



NEWS RELEASE

LRA/PR-34/17-18

LRA Validates Draft Domestic Resource Mobilizations Strategy *As Stakeholders Make Final Inputs*



Participants at the just ended DRM Strategy Validation Exercise held in Buchanan, Grand Bassa County

The Liberia Revenue Authority (LRA) in collaboration with the Ministry of Finance and Development Planning (MFDP) has commenced the final validation of the country's draft Domestic Resource Mobilization (DRM) Strategy.

The first phase of the validation kicked off over the weekend in Buchanan, Grand Bassa County, with key stakeholders from ten counties participating in a two-day event.

The validation exercise provides an opportunity for stakeholders at the county level to review and make final inputs into the draft DRM strategy with the aim to harmonize a genuine national strategy to drive Liberia's domestic resource mobilization agenda.

With support from the Integrated Public Financial Management Reform Program-II, the event brought together over 100 participants from Grand Bassa, Grand Kru, River Gee, Rivercess, Sinoe, Maryland, Grand Gedeh, Bomi, Monterrado and Grand Cape Mount Counties. Participants included local officials, members of the business community, representatives of the civil society and non-governmental organizations.

The domestic resource mobilization strategy validation exercise is the result of four regional dialogues, which culminated into a National Revenue Symposium in June 2017 on domestic



NEWS RELEASE

LRA/PR-34/17-18

resource mobilization, during which a document inclusive of plans and ideas on how to initiate a domestic resource mobilization strategy for Liberia, was formulated.

The participants, among others, highlighted the need for key measures such as effective monitoring system for revenue collection to avoid corruption, the introduction of a massive tax education campaign, including the full implementation of the country's tax laws, as some of the vital steps, if taken by government, will help in expanding Liberia's tax net.

According to them, there is a need for the tax authority to boost its manpower strength across the country and empower its local tax officials. This, they said, will buttress enforcement, compliance and accelerate revenue collection and growth.

Suggestions from across the floor encouraged government to prioritize the agriculture sector, expand tourism, and develop a proactive policy framework for a system oriented approach for natural resource management as a means of building a firm foundation for domestic revenue mobilization to support national growth and sustainable development.

For his part, an international consultant, and Senior Technical Advisor on Domestic Resource Mobilization, Momodou Foom, said there is need to promote a holistic push for sustainable capital investment in the local economy.

Serving as the lead facilitator during the DRM validation exercise, Mr. Foom said the locals themselves must exert huge efforts to invest in the economy.

He said such step plays a major role in the domestic resource mobilization process and serves as a key pillar in facilitating revenue enhancement and economic growth.

The domestic resource mobilization strategy effort led by the LRA and partners is in line with a global crusade highlighting DRM as pivotal for African countries to finance the Post-2015 Sustainable Development Goals (SDGs) and the Africa Action Agenda (AAA) 2063.

SDG 17.1 in particular is the target set to track and measure strengthening domestic revenue mobilization in countries through taxation as a key means of implementation while enjoining the donor community to support domestic capacity building for tax and other revenue collection.

In 2016, the Addis Tax Initiative attended by African countries and representatives of the International donor community, proclaimed domestic resource mobilization and its effective use as the crux of a common pursuit of sustainable development and achieving the SDGs. It indicates an international consensus in forming a consolidated position on DRM as the fulcrum for financing development.

Domestic Resource Mobilization consists of tax revenue collected by revenue authorities (RAs) like the Liberia Revenue Authority and private savings in domestic money and capital markets.