

OPS a MASTER

SUBJECT: LIBERIA: Mt Sit April '80

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 116^{AAA}/83

THE EXECUTIVE MANSION
OFFICE OF THE HEAD OF STATE
MONROVIA, LIBERIA

PRC/IV/MPEA-641/'83

August 5, 1983

Your Majesty:

The Government of the Republic of Liberia will convene a Conference of multilateral and bilateral donors later this year to bring to the attention of the international community the precarious state of the Liberian Economy and to enlist the assistance and support of sympathetic Governments and international financial and economic institutions for its modest efforts at development. The Conference will be held from 24 - 27 October, 1983 under the auspices of the United Nations Development Programme (UNDP) and will take place at the Palais des Nations in the historic and picturesque City of Geneva, Switzerland.

By this letter, I am issuing through your Majesty, an official invitation to your Government to attend and participate fully in the Roundtable and pray that you would use your good offices to ensure that your Government's representation would be made at a sufficiently high level.

H.E. The Rt. Hon. Margaret Thatcher
Prime Minister
c.o The Ministry of Foreign Affairs
London, England

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Permit me now to offer a brief explanation of the grave crisis that now engulfs my country and threatens to worsen even further unless some exceptional measures are undertaken and within reasonable time.

The stark reality is that the Government's ability to carry out its operational functions as well as its development functions is constrained by an embarrassingly acute shortage of liquidity due largely to adverse developments in the international market place for our major exports. Also, following the political developments of 1980, many investors transferred their liquid assets out of the economy and brought the banking system under severe pressure.

As a result, the Government has had to run substantial deficits just to be able to meet essential recurrent domestic and international commitments. Although the country has had a stabilization programme with the International Monetary Fund (IMF) since 1980 and has received some budgetary assistance from some friendly sources,

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these deficits have proved to be chronic and the Government has on many occasions come dangerously close to reneging on some of these commitments.

Many fiscal measures have been undertaken to minimize or contain the severity of the crisis; some of these have been very drastic, unprecedented and fraught with risks, and the standard of living of the people has had to be sacrificed in the name of belt-tightening and fiscal discipline. Yet the crisis remains intractable, and we believe it will only worsen if we continue to employ the short-term "stop gap" and partial solutions we have been relying on over the past three years.

Realizing this, the Government of Liberia decided to request the international community through the United Nations to consider the possibility of reclassifying Liberia as a least developed country to reflect the true state of the country's development.

Subsequently, the United Nations adopted Resolution 36/207 in December, 1981, calling the international

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community's attention to Liberia's plight and requesting all concerned nations and international bodies to come to her aid. In early 1982, the UN fielded an interagency mission to Liberia to appraise the country's situation and make appropriate representation to the General Assembly, the Economic and Social Council and to the international community at large. The ensuing donors conference is the culmination of these developments, and it is being held because the Government wants to take the opportunity to further acquaint multilateral and bilateral donors with Liberia's problems and with the magnitude and urgency of its needs with the view to soliciting their understanding and support.

The level of assistance stipulated in the main conference document (which will be sent to your Government shortly) has been calculated on a disbursement basis and reflects the actual needs of the country for development assistance as well as for budgetary and balance of payments support.

Quite apart from the magnitude of the aid required, the modalities by means of which the aid is delivered are

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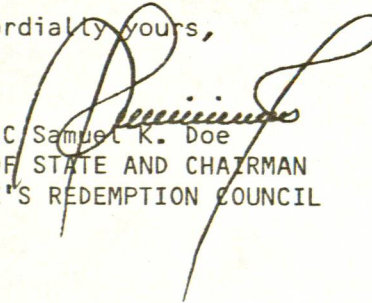
of pivotal importance because of the mounting external debt service problem and the shrinking of internal revenue sources. We seek assistance on grant terms or on the softest possible loan terms.

To sum up the purposes of the Conference, we plan to present to the international donor community our requirements for aid, the reasons why our needs are exceptional and the reasons why we need aid in exceptional forms. We hope to obtain a general endorsement of our medium-term development strategy as well as commitments of substantial additional financial and technical support

I attach herewith the provisional agenda for the Conference for your Majesty's easy reference.

In closing, permit me once more to renew with your Majesty the assurances of my highest consideration.

Cordially yours,


CIC Samuel K. Doe
HEAD OF STATE AND CHAIRMAN
PEOPLE'S REDEMPTION COUNCIL

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DONORS CONFERENCE

PALAIS DES NATIONES
GENEVA SWITZERLAND

OCTOBER 24 - 27, 1983

PROPOSED
TENTATIVE AGENDA DRAFT

MONDAY, OCTOBER 24, 1983

9:00 HOURS	:	REGISTRATION
10:00 HOURS	:	OPENING OF CONFERENCE BY MINISTER OF PLANNING & ECONOMIC AFFAIRS
10:10 HOURS	:	STATEMENT BY UNDP ON BACKGROUND OF CONFERENCE
10:20 HOURS	:	HEAD OF STATE IS INTRODUCED BY MINISTER GARDINER, FOLLOWED BY SPEECH BY HEAD OF STATE, DR. SAMUEL K. DOE
10:50 HOURS	:	ADOPTION OF AGENDA
11:00 HOURS	:	MINISTER OF PLANNING & ECONOMIC AFFAIRS PRESENTS DESCRIPTION OF GOVERNMENT DEVELOPMENT SITUATION STRATEGY AND REQUIREMENTS FOR EXTERNAL SUPPORT
12:00 HOURS	:	CONFERENCE ANNOUNCEMENTS
12:15 HOURS	:	MORNING SESSION CONCLUDED

L U N C H

2:00 HOURS	:	OPENING OF AFTERNOON SESSION. DIS- CUSSION. DISCUSSIONS ON PREVIOUS PRESENTATION.
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TUESDAY, OCTOBER 25, 1983

9:00 HOURS : STATEMENTS ON SPECIAL FINANCIAL
CIRCUMSTANCES AND MODALITIES
BY MINISTER OF FINANCE AND
GOVERNOR OF NATIONAL BANK

10:00 HOURS : DISCUSSIONS ON STATEMENTS BY
MINISTER OF FINANCE AND
GOVERNOR OF NATIONAL BANK

10:30 HOURS : BREAK

10:50 HOURS : CONTINUATION OF DISCUSSIONS

12:15 HOURS : CLOSE OF MORNING SESSION

L U N C H

2:00 HOURS : PRESENTATION OF SECTORAL ASPECTS
BY MINISTER OF PLANNING FOLLOWED
BY DISCUSSION

WEDNESDAY, OCTOBER 26, 1983

9:00 HOURS : STATEMENTS OF INTEREST AND SUPPORT
BY HEADS OF DONOR DELEGATIONS

11:00 HOURS : BREAK

11:30 HOURS : OTHER BUSINESS

12:15 HOURS : CLOSE OF MORNING SESSION

L U N C H

3:00 HOURS : DRAFT COMMUNIQUE

4:00 HOURS : CLOSING STATEMENT BY MINISTER OF
PLANNING

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THURSDAY, OCTOBER 27, 1983

9:00 HOURS : SMALL MEETINGS ON SPECIAL TOPICS
AS REQUESTED BY DELEGATES AND
ARRANGED BY CONFERENCE
SECRETARIAT

NOTE: SOCIAL EVENTS TO BE PROGRAMMED.