

# **REPUBLIC OF LIBERIA**

## **MID-TERM REPORT OF THE IMPLEMENTATION OF THE ISTANBUL PROGRAMME OF ACTION (IPOA) FOR LDCs (2011-2020)**

**LEAST DEVELOPED COUNTRIES (LDCs) NATIONAL  
FOCAL POINT-LIBERIA**

**MINISTRY OF FINANCE AND DEVELOPMENT  
PLANNING**

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## Acronyms

AfT	Agenda for Transformation
CLSG	Cote Ivoire, Liberia, Sierra Leone, and Guinea
EPHS	Essential Package for Health Services
ESP	Education Sector Plan
EVD	Ebola Virus Disease
FDI	Foreign Direct Investment
GAC	General Auditing Commission
GBV	Gender Based Violence
GDP	Gross Domestic Product
GoL	Government of Liberia
IPoA	Istanbul Program of Action
HFO	Heavy Fuel Oil
ILO	International Labor Organization
IMNCI	Immunization, Integrated Management of Neonatal and Childhood Illness
LACC	Liberia Anti-Corruption Commission
LDC	Least Developed Countries
LEITI	Liberia Extractive Industry Transparency Initiative
LRA	Liberia Revenue Authority
LYEP	Liberia Youth Empowerment Program
MACs	Ministries, Agencies and Commissions
MFDP	Ministry of Finance and Development Planning
MOGCSP	Ministry of Gender Children and Social Protection
MoPW	Ministry of Public Works
MPEA	Ministry of Planning and Economic Affairs
MTCT	Mother to Child Transmission
MTDS	Medium Term Debt Strategy
MTEF	Medium Term Expenditure Framework

MYS	Ministry of Youth and Sports
NHA	National Housing Authority
NPAS	National Postal Address System
ODA	Official Development Assistance
PMTCT	Prevention of Mother to Child Transmission
PPCC	Public Procurement and Concession Commission
PSIP	Public Sector Investment Plan
RAP	Resettlement Action Plan
SAPEC	Smallholder Agricultural Productivity Enhancement and Commercialization
SCT	Social Cash Transfer
SEZ	Special Economic Zones
STCRP	Small Holders Tree Crop Revitalization Project
UNFCCC	United Nations Framework Convention on Climate Change
UNICEF	United Nations Children Educational Fund
UNMIL	United Nations Mission in Liberia
USAID	United States Agency for International Development
WAPP	West Africa Power Pool
WAPPP	West Africa Agricultural Productivity Program
WTO	World Trade Organization

## I. Introduction

Liberia will experience a transition in two years time in the wake of a stable and democratic governance process, since the conflict ended in 2003. Until mid-2014, Liberia was on stable path in implementing its ambitious medium-term development strategy, the Agenda for Transformation. However, the deadly Ebola Virus Disease (EVD), which lasted for 16 months and resulted in a death toll of about 4000 persons, reversed the gains.

The EVD epidemic eroded and thwarted some of the economic gains expected to reduce poverty and vulnerability. The Real Gross Domestic Product (GDP) growth which was estimated at 8.7% in 2013 and projected at 5.9% for 2014 before the crisis was estimated to be less than 0.3%. The economic situation became more exacerbated when primary export commodities (Rubber and Iron Ore) prices dropped on the international market.

The twin effects of the EVD and the declining global commodity prices on the economy in the medium term have continued to affect the implementation of AfT vis-à-vis the IPoA priorities. However, expenditures directly related to the crisis and additional social protection expenditure policy is expected to reduce fiscal deficit and contribute to the stabilization of the economy. An effective implementation of Liberia's Post-Ebola Economic Recovery Plan, is critical in stabilizing and spurring rapid social and economic recovery while at the same time help to improve the economy's resilience to any future shock.

Despite these declining economic situations and after careful review of the IPoA priorities, Liberia recorded some gains in the implementation of the priorities. This report will highlight progress against each of the priorities that are in tandem of the Agenda for Transformation (AfT).

## II. The national development planning process, including key economic, social, political and environmental trends

The Istanbul Programme of Action (IPoA), which charts out the international community's vision and strategy for the sustainable development of Least Developed Countries (LDCs) for the decade (2011-2020) calls for mainstreaming its provisions into national development framework of the least developed countries. To this end, the IPoA seeks to strengthen development partnership through its priority areas that are reflective of its five (5) high level objectives and eight (8) principles. The focus of IPoA is on developing their productive capacities, and with an overarching goal of overcoming the structural challenges faced by the LDCs in order to eradicate poverty and achieve internationally agreed development goals. Liberia's response to satisfying these requirements is contained in its national development framework, principally, The Agenda for Transformation (AfT). The Agenda for Transformation is Liberia's national development framework. IPoA and the AfT share the same overarching goals of eradicating poverty, creating wealth and meeting sustainable development goals and targets.

**IPoA-Priority Areas for Action A: Productive Capacity** (Infrastructure, Energy, Science, Technology and Innovation, and Private Sector Development) is mainstreamed into the **AfT Pillar II: Economic Transformation** (Private Sector Development--MSME Growth and Financing, Industrial Development, Regulatory Environment, Property Rights and Contract Enforcement; Infrastructure-- Energy, Roads, Bridges, Ports and other Transport Facilities, Post & Telecommunications, and Public Buildings).

**IPoA-Priority Areas for Action B: Agriculture, Food and Nutritional Security and Rural Development** is embedded into the **AfT Pillar II: Economic Transformation** (Agriculture and Food Security, Forestry) The IPoA<sup>1</sup> list three cardinal targets to be met in the fulfillment of Priority Area Action B. These targets aligns with Pillar II (Economic Transformation)- Private sector development, Macro-economic issues and infrastructure- as well as Pillar III (Human

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<sup>1</sup> LDC IV Monitor (2014), *Istanbul Programme of Action for the LDCs (2011–2020): Monitoring Deliverables, Tracking Progress – Analytical Perspectives*, Commonwealth Secretariat, London.

DOI: <http://dx.doi.org/10.14217/9781848599130-en>

Development) of the AfT of Liberia. Additionally, the AfT development syncs ideally with the principles and intent of the Millennium Development Goal (MDGs) which speaks to the issues of eradicating hunger and ensuring food security, etc.

**IPoA-Priority Areas for Action C: Trade** is fused into the **AfT Pillar II: Economic Transformation** (Private Sector Development, Macroeconomic Issues-Fiscal and Monetary, Infrastructure, Agriculture and Food Security, Forestry, and Mineral Development and Management).

**IPoA-Priority Areas for Action D: Commodities** is woven into the **AfT Pillar II: Economic Transformation** (Private Sector Development, Agriculture and Food Security, Forestry, Mineral Development and Management).

**IPoA-Priority Area for Action E: Human and Social Development** (Education and Training, Population and Primary Health, Youth Development, Shelter, Water and Sanitation, and Social Protection) is intertwined with the **AfT Pillars III: Human Development** (Education, Health and Social Protection; and Water and Sanitation); and **Pillar V: Cross-Cutting Issues** (Gender Equality, Child Protection, the Disabled, Youth Empowerment, Environment, Human Rights, Labor and Employment, and HIV/AIDS).

**IPoA-Priority Area for Action F: Multiple Crises and Other Emerging Challenges** (Economic shocks, Climate change and Environmental Sustainability, and Disaster Risk Reduction) is blended with the **AfT Pillar II: Economic Transformation** (Macroeconomic Issues-Fiscal and Monetary); and **AfT Pillar V: Cross-Cutting Issues** (Environment).

**IPoA-Priority Area for Action G: Mobilizing Financial Resources for Development and Capacity-building** (Domestic Resources Mobilization, Official Development Assistance, External Debt, Foreign Direct Investment, and Remittances) is interlaced with the **AfT Pillar II: Economic Transformation (Macroeconomic Issues—(1) Macroeconomic and Debt Management; and (2) Monetary Economy—to avoid high inflation and exchange rate volatility).**

**IPoA-Priority Area for Action H: Good governance at all levels** is aligned to the **AfT Pillar I : Peace, Justice, Security and Rule of Law** (Security, Peace and Reconciliation, Justice and Rule of

Law, and Judicial Reform); and **AfT Pillar IV: Governance and Public Institutions** (Political Governance--Nation-building and Decentralization, Management of Government Assets, Public Sector Modernization and Reform; Economic Governance--Public Financial Management, Land Tenure and Use, Concessions, and Transparency and Anti-corruption)

### **III. Assessment of progress and challenges in the implementation of the Istanbul Programme of Action for the Decade 2011-2020**

As mentioned earlier, IPoA implementation is anchored on the AfT, the medium term growth strategy of Liberia. As a result, this section will present progress on the pillars of the AfT that are in tandem of the IPoA.

#### **a. Productive Capacity**

Actions of the IPoA with respect to productive capacity harmonize with the Economic Transformation pillar which remains the lynchpin for the country's drive toward transformation and inclusive growth. Government's interventions in economic transformation have focused on formulating policies and programs that will create the enabling environment for private sector participation and expansion in sectors such as agriculture and manufacturing. In this regard, Government is providing the appropriate legal and regulatory framework, and judiciously appropriating tax and royalty revenues from concessions to finance electric power and transport infrastructure, education and training, and other inputs needed to bolster the private sector. Government has also taken a bold initiative to engage major stakeholders to identify and remove bottlenecks in the economy. Additionally and in line with a number of targets set forth by IPoA, efforts are being made in the area of communication, with the introduction of fiber optic technology. Given this development, there are strong indications of achieving the deliverable of 100% access to communication by 2020.

#### **1. Power and Energy Sector**

The energy program is one of the national priority programs in the AfT. The GoL prioritized this sector as a necessity to unlock the potentials of the private sector and empower the private sector to become the true engine of growth. The government of Liberia has succeeded in

mobilizing significant resources for the development of the power sector that could see additional generation through the national grid in the next couple of years. The energy program is designed to complement other infrastructure programs along Liberia's economic growth corridors to create the enabling environment for industrial development. GoL takes the lead in coordinating interventions in the Power sector with development partners to ensure that these critical projects are delivered on time. A major potential threat to the power program has been the issue of resettling project affected communities. The GoL has prioritized the payment of Resettlement Action Plans (RAP) in the national budget through its counterpart funding component. Interventions in the sector include generation of electricity and transmission and distribution of power across the country. The Mount Coffe Hydro Electric Plant, The three Heavy Fuel Oil (HFO), West Africa Power Pool (WAPP) and Cote D'ivoire, Liberia, Sierra Leone and Guinea (CLSG) are the different intervention in the sector to generate more electricity for the population.

## **2. Transport Sector Services**

The development of major road transport infrastructure is another national priority goal captured within the Aft. The GoL objective in this regard is to increase accessibility, reduce transport costs (including maintenance of roads and vehicles), improve safety, and enhance road connectivity between all regions of Liberia, especially for the southeastern parts of the country that have lagged behind in terms of access to road infrastructure. Interventions are designed to open up the economic growth corridors of Liberia and create access to traditionally marginalized portions of the country such as the south east. The Ministry of Public Works (MoPW) and the Ministry of Finance and Development Planning (MFDP) continue to play key roles in coordinating development partners to ensure that road infrastructure projects are delivered on time. At the moment, the Monrovia-Ganta and Buchana corridors pavement is 80% completed. Funding is secured to pave LOT1 of Gbarnga-Medicorma Road and funding is also secured to pave Fish Town-Harper Road in the south eastern region.

### **3. ICT Sector**

The Government of Liberia is committed to improve and expand the ICT sector. The objective of the sector is to facilitate universal access, transparency and reliability of low-cost postal, telecom and ICT services nationwide. The postal expansion and quality of mail delivery service program is designed to provide increased accessibility to postal services as a basic human right for Liberians. Under the program, the following has been achieved: completion of seven post offices across Liberia. The National Postal Address System project (NAPAS) is another project geared toward ensuring that every Liberian and other residents have a unique address to provide easy access to postal delivery service, socio-economic activities, security, health assistance, as well as solid waste management. The project accomplished the establishment of Chief Information Officer Regime in public sector institutions. This regime is intended to enhance communication amongst Ministries, Agencies and Commissions (MACs) and the public through an electronic platform that will ensure transparency and accountability. The Fiber Optic landed in Liberia and major sectors are being connected to the system to increase the national internet speed and also provide accessible communications to the entire populace.

### **4. Roads and Bridges Sector**

The Road and bridges sector is vital to revitalizing the Liberian economy. The Governments objective to provide social services and improve economic activities in all regions of the country cannot be realized without proper maintenance of existing roads and construction of new roads as access to the rural parts of Liberia will be impossible. Thus, there is a need to improve accessibility and connectivity of roads and bridges year round. Major bridges connecting the capitol city to adjacent communities was constructed during the period under review.

### **5. Public Housing and Building Sector**

Housing is an important component of the economic and social development of Liberia and is considered and an important part of national infrastructure development. Availability of affordable housing remains one of Liberia's most pressing social/development problems. The goal for the Public Housing and Buildings sector is to expand access to affordable housing for low-income households nationally; rebuild public buildings, strengthen urban infrastructure

and improve city planning. The total of 5,000 housing units is targeted to be constructed and the National Housing Authority (NHA) has begun the construction of the first phase.

**b. Agriculture, food security and rural development**

Agriculture is the mainstay of the Liberian economy serving as the largest source of employment for Liberians. The estimates for 2013 show a contraction of 0.7 percent in the growth of the Agriculture sector, as compared with 1.9 percent in 2012. The share of the Agriculture sector to GDP declined, from 31.0 percent in 2012 to 26.0 percent in 2013, with cash crops, mainly rubber, remaining the largest subsector. Major concessions in oil palm and rubber are present in the sector, offering employment opportunities and the development of out-grower schemes that enable small-holders to sell their output to the concessionaires.

The major objectives of the sector in the AfT are to: increase agricultural productivity, value-added and environmental sustainability, especially for smallholders, including women and youth; increase integration of small-holder agriculture with domestic and international markets; increase fishery production in a sustainable manner; increase access to machinery, fertilizer, storage, credit, training, technical assistance, market information, improved technologies, and related services, including farmer groups and nuclear farms; increase access to land and security of tenure and improve nutrition for all Liberians. The following projects are ongoing in the sector to meet the sector goals in the AfT:

NO	PROJECT	GOAL
	<b>Smallholder Tree Crops Revitalization Project (STCRP)</b>	To increase access to finance, inputs, technologies and markets for smallholder tree crop farmers in Liberia, and to develop a long term development program for the tree crops sector. The project is designed for rehabilitating, replanting and extension of cocoa/coffee farms, small scale oil palm and rubber
	<b>Smallholder Agricultural</b>	To reduce rural poverty and household food

	<b>Productivity Enhancement and Commercialization (SAPEC) Project</b>	insecurity. The main objective of the project is to increase, on a sustainable basis, the income of smallholder farmers and rural entrepreneurs, particularly women, youths and the physically-challenged
	<b>West Africa Agricultural Productivity Programme (WAAPP)</b>	To achieve self-sufficiency and export capacity for rice production while improving productivity in rice and cassava along their respective value chains

**c. Trade**

Agricultural, industrial and service sectors are the building block of trade in Liberia. These sectors have created jobs, improve livelihood and reduce poverty. The sectors suffered set back during the outbreak of Ebola Virus Disease (EVD). The EVD eroded some of the important gains Liberia made in reducing poverty and vulnerability.

In spite of the above trade conditions, Liberia made strides to create the enabling environment to improve trade. During the period under review, Liberia acceded to World Trade Organization (WTO); Developed the National Trade Policy which sought to promote coherence to trade related policies to enhance business competitiveness; intended to enact - Competition Law (Anti-trust Law); Foreign Trade Law (Law to govern importation and licensing); legislations on Technical Barrier to Trade (labeling, technical requirements for products) and Sanitary and Phytosanitary (plant, animal and human health, food safety issues).

**d. Commodities**

Liberia’s economy is natural resource based and the exports are predominantly natural-resource dependent. Liberia’s main export commodities are iron ore and rubber and the main import commodities are rice, fuel and cement. With the declining prices of rubber and iron ore globally, the export value has suffered declining growth resulting in jobs and income losses. Though the fuel prices are lower than projected, rice prices remained stable but the country is a

net importer of this commodity. The prices of commodities on the market are contingent on inflation, exchange rate, import duties etc. Despite these conditions, the government invested in subsidies to rice and fuel costs as to stabilize the prices of these commodities and make it affordable to the citizens. Cocoa, Coffee and Oil Palm are potential commodities to boost export with current investments. The small tree crop rehabilitation project in the cocoa and coffee sectors and the huge concessions in the oil palm sector are promising to increase export and promote trade in Liberia.

#### **e. Private Sector Development**

The AfT identifies the private sector as the engine of growth of the Liberian economy. Over the past seven years, Liberia has successfully attracted significant amounts of Foreign Direct Investment (FDI), mostly in the extractive sectors. Government interventions in the AfT seek to leverage this investment to grow domestic private sector businesses, outside the primary sectors, to stimulate the type of wealth creation that leads to poverty reduction and economic growth over the next five years. Liberia has developed its Private Sector Development Strategy which seeks to enhance competitiveness in domestic production vis-a-vis imports, create linkages between domestic firms and concessionaires and strengthen key sectors in order to diversify the economy. The strategy also seeks to address four key elements, including constraints on competitiveness, improved business environment and access to finance, promoting opportunities for MSMEs and providing roadmap for employment and growth of private enterprises.

The Key programs under the Private Sector Development are the following:

1. Private Sector Development Strategy
2. Business Linkage Project
3. Grant Matching Scheme Project
4. Special Economic Zones (SEZ) Program
5. GOL EQUITY PARTICIPATION

Private sector development in the AfT is to improve equal access to sustainable livelihoods opportunities in an innovative and competitive private sector for rural and urban areas.

## f. Human and Social Development

### **Education**

Education is high priority for Liberia. The goal of the sector is to ensure equal access to a high-quality free and compulsory basic education and to a variety of post-basic education and training opportunities that lead to an improved livelihood and/or tertiary education. The Education Sector Plan (ESP, 2009)<sup>2</sup>, The Medium-term Plan for Education Reform (2012-2017)<sup>3</sup>, the Education Reform Act of 2011 and The Technical and Vocational Education Policy provide a framework that includes pre-primary/early childhood education as well as post-basic education and skills development. The sector has achieved the establishment Education Management Information System (EMIS), Constructed County Education/Learning Resource Centers, provided school grants for school based management, constructed new schools as a way of fulfilling the education sector plan and support the implementation of the Agenda for Transformation.

### **Population and primary health**

The goal of the health sector in the Agenda for Transformation is to improve the health and social welfare status of the population of Liberia on an equitable basis.

To achieve the health sector goals, the government published and launched the National Health and Social Welfare Policy and Plan which the sector strategy for 2012-2017. Liberia was tracked among the eight countries in Africa that were on track of achieving MDG Goal 4.<sup>4</sup>

The health sector has prioritized cost effective **child health** interventions at the community and health facility levels to quicken the achievement of MDG-4 under-five mortality reduction. The child survivors activities include immunization, integrated management of neonatal and childhood illness (IMNCI), ITNs distribution, Vitamin A supplement and nutrition.

The task of improving **maternal health** (MDG-5) is staggering but the sector has formulated an Essential Package of Health Services (EPHS) with well defined maternal health interventions at

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<sup>2</sup> Liberia Agenda for Transformation (Pp. 91): [www.lr.undp.org/.../liberia-age...](http://www.lr.undp.org/.../liberia-age...)

<sup>3</sup>Second Medium Term Plan 2013-2017- Vision 2030, [www.vision2030.go.ke/.../Second Medium Term Plan 2013 - 2017%5...](http://www.vision2030.go.ke/.../Second%20Medium%20Term%20Plan%202013%20-%202017%5...)

<sup>4</sup> WHO Statistics, Geneva, 2012

both the community and health facility levels to accelerate attainment of health related MDGs and other development agenda.

Malaria remains a major public health problem in Liberia taking the greatest toll on young children and pregnant women. To reduce this problem, the health sector introduced a policy and strategic plan for malaria control and prevention. Measures instituted are to fulfill the roll back malaria objective for reducing malaria morbidity and mortality. In 2014, malaria accounts for 41% of curative consultations (2,536,868) across Liberia<sup>5</sup>. The number of children under-5 diagnosed of malaria represents 40% of all malaria cases. Liberia has adopted four major strategies to control malaria in the country. The first strategy is to improve treatment by scaling up the availability, accessibility and use of artemisin in in-based combination therapy (ACT), the first-line treatment for malaria. The second strategy is an Integrated Vector Management (IVM) approach, and the third strategy addresses malaria in pregnancy. The fourth approach to malaria prevention is to increase support for advocacy, health education, and behavior change. Liberia has a generalized epidemic with a national prevalence rate of 1.9%. As the country accelerates efforts towards attainment of the Millennium Development Goals (MDGs), active surveillance must be guaranteed. HIV and AIDS remains one of the leading causes of death among women and children and the second leading cause of mortality among young people. Despite being a post conflict country with many challenges, Liberia has significantly reduced the HIV prevalence among pregnant women from 5.7% in 2006 to 2.5% in 2013 and has initiated strategies to reduce the chances of mother to child transmission (MTCT) of the disease. Liberia has a generalized epidemic with a national prevalence rate of 1.9%. As the country accelerates efforts towards attainment of the Millennium Development Goals (MDGs), active surveillance must be guaranteed. HIV and AIDS remains one of the leading causes of death among women and children and the second leading cause of mortality among young people. Despite being a post conflict country with many challenges, Liberia has significantly reduced the HIV prevalence among pregnant women from 5.7% in 2006 to 2.5% in 2013 and has initiated strategies to

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<sup>5</sup> Presidents Malaria Initiatives (PMI) Liberia: Malaria Operational Plan FY 2015, [www.pmi.gov/where-we-work/liberia](http://www.pmi.gov/where-we-work/liberia)

reduce the chances of mother to child transmission (MTCT) of the disease; The HIV/AIDs case management has concentrated on HIV Counseling and Testing, Prevention of Mother to Child Transmission (PMTCT), HIV & AIDS Care, Treatment and Support Services (ART).

Regarding the integration of family planning into national strategies and programmes, the government has division of family health which is responsible for setting standards and guidelines, developing policy, planning, coordinating and monitoring of activities related to: reproductive health, child survival, adolescent and women's health programs in the country. The division oversees the development of strategies designed to promote and strengthen family-centered primary health care initiatives at the community and facility levels

### ***Youth Development***

Unemployment, especially for youth, is one of the most intractable challenges in Liberia. The issue is a high priority for the GoL both because of the links between employment status and poverty and because of the importance of employment in fragile, post conflict situations. In addressing this critical challenge, the GoL identified youth empowerment a major priority in the Public Sector Investment Plan (PSIP).

In furtherance of its commitment to addressing the problem of high youth unemployment, the GoL through the Ministry of Youth and Sports (MYS) launched the Liberia Youth Employment Program (LYEP) targeted at vulnerable out of school youth between the ages of 18-35 years, with a minimum quota of at least thirty percent women participation and four percent to people living with disabilities. The goal of the LYEP was to provide employment opportunity to around 10,000 youths over 3years with support from the government and development partners. The specific objectives of the program were as follows:

1. Strengthen youth participation, leadership development and harness the potential of youth as partners in the development process;
2. Promote job creation for youth through community labor intensive works and services.
3. Provide vocational skills training and entrepreneurship skills development that promote self-employment and wage employability amongst targeted beneficiaries.
4. Provide life skills to create the sense of self-esteem and self-management amongst targeted beneficiaries.

The closure of the LYEP ignited government intervention in a follow up program of Liberia Youth Opportunity Program. This program is to improve access to income-generation opportunity for the target Liberian youth and strengthen Government of Liberia's capacity to implement its cash transfer program as a way of mitigating high potential for unequal growth; existence of human capital externalities; and potential for return to social unrest from widespread poverty in post-conflict environment.

The program has three components:

**1. Pre-employment Social Support and Household Enterprises for Urban Youth**

Objective: to address youth labor market participation and behavioral constraints by increasing employment readiness and positive attitude to work

**2. Productive Public Works and Life Skills Support**

Objective: to provide vulnerable rural youth with productive public works and life skills emphasizing community-level farm production, sanitation, Hygiene, and health promotion

**3. Capacity Building for Cash Transfer Program**

Objective: To improve efficiency in the delivery of cash transfers to targeted households; to specially build capacity in the Ministry of Gender, Children and Social Protection (MGCSP).

The project will provide apprenticeships to vulnerable youth in urban areas and support agricultural transformation and value chain addition using productive public works and Community-Driven Development approaches particularly for youth in rural areas. To mitigate the impact of future shocks, the project will also improve efficiency in the delivery of cash transfers to targeted households, including to youth. The YOP activities will be implemented in close cooperation with the private sector.

### ***Water and Sanitation***

The goal of the sector is to increase access to safe water supply and sanitation and improve hygiene practices.

During the period under review, the sector interventions in the Water and Sanitation (WASH) Sector were designed to manage and expand WASH services especially for the most vulnerable communities as well as community organizations and schools, and improve WASH capacity and engagement with all stakeholders in the sector. During the period, key interventions undertaken in the sector included the development and publication of the WASH Sector Investment Plan; development and publication of the WASH Sector Capacity Development Plan; finalization of standardized surveys for the WASH sector to include Water Points, Institutional Latrine and CLTS; development and validation of Hygiene Promotion guidelines; development of the National WASH Management Information Systems, and construction of over 260 water points (213 hand dug wells, 31 boreholes, 13 water kiosk, 3 rain water harvest systems), 244 latrines (110 institutional, 134 public). Other interventions within the sector included undertaking rehabilitation works on a total of 381 boreholes, hand dug wells, kiosk, rain water harvest systems and spring protection systems.

### ***Gender equality and empowerment of women***

An accelerated effort to address the confronting gender challenges in various facet of the Liberian society has been a major dedication on the part of government and its development partners. While there is contrasting view about women having weaker influence in the marketplace and the political arena, they constitute the majority of the active labor force in agriculture—particularly in food production—and form extensive networks in the informal sector, where they are noted for their entrepreneurial abilities and creative skills.

The Ministry of Gender, Children and Social Protection (MOGSCP), working along with relevant stakeholders, has been highly instrumental in establishing women association around the country, through the rural women network. At present, more than 4,000 women are actively engaged in business ventures ranging from agriculture, petty trade, poultry, livestock development and marketing, etc. During the first PRS, the Government and its development partners as well as community- and faith-based organizations and the private sector

collaborated in efforts to address gender inequalities. As a result of the collaboration and interventions, women's participation in the security sector increased remarkably; health care for pregnant women across the country has improved significantly as well, while gender-based crime rates remains a major challenge in the year under review. Similarly, the MGCSP played a pivotal role in establishing and building the capacities of gender based violence (GBV) observatory networks across the country to create awareness on GBV prevention and referrals in communities. This has resulted to 57,316 clients being tested at all facilities providing HIV Counseling and testing service during the period. This number indicates a recorded rate of 95.3% for clients who opted-in to be tested after going through pre-test counseling. This result also indicates that 98% of clients that were tested received their results (post-test counseled), suggesting that the program has improved coverage over time.

### ***Social protection***

Social protection is a new development field in Liberia, but has made significant gains in terms of policy and institutional arrangements. Initiated in 2008, as part of the UN response to support Liberia mitigate the impact of the triple F (Fuel, Food and Financial crisis), and as part of that process, UNICEF supported through the Ministry of Gender at that time, the implementation of a pilot cash transfers programme in Bomi and Maryland from 2009 to 2014. These counties were chosen as they are among the two most food insecure counties in Liberia (based on the 2008 Comprehensive Food Security and Nutrition Survey – CFSNS). As a result, the overall objective of the pilot was to contribute to poverty reduction, improve the well-being and food security of the most vulnerable population in Liberia. Specifically, the programme was expected to reduce vulnerability among ultra-poor, labour-constrained households.

#### **a) Piloting Social Cash Transfers**

The Government of Liberia successfully implemented the Social Cash Transfer pilot with support from UNICEF and the European Union since 2009. The results of a final evaluation conducted in early 2015 reveal the relevance, feasibility and impact of social cash transfers in addressing poverty and vulnerability in Liberia. Indeed, this programme, has become a cornerstone of the Government's commitment to meeting the rights and needs of Liberia's most vulnerable families through a robust social protection system.

The evidence provided in this evaluation highlights how much poor and vulnerable population such as women and children, including the elderly and those with disability can achieve with so little injection of additional income into their households when provided on a predictable and regular basis. In Maryland and Bomi Counties, we have seen real transformations in the lives of programme recipients. These beneficiary families are eating now more and better food, sending their children to school, improving their homes, and affording the health care they need. In some cases, beneficiaries are sharing their cash with others in their immediate community, and there are also reports of a reduction in tension and gender based violence in the recipient households. This is exactly what we had hoped for the programme when it began in 2009, and the confirmation of this impact in this final evaluation provides us with the empirical evidence to build consensus on cash transfers to mitigate risks and shocks.

#### **b) Ebola Response with Cash Transfers**

The recent Ebola Disease Virus (EVD) outbreak has demonstrated the importance of the Social Cash Transfer Scheme in building the resilience of the most vulnerable segments of the population. During the crisis and as a humanitarian response there were over 15 NGOs and UN partners including the MGCSP implementing cash transfers to restore livelihood. In fact, evaluation results from UNICEF, GOL on the piloted Social Cash Transfer (SCT) clearly show that recipient households still continued to perform better. As part of its efforts to support the Government in its response to the Ebola crisis the World Bank provided under a project entitled 'SCT-REPLI' a grant of \$5.1 million which has expanded the programme to 4 counties now reaching about 7,100 poor households that are labor constrained and were most affected by EVD. Building on this a new programme is being design to build components of a social protection system to enhance efficiency in targeting, delivery modalities and a MIS linked to a social registry. This is expected to be achieved with a \$10m loan from 2016-2018. Other partners include the International Labor Organization (ILO) who plan to support Liberia establish a social protection floor through a national dialogue and costing exercise and will be mobilizing funding for this. Lastly, USAID has also expressed interest in supporting component of building the system through technology.

At the policy level, the Social Cash Transfer programme provided key lessons and evidence that were instrumental in the development of Liberia's first ever National Social Protection Policy and its successful approval by the Cabinet in July 2013; the inclusion of Social Protection as a separate sector in our 5 years national development framework - the '**Agenda for Transformation**'; and the creation of a Ministry portfolio on Social Protection – Ministry of Gender, Children and Social Protection which now includes social welfare staff. These significant policy outcomes clearly testify to the pivotal contribution of the pilot Social Cash Transfer (SCT) Scheme and the work of the social protection secretariat which has now moved from the former Ministry of Planning and Economic Affairs (MPEA) to the Ministry of Gender, Children and Social Protection (MOGCSP).

To ensure financial sustainability the Government, in collaboration with development partners such as the UN family, World Bank and the donor community will continue to explore funding options for the scale up of the scheme including advocating for national budgetary allocation. As a fragile state this is an opportunity for Liberia to consolidate its social contract, foster cohesion and breaking the cycle of generational poverty among the poor population.

#### **g. Multiple crises and other emerging challenges**

The launch of the National Vision 2030 in 2012 was to have Liberia attain a middle income status. The Agenda for Transformation (Aft) also adopted in the same year was the first framework for meeting the country's expectation. It is projected that to meet middle income status, Liberia must maintain a two digit economic growth trajectory for two decades. The more recent assessment of the economy has revealed downward economic growth. The real GDP growth for 2014 declined from 2.5% to 0.7% as a result of the slow pace of economic activities in the traditional sectors, exacerbated by the outbreak of the Ebola Virus Disease (EVD)<sup>6</sup>.

The outbreak of the Ebola Virus Disease (EVD) and decline in the prices of export commodities (Rubber and Iron Ore) are the multiple crises the Liberia experienced during the period under review. The emerging challenge is the United Nations Mission in Liberia (UNMIL) draw down

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<sup>6</sup> Economic Stabilization and Recovery Plan, April 2015, [www.mfdp.gov.lr/](http://www.mfdp.gov.lr/)

that has security and economic implications. Despite the mitigating measures put in place by the government of Liberia with support from partners for UNMIL draw down, Liberia is still a fragile nation and the UNMIL draw down will create security gap. The draw down will also impact service sector there by reducing income and tax contribution from the affected sector. The policy measures by government are drawn on immediate and long term basis. The government has planned to maintain macroeconomic stability and increase efforts to diversify the economy.

#### **h. Mobilizing financial resources for development and capacity building**

##### ***Domestic resource mobilization***

The domestic resources in Liberia are mobilized through taxation (tax and non-tax), loans and grants. The focus of the government is to broaden its tax base and increase transparency in the natural resource sector tax collection. The 2014/2015 National Budget consisted of 83.51% of tax and non-tax revenue to support the operations of the government of Liberia<sup>7</sup>.

During the period under review, The Liberia Revenue Authority (LRA) was established in order to increase revenue collection and administration of Liberia. The Integrity institutions (PPCC, LACC and GAC, LEITI) were also strengthened to support transparency in the public financial management regime of Liberia.

##### **Official Development Assistance (ODA)**

Liberia as a post-conflict country, ODA is a major source of external finance to support development in the country. The ODA in Liberia is either concession loan or grant from official agencies of the members of the Development Assistance Committee. The total ODA portfolio for Liberia FY 2015/2016 is USD \$899.2m consisting of US\$160.2m in loans and US\$739.1m in grants<sup>8</sup>. The ODA supported projects are aligned to the eleven budget sectors of Medium Term Expenditure Framework (MTEF) and the five pillars of AfT. The ODAs in Liberia are either in the

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<sup>7</sup> National Budget 2014/2015, [www.mfdp.gov.lr/](http://www.mfdp.gov.lr/)

<sup>8</sup> MFDP, First Quarter Development Assistant Report, 2015

form of budget support, pool fund, project/program aid or trust fund. The total ODA 2012-2015 amounted for USD \$1.3 billion<sup>9</sup>.

The ODA process is challenged by limited coordination, limited use of national system, lack of aid management policy and limited information flow.

### **External Debt**

Liberia borrowings are in line with External Credit Facility program of IMF.

Most borrowings are to support the infrastructure projects and youth development

As of December 2014, the loans signed stands at \$700m<sup>10</sup>. The Debt sustainability is in line with IMF credit facility program and Medium Term Debt Strategy (MTDS).

### ***Foreign Direct Investment (FDI)***

The FDI in Liberia is an important catalyst for future development and means of increasing the capital available for investment and the economic growth needed to reduce poverty and raise living standards. During the period under review, Liberia attracted significant amount of FDI that amount to 16 billion USD. Most of the FDIs are in the extractive sector (mining) while are in the Agriculture sector.

The challenge is non value addition and development of the value chain in the sector.

### **Science, Technology and Innovation**

Liberia's ability to accelerate its economic development process, gain global competitiveness and improve the well being of its people depends on the extent to which it can develop, use, and sell telecommunications and ICT services in one form or another.

The GoL has embarked on setting a national agenda that involves the telecommunications and ICT sectors to better the lives of its citizens and alleviate poverty through inducing economic activities, improving educational systems and ensuring that citizens are stakeholders in the national policy agenda. The national ICT Policy adopted by the government is to ensure that services and systems are people-centered, universally accessible and cost-effective.

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<sup>9</sup> MFDP, First Quarter Development Assistant Report, 2015

<sup>10</sup> MFDP, Public Debt Management Report, Fourth Quarter FY14/15

## **Remittances**

Remittances are one of the foreign exchange sources for the National Economy. The World Bank's report of 2012 on global remittances reveals, Liberians in the Diaspora out-beat per GDP other Africans living abroad by remitting \$378 million in 2012, an increase of \$18 million from 2011 remittance of \$360 million, a more than 31% of global remittances and third of Liberia's GDP in 2012. World Bank reports that despite the huge remittances, the economic impact of these remittances is not translated into the improvement of the living condition of Liberians, 85 percent of whom are unemployed and their only source of livelihood depend on these remittances from their relatives and friends abroad. The remittances to Liberia are from the USA (the largest source) Europe, Asia and other African countries.

### **i. Good governance at all levels**

The goal of good governance in the AfT is to create transparent, accountable and responsive public institutions. Liberia has endeavored to improve good governance by establishing the Governance Commission to promote good governance and promote integrity at all level of society.

To promote the above mentioned mandate of the Governance Commission, the government has established the Public Procurement and Concession Commission (PPCC), Liberia Anti-Corruption Commission (LACC), General Auditing Commission (GAC) and LEITI, Liberia Revenue Authority, Land Commission and others. Liberia has developed Decentralization and Local Government Policy, Local Government Act, National Code of Conduct.

#### **IV. Coherence and linkages with the Post-2015 Development Agenda and other global processes**

The global community is set to establish the path for sustainable development through three major international meetings in 2015: the Third United Nations International Conference on Financing for Development, the United Nations Summit on the Post-2015 Development Agenda and the 21 Session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC).

Liberia co-chaired the development of the SDG and was party to the COP 21 and participated in the Financing for Development Conference. Liberia is now focusing in domesticating the SDGs since it is conducting mid-term review of the Agenda for Transformation.

#### **V. Conclusion and Way Forward**

Liberia is commitment to the goals and objectives of IPoA as is evidence by the strides being made in line with building productive capacity toward the attainment of the 8 interlinking priorities.

Minus the EVD outbreak, and in line with the aspiration of our national vision, Liberia is on the right trajectory towards meeting the “*graduation criteria*” though at a later period than 2020.

A number of risk factors would need to be mitigated in order to fulfill our development aspiration which will contribute to the fulfillment of the IPoA, **(Reference to Aft. Pp. 194)**.

Enlist the continuous support of our development partners as we move towards a national election in 2017- which will decide the future of the country.