rightsizing" to find the right mix of staff numbers and skills. Most important, the 2012 review still found ongoing major problems in manager functioning.

Since the arrival of the new team of Ministers in early 2013 there has been a complete update on the vision and mission for the Ministry, as well as action on several support fronts including the reorganization of the Bureau for Administration, the Human Resources Department has seen major upgrading, and efforts have started on a thorough reform of the Finance Department. The three Strategic Objectives below reflect the Ministry's priority focus on institutional development in the next three years.

- Addressing the capacity deficit through the rebranding reform agenda which will restructure the Ministry to better serve the public through the creation of the Small Business Services and the breaking up of the Bureau of Commerce and Industry into two separate bureaus with deputy ministers for each bureau. A new Deputy Minister for Industry and Inspector General will oversee the Bureau of Industry.
- Addressing an expected decline in revenues across the Government of Liberia through a targeted strategy to work closely with donors to generate and manage more project funding.
- Attention to a new integrated and comprehensive management skills building program.
- Sharp improvements in Ministry communications with all stakeholders, particularly Liberian consumers and the Ministry's own staff.

## Capacity & Organizational Development of the Ministry for Improved Performance

Strategic Objective	Strategies
<p><b>SO 09 –</b> Facilitate external partnership to support Ministry of Commerce and Industry objectives</p>	<ul style="list-style-type: none"> <li>▪ Establish the Donor Coordination Steering Committee</li> <li>▪ Establish the Sector Technical Coordination Committee</li> <li>▪ Distribute strategic plan amongst donors to secure donor interest for long-term donor support for areas of the 3 year plan</li> <li>▪ Secure funding from Enhanced Integrated Framework (EIF) of the World Trade Organization (WTO) for establishment of Single Project Implementation Units (SPIU)</li> <li>▪ Establish Single Project Implementation Unit (SPIU) to coordinate all projects and enhance MOCI capacity</li> </ul>
<p><b>SO 10 –</b> To introduce and operate a program to upgrade management skills through rebranding reform agenda</p>	<ul style="list-style-type: none"> <li>▪ Deputy Minister for Industry and Inspector General Appointed</li> <li>▪ Deputy Minister and Assistant Minister for Small Business Services Appointed</li> <li>▪ Reorganize the Bureaus of Administration and Commerce and Industry</li> <li>▪ Evaluate existing Directors in a preliminary exercise and make decisions on appointments of Directors in the new MoCI Structure</li> <li>▪ Facilitate management training opportunities for Directors and all political appointees</li> <li>▪ Facilitate knowledge sharing activities through “Brown Bag” learning series</li> </ul>
<p><b>SO 11 –</b> Write, approve and implement a comprehensive communication strategy</p>	<ul style="list-style-type: none"> <li>• Promote MoCI rebranding reform agenda</li> <li>• Develop and promote internal services for production of informational materials for public consumption</li> <li>• Provide professional communications support to internal ministry departments for development of communication materials</li> <li>• Support to SMT for preparing communications materials targeted at legislature</li> <li>• Support to the DMA for preparing communications materials targeted at internal staff.</li> <li>• Support delivery of communication activities outlined in strategic objectives</li> </ul>

### Key Performance Indicators to meet Result Area 3 Strategic Objectives

- ✓ Increase current budget by 10% by year 2
- ✓ Evaluation program in place for employees
- ✓ A Communication strategy in place
- ✓ A rebranded reform agenda in place

