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WOMEN GOAT HERDERS IN LIBERIA

COUNTRY DEVELOPMENT COOPERATION STRATEGY (CDCS)

JUNE 28, 2019 JUNE 28, 2024

APPROVED FOR PUBLIC RELEASE

I. Executive Summary

A. CDCS Goal

The 2019-2024 CDCS goal is: USAID/Liberia will foster self-reliance by spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce. Its three highly-interdependent pillars address the areas of greatest need: 1) Market-driven inclusive economic growth that translates into job creation, especially for youth and women; 2) Effective and inclusive governance catalyzed through reforms and greater accountability; and 3) Foundation for growth strengthened through a healthy, productive, and educated population.

The CDCS goal and its three pillars align with the three lowest sub-dimensions of Liberia's FY2019 country roadmap¹— capacity of the economy, government capacity, and human capacity. During strategy implementation, the Mission expects to progress towards the CDCS goal by supporting the foundations for Liberia's self-reliance, that is, promoting a healthy and educated population. The CDCS goal also anchors the gender equality principles and practices as a core strategic approach across all DOs. Its implementation will recognize and take into consideration the different needs for women and men across various stages of the life cycle, especially for adolescents and youth. Together with local stakeholders, USAID will create the conditions for private sector-led economic expansion through strengthening the enabling environment, supporting greater financial inclusion, and ensuring economic opportunities are more sustainable and equitable.

USAID's work with civil society and media will focus on reforms that will incentivize progress across CDCS objectives. These efforts will also help create the building blocks for increasing commitment and enabling the Government of Liberia (GOL) to take over greater responsibility for financing and leading their own development needs. USAID will work with the GOL to strengthen health and education systems, and, simultaneously, work with the private sector to provide more options in the health and education sectors where current service delivery is lacking. Together, this will increase citizen capacity to be productive members of the workforce, engage as citizens, and improve livelihoods.

B. Commitment and Capacity

Self-reliance, including Liberia's ability to fund its own development, is contingent upon a functioning economy and the availability of a capable workforce to support economic growth. With the growth forecast for 2019 at 0.4 percent and inflation at 28 percent by the end of 2018, economic growth is a central challenge, with living standards and economic opportunities in decline. Liberia has an even greater imperative to grow its economy in a fair and equitable manner given its large and growing youth population. To address this critical need and area of opportunity, the CDCS goal focuses on private sector-led economic expansion, with youth as a cross-cutting focus area throughout. Weak governance and corruption underlie many of Liberia's challenges, including economic growth. Liberia ranks low in government effectiveness,

¹ The USAID Country Roadmap for fiscal year 2019 (Annex A) is an analytic tool that visualizes each country's overall level of self-reliance and performance on each of 17 indicators; scores are on a 0-1 scale, relative to all countries in the world.

including revenue mobilization, and was recently ranked 120 out of 180 in Transparency International's Corruption Perception Index. These challenges also translate into the delivery of public services. For greater self-reliance, the GOL must capture more revenue and channel it into productive investment and the delivery of essential services. As such, catalyzing reform is another fundamental component of the CDCS goal.

Liberia will need to specifically support women and youth to reach the country's full potential. Currently, Liberia's Gender Inequality Index (GII) value is 0.656, ranking at 154 out of 160 countries in the 2017 index. This means that women have less representation and less education and comprise a smaller portion of the workforce. Child health ranks at 0.41 on the roadmap, and under-five mortality rates are among the five highest in the world. Education is similarly dire, with a secondary school completion rate of 4 percent and 51 percent of the teachers and administrators who failed the national teacher testing exam in 2017. Economic growth depends not only on a vibrant private sector as a source of employment but also on a capable, productive and equitable labor market. Developing Liberia's human capital through better access to health and education services is an area of great need, and the third pillar of the CDCS goal.

A promising area for continued engagement is with civil society, specifically through the professionalization of the Civil Society Organization (CSO) and media sectors. Liberia has a robust print media and many very active radio stations. Although media struggles with content quality, fair and unbiased information dissemination, as well as censorship and intimidation, civil society as a whole is quite vocal and utilizes multiple avenues to voice their concerns. Since the missing money scandal² and economic decline, there have been frequent but peaceful protests. The GOL continues to speak out in favor of freedom of speech. Additionally, Liberia's youth are also active in political participation. Liberia is ranked high at 17 out of 183 countries globally in the Youth Development Index on political participation. Capitalizing on this civic vibrancy will drive the new opportunities outlined in the CDCS. In sum, there exist many pathways for engaged citizens to serve as a counterpoint to ensure constructive change, and the accountability and transparency of their government.

C. Strategic Choices

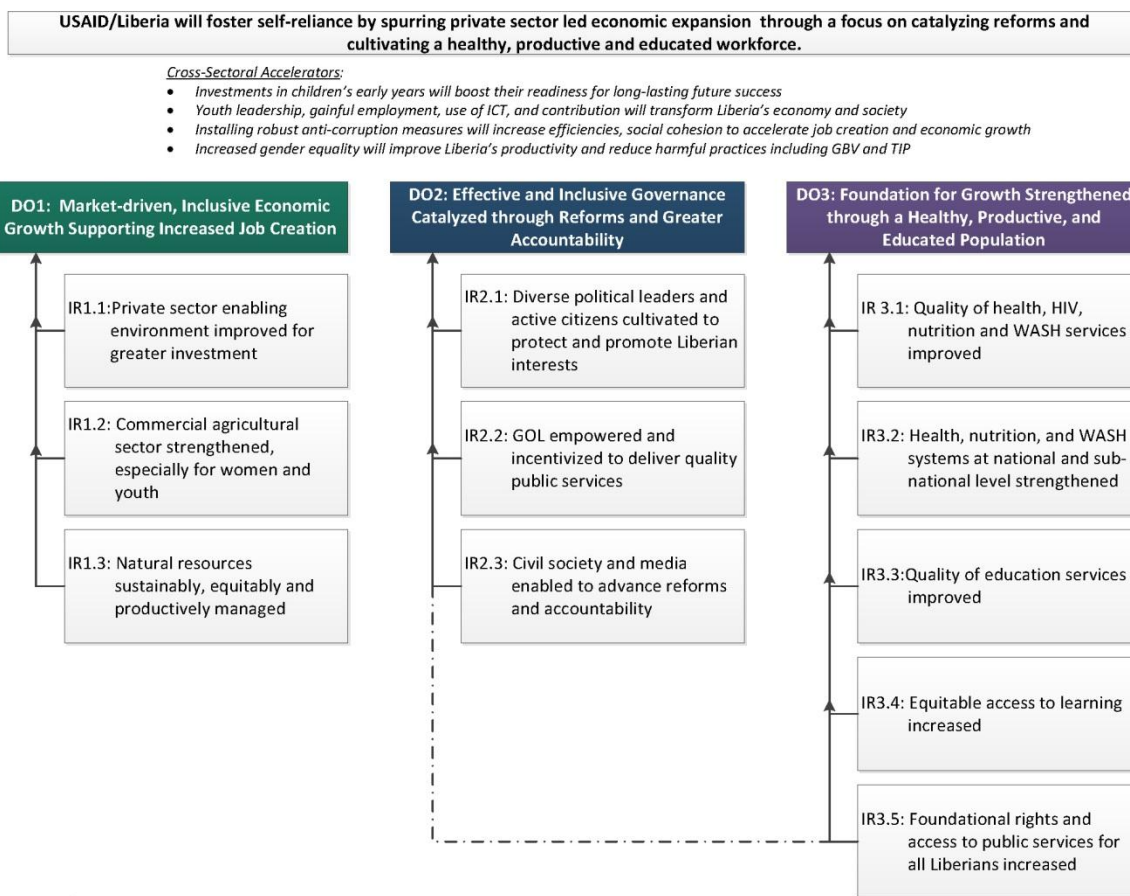
Liberia's low level of capacity on the country roadmap indicates a high level of need across the board. The slightly higher— but inconsistent— levels of commitment indicate a need for USAID to do business differently to ensure mutual accountability and commitment to ensure sustainable results. USAID/Liberia will therefore ensure that all collaboration with the GOL is contingent upon their commitment and, where possible, will utilize results-based programming.

While continuing strategically targeted work with the GOL, USAID will also make a concerted pivot towards more engagement with civil society, the private sector and citizens writ large, in particular youth and women. The private sector engagement will build on existing partnerships and loan guarantees, and expand these efforts with a suite of other tools, in close coordination with the new U.S. International Development Finance Corporation. By broadening engagement with the private sector and civil society, USAID will help change the nature of the GOL-USAID relationship from one of dependencies to one directed towards self-reliance.

² Independent Review Report prepared by Kroll Associates Inc., "Kroll Missing Currency Report" (February 2019); <https://www.usaid.gov/liberia/newsroom/missing-currency-report> (Accessed on May 31, 2019)

USAID will also have a new focus on foundational rights for vulnerable populations to access services, identifying and acting on opportunities and ensuring a do-no-harm approach. One potential area of focus is on Trafficking in Persons (TIP). Liberia is on the precipice of being downgraded to the USG TIP Tier 3. The GOL has demonstrated some commitment to address this issue through increased ability to prosecute perpetrators, hold public awareness campaigns and has an updated national action plan. The TIP Interagency Working Group is developing a plan which will holistically address TIP issues and help to move Liberia off the Tier 2 Watch List.

Progress on the journey to self-reliance requires new approaches to USAID’s portfolio. Success necessitates vigorous collaboration and more intentional engagement across programs and sectors. The new strategy recognizes the inter-relationship between sectors, in that economic growth and job creation depends on strong governance and human capital development. Similarly, human capital provides the manpower and leadership necessary for a self-reliant country. This model is reflected in the Results Framework graphic below.



* RF for USAID/Liberia CDCS 2019-2024

II. Country Context

Liberia's Journey to Self-Reliance



Harnessing the talents of Liberia's young leaders.

The Future: If the government of Liberia (GOL) can take steps that are commensurate with the will and desire of Liberia's young population, then sustained economic growth can become a reality.

Current: The median age of the population is 17.5 years. The focus of the new strategy will be capitalizing on the youth demographic dividend to shape the future.

The Past: The Ducor Hotel was once the crowned jewel of West Africa, but it now stands as a stark reminder of what Liberia once "was" and the potential for what Liberia "can be".

A. Salient Factors in Country Context

The United States has enjoyed a long and enduring relationship with Liberia. This relationship has remained strong throughout the Ellen Johnson Sirleaf administration and into the George Weah Administration, the first democratic transition since the Liberian Civil War. The 2018 peaceable transition of power and the conclusion of the UN Mission in Liberia (UNMIL) reflect a growing confidence in the ability of Liberia and regional actors to maintain peace in Liberia. USAID has made important gains toward establishing democratic order and putting in place those institutions critical to long term prosperity and security.

Progress was threatened by the 2014-2015 Ebola Virus outbreak. The crisis exposed the vulnerabilities of government institutions, as well as the economy, to unexpected shocks. This was especially true for the Liberian health system, as fatalities created a dearth of trained health care workers and teachers. Nationwide quarantines closed healthcare facilities and schools, further weakening these already vulnerable institutions. With the outbreak halted and through donor assistance, health and education services are just now recovering.

B. Capacity of the Economy

As the Country Roadmap (Annex A) clearly indicates, with GDP per capita of .06 and a poverty rate of .07 on a scale of 0 to 1, economic growth is a major challenge for the achievement of self-reliance. The economic growth forecast for 2019 was revised down to 0.4 percent from a projected 4.7 percent. With accommodative monetary policy meeting fiscal needs, the exchange rate depreciated by 28 percent and inflation grew to 28 percent by 2018 year-end. This has caused the living standards of most Liberians who earn and spend primarily in Liberian dollars to decline. The deteriorating economic situation threatens the success of the widely acclaimed Government of Liberia's (GOL) 2018 Pro-Poor Agenda.

Liberia's economy depends on primary commodities that do not contribute to broad based employment; for example the Foreign Direct Investment-laden and export-oriented mining

sector employs only 2 percent of the workforce. Formal employment comprises just 20 percent of the labor force, with subsistence agriculture and informal services as the main source of employment. The agriculture sector grew at only .08 percent from 2013 to 2018. With 70 percent of the population under the age of 30 and a population growth rate among the highest in the world (2.5 percent), Liberia has an even greater imperative to grow its economy in a fair and equitable manner or face increased instability.

C. Government Capacity

Weak governance and rampant corruption underlie many of Liberia's challenges, especially economic growth. Liberia ranks low in government effectiveness (0.24 on the roadmap), including revenue mobilization (0.25 on the roadmap for efficiency of tax administration), and was recently ranked 120 out of 180 in Transparency International's Corruption Perception Index.

The GOL also struggles with the delivery of public services. The fiscal deficit is projected to increase to 5.2 percent of GDP in 2018, and more than half of the GOL budget is foreign-funded, not a sustainable self-reliance path. For Liberia to reach its growth potential, the GOL must capture more revenue and channel it into productive investment and the delivery of essential public services. More than 50 percent of Liberia's land area is under commercial agriculture and mining concessions, but provides little tax revenue. Capturing more concession revenue, while critical, has proven elusive and limits broader benefits to the public due to the GOL's current approach to structure concession agreements. Communal property rights are also a longstanding issue. A landmark Land Rights Bill was passed in 2018, but implementation is complex with capacity and commitment issues adding to the difficulties.

In August 2018, media reported that LSD 15.5 B of newly printed currency was missing. An uproar ensued, with Liberians demanding an explanation from the GOL. In response, President Weah launched a GOL investigation and also requested USG assistance in conducting an independent investigation. Reports released in February 2019 by the Presidential Investigative Team and the USAID-sponsored Kroll investigation point to a need to step up efforts to: 1) strengthen the efficiency of government spending with an emphasis on monitoring, accountability and transparency; 2) improve operational policies, guidelines and compliance especially around procurement actions; and 3) enhance anti-corruption efforts. The "missing currency" investigations and subsequent recommendations open a window of opportunity to build on the GOL's willingness to engage the donor community, especially USAID, to develop its capacity to implement those strong policy actions required to engage with the private sector to right the trajectory towards self-reliance.

D. Civil Society Capacity

A promising counterweight to low GOL capacity and commitment is civil society—one of the bright spots on the roadmap, with a score of 0.90 for civil society and media effectiveness. Yet independent media and civil society continue to face numerous challenges, e.g. in financial and institutional sustainability, journalistic professionalism, and a lack of mechanisms for holding public institutions accountable. Media especially faces periodic self-censorship and intimidation, while citizens, especially in rural areas, lack widespread access to information and

therefore do not have the means to understand and monitor their government. Thus, while civil society is vocal, this does not always translate into effective change.

USAID/Liberia is well poised in the new strategy to direct its efforts towards increasing CSO and media professionalization and sustainability, and positioning them as channels for which citizens can become informed and mobilized to exert influence in GOL decision making and accountability structures. In addition, Liberia's youth are notably active – Liberia is ranked 17 out of 183 countries in the Youth Development Index on political participation, which was clearly evident in the recent election. Unfortunately, today many youth are growing disillusioned from unfulfilled promises and lack of true participation in shaping the country's future. Instead of becoming Liberia's future, youth could become a source of instability if they do not have appropriate channels to articulate their aspirations and grievances.

E. Human Capital

Economic growth depends on not only a vibrant private sector as a source of employment but also a capable and productive labor market. It requires not only an educated and healthy workforce but also an investment in workforce replenishment through the provision of health services and education for children who will constitute tomorrow's labor force, addressing the needs of girls in particular.

Liberia has a Gender Inequality Index (GII) value of 0.656, ranking it 154 out of 160 countries in the 2017 index, which reflects gender-based inequalities in three dimensions—reproductive health, empowerment and economic activity. This means that women have less representation, less education, less opportunity and therefore, comprise a smaller portion of the formal workforce.

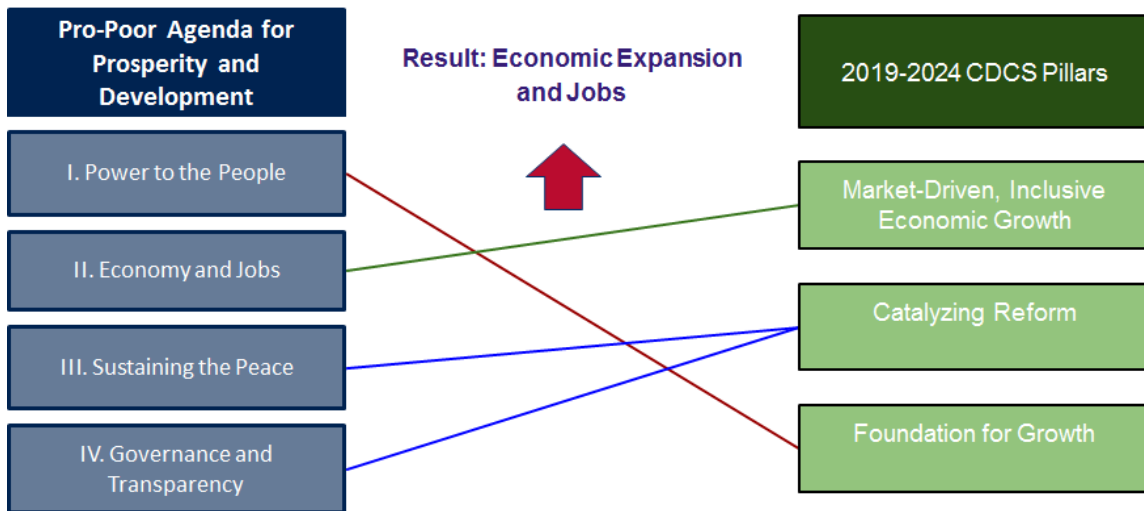
Child health ranks at 0.41 on the roadmap, and under-5 mortality rates are among the five highest in the world. The maternal mortality rate is 1,072 per 100,000 live births compared to 546 for sub-Saharan Africa. Malaria affects over 40 percent of children and stunting over one-third. Health outcomes are further exacerbated by the loss of 8-10 percent of the country's healthcare workers during Ebola and the collapse of the healthcare system and its ripple effects on education.

There is no data for education in the Roadmap, but existing data are stark. The secondary school completion rate is 4 percent, the purported youth literacy rate of 49 percent is inflated and 51 percent of the teachers and administrators failed the national teacher testing exam in 2017, with 6 percent categorized as functionally illiterate. This creates a vicious cycle of illiteracy. In addition, not only do children come to school hungry, they have low attendance due, in part, to sickness, which further hampers the learning process. Young girls drop out due to early pregnancies, reducing their chances for moving into the skilled workforce.

Despite all of the challenges they face, the youth dividend in Liberia presents an opportunity. School-age children are the first generation in 30 years who have not grown up under the civil war, likewise, children beginning their schooling now are too young to remember the horrors of Ebola.

G. President Weah's 2018 Pro-Poor Agenda for Prosperity and Development (PAPD)

Shortly after the Weah administration was sworn in, the PAPD was rolled out. As shown in the graphic below, the new 2019-2024 CDCS aligns directly with three of the four pillars of the GOL’s PAPD and strongly supports the fourth pillar.



DO 1 aligns with Pillar II— Economy and Jobs: creating more and better-quality jobs that are germane to sustaining the peace and future economic growth. (Roadmap sub-dimensions: Economic Policy; Capacity of the Economy)

DO 2 aligns with Pillar IV— Governance and Transparency: effective implementation of policies and strategies that will ensure the participation of the entire citizenry in decision making and empowers all groups. The achievement of this goal hinges on major governance reforms in political and economic arenas. (Roadmap sub-dimensions: Open and Accountable Governance, Government Capacity)

DO 3 aligns with Pillar I— Power to the People: empowering people with the wherewithal to take control of their lives by providing access to quality education, ensuring access to essential healthcare and increasing opportunities to attain a decent standard of living. Additionally, the CDCS’s overarching focus on civil society and citizen engagement supports empowering people. (Roadmap sub-dimensions: Inclusive Development, Citizen Capacity)

All three DOs will enhance Pillar III— Sustaining the Peace: promoting a peaceful, unified society that enables economic transformation and sustainable development. As the PAPD highlights, greater economic opportunity, effective and inclusive governance and investments in developing human capital directly support social cohesion and reconciliation leading to sustain peace and stability.

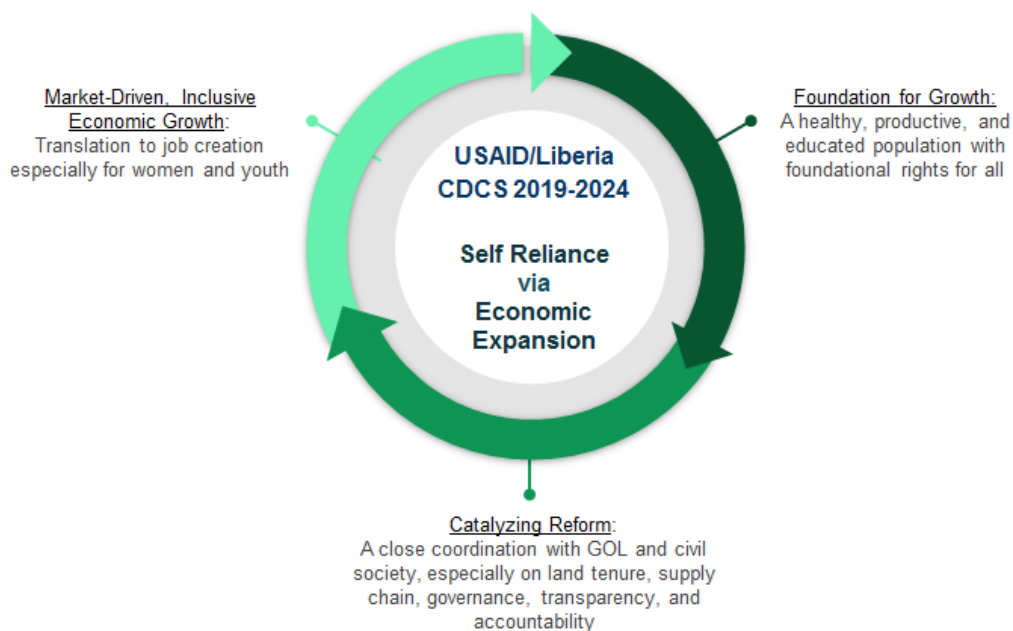
H. Country Roadmap & Transition Planning

Liberia is far from the end goal of achieving self-reliance. Both capacity and commitment are at low levels, with capacity significantly lower. Setting the foundations for transition will be a long-term effort in Liberia. It will depend above all on improving the foundational aspects of society— health and education and inclusive economic growth that specifically enables the growing youth population to invest in their country. However, while economic growth is a necessary condition for self-reliance, it alone cannot ensure commitment to principles and practices that are necessary for equitable socio-economic development. Setting the foundation

for self-reliance will require increased entrepreneurship, quality education and health services, and increased GOL ability to finance its own development.

This CDCS period will focus on complementary elements of a longer-term self-reliance trajectory— supporting the necessary investments and capacity for sustained and inclusive growth to enable the emergence of a more robust economy and promoting the necessary GOL reforms and commitment to make sustained progress possible. If progress is made on economic growth, and the increase in public resources that results is productively used by the GOL, then, over the long term it will decrease the need for donor investments on the foundational aspects of development, i.e. health services and education.

USAID/Liberia CDCS Parameters & J2SR Framework



DO 1: Market-Driven Inclusive Economic Growth focuses on the core of this effort— market-driven, inclusive economic growth. So far, limited economic growth has not translated into job creation for Liberia’s growing population, especially women and youth. Therefore, inclusive market-driven growth initiatives will be explored and promoted in the new strategy. USAID will focus efforts on the key interventions to support the emergence of a stronger economy with benefits across society. It will also entail focusing on the prerequisites for sustainable growth, including land rights and more transparent and equitable governance of the country’s natural resources. This will provide citizens and the GOL more opportunities to contribute to the countries' economic growth and help build a more inclusive and robust private sector. During and beyond the strategy period, this will be an important catalyst in ongoing growth and eventual transition.

DO 2: Catalyzing Reform will focus on GOL commitment and capacity, including engagement with the GOL to develop and implement reforms, effectively generate and allocate resources, and deliver services to the Liberian people. Work through this DO will also place a greater emphasis on strengthening the capacity of CSOs and media outlets to exercise advocacy

and oversight functions. While these are long-term efforts, engaging in the necessary work to improve governance will pay off throughout this strategy period, and help create the incentives for greater self-reliance now and in the future.

DO 3: Foundation for Growth will support establishing a healthy, productive and educated population. Given current needs in Liberia, these are essential investments to ensure a healthy and productive workforce. Work throughout DO 3 will build capacity and commitment, including through better public financial management of government resources and investments in service delivery, anticipating the day when Liberia will take greater ownership of these responsibilities to their citizens, a key element of eventual self-reliance.

III. Strategic Approach

The 2019-2024 CDCS goal is: *USAID/Liberia will foster self-reliance by spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce.* Its three highly-interdependent pillars address the areas of greatest need: 1) Market-driven inclusive economic growth that translates into job creation, especially for youth and women; 2) Effective and inclusive governance catalyzed through reforms and greater accountability; and 3) Foundation for growth strengthened through a healthy, productive and educated population.

This strategic approach is closely linked to, and informed by, the country roadmap for Liberia. Liberia's low level of capacity on the country roadmap indicates a high level of need across sectors. Levels of commitment are only slightly higher, and inconsistent, indicating a need for USAID to adopt a new approach that ensures mutual accountability and commitment to sustainable results. The mission intends to build upon previous efforts of rebuilding from civil war and recovery from the Ebola crisis, to move into a new phase focused on economic growth and a strong foundation of education and health. The Mission will continue to pursue policy reforms that will enable private sector engagement in the country and a strong civil society that will help propel government reforms and policy implementation.

Collaboration with the GOL will be based upon their commitment and, where possible, will utilize result-based programming. In its continuing efforts to support Liberia's journey to self-reliance, the Mission will focus on efforts to expand the country's ability to finance its self-reliance, expand private sector engagement and redefine its relationship with the GOL toward these ends.

In an effort to support Liberia's ability to finance its journey to self-reliance, USAID has been working with the GOL to increase its capacity to mobilize resources. Through the Mission's Domestic Resource Mobilization activity, this increased revenues by 18 percent. In addition, legislative reforms and support related to decentralization and land governance have made significant progress in 2019 supporting both an enabling environment for private investment and fiscal transparency. The Mission has also engaged the GOL in strengthening Public Financial Management. Finally, the Mission is introducing new financial tools (e.g. Development Credit Authority guarantees) as part of its efforts to build a viable financial sector. Taken together, these efforts will help enhance the ability of the GOL to finance self-reliance efforts. The Mission will assist the GOL in determining the proper balance of financial resources needed to increase the capacity to generate and manage greater sums of public revenue and improve commitment to ensuring that these resources are managed and dispersed in an accountable, transparent and effective manner.

This strategy's strong focus on market-driven economic growth will necessitate a strong role for the private sector. The private sector's financial resources and expertise in market-based solutions have the potential for achieving scale and sustainability in Liberia that is critically needed for tackling societal challenges. While private sector engagement opportunities in Liberia are nascent and few, the Mission intends to use its existing strong in-country networks and relationships to find opportunities to expand private sector engagement initiatives. These efforts will build on past success in Liberia where USAID has engaged early in ICT and other sectors during its response to Ebola; numerous lessons were learned and evidence collected regarding what engagements may be most fruitful in Liberia. This will be further supported by enhancing the enabling environment for private sector engagement and using its position to convene actors

in potential private sector engagements. There is also the opportunity to capitalize on private sector engagement by building on the GOL's recent commitment to create Special Economic Zones (SEZ) to stimulate the economy. The strategy also seeks new opportunities for private sector engagement, most notably, in the health and education sector.

While Financing for Self-Reliance (FSR) and Private Sector Engagement (PSE) strategies are critical elements to Liberia's Journey to Self-Reliance, even more critical is the need to redefine the relationship that the Mission has with the GOL. While this relationship has been positive in numerous respects, it is time to begin to move the GOL towards the self-reliance trajectory. One approach is to re-evaluate what is asked of our GOL counterparts in terms of cost-sharing. If the IMF program is launched and begins to have an effect, the Mission expects that the relationship with the GOL will shift more towards a more defined self-reliance trajectory. Another is to continue to provide strong governance reform guidance and the policy implementation support necessary to accelerate the trajectory. The new strategy also considers how to hold both the GOL and USAID equally accountable for results. The Mission will pursue numerous avenues to both incentivize commitment and strengthen capacity. USAID will engage the GOL in a policy dialogue on its economic framework and the reforms needed to continue to ensure economic health and expansion. These efforts will be further reinforced by working to enhance civil society in Liberia to act as a balance to government efforts by ensuring accountability and providing advocacy for needed changes. USAID will continue to work through and strengthen donor coordination across all sectors to ensure unified and coordinated responses to GOL needs and requests.

The development needs in Liberia remain great and the country's journey to self-reliance will extend beyond the duration of this strategy. In order to maximize USAID's investments, the strategy focuses on the six central counties of Liberia that represent the majority of the population (Montserrado, Margibi, Lofa, Nimba, Bong, and Grand Bassa). This geographic focus allows USAID to target its development efforts to affect the greatest number of people in Liberia. This purposeful focus facilitates donor coordination to reduce overlap and duplication. The goal is to build development assistance synergy that maximizes results. The strategic approach presented here will enhance an already strong partnership with the GOL.

IV. Results Framework

A. Goal Statement & Narrative

The 2019-2024 CDCS goal is: *USAID/Liberia will foster self-reliance by spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce.* Its three highly-interdependent pillars, shown below, address the areas of greatest need: 1) Market-driven inclusive economic growth that translates into job creation, especially for youth and women; 2) Effective and inclusive governance catalyzed through reforms and greater accountability; and 3) Foundation for growth strengthened through a healthy, productive and educated population.

CDCS Goal

USAID/Liberia will foster self-reliance by spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce.

Liberia's Self-Reliance Priorities

Domestic Resource Mobilization (J2SR Roadmap Sub-dimension: Government Capacity)

Improved Economic Policies (J2SR Roadmap Sub-dimension: Economic Policy)

Governance and Accountability (J2SR Roadmap Sub-dimensions: Open and Accountable Governance/Government Capacity)

Human and Institutional Capacity Development (J2SR Roadmap Sub-dimensions: Govt., Citizen, Civil Society Capacity)

Systems Strengthening (J2SR Roadmap Sub-dimensions: Govt., Citizen Capacity)

Liberia's CDCS Development Objectives

Market-driven, inclusive economic growth supporting job creation increased

Effective and inclusive governance catalyzed through reforms and greater accountability

Foundations for growth strengthened through a healthy, productive and educated population

This strategy is directed towards the three weakest sub-dimensions of the country roadmap: capacity of the economy (not including export diversification, which is misleadingly high due to data distortions); government capacity and citizen capacity. Economic policy, along with, open and accountable governance are other areas that received mediocre scores on the roadmap and are addressed in this CDCS. Despite critical weaknesses, the civil society and independent media factors stand out on the Roadmap and USAID/Liberia will pivot to leverage and bolster this area of opportunity in the efforts under this CDCS.

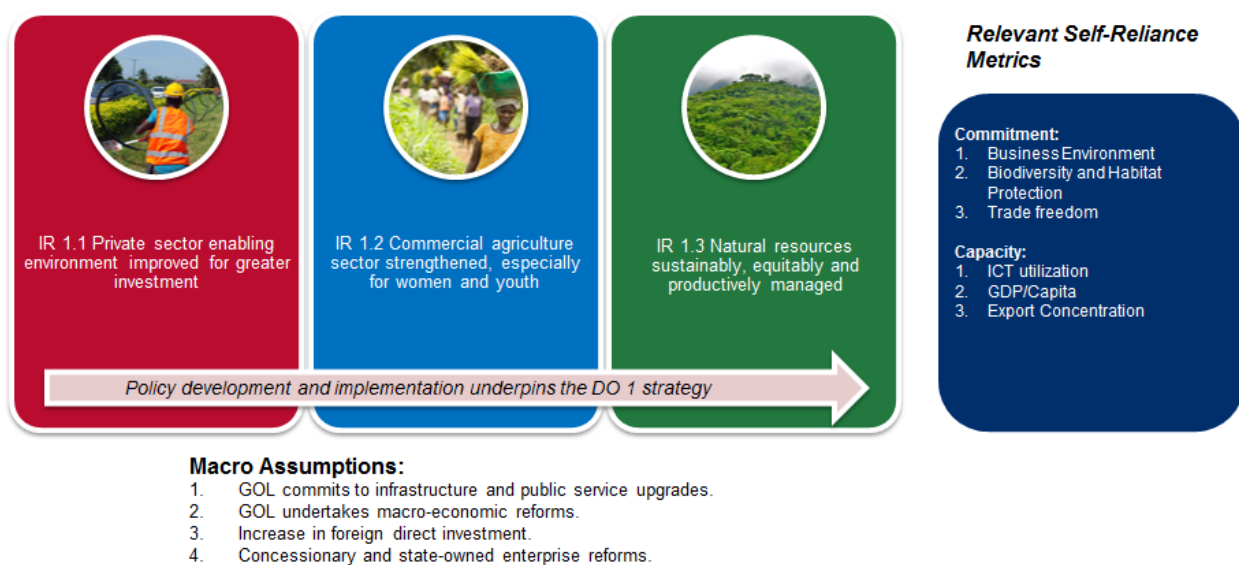
B. Development Objective (DO) & Intermediate Results (IR) Narratives

DO 1— Market-driven, inclusive economic growth supporting increased job creation

Development Hypothesis Statement: If the business climate and infrastructure of the country is improved, the agricultural sector is better supported for increased productivity, and natural

resources are sustainably managed, then private sector investment, livelihood opportunities and inclusive economic growth will be increased.

Development Hypothesis Narrative: Given the current state of economic stagnation and the high level of basic needs in Liberia, the strengthening of self-reliance cannot be achieved without a substantial increase in capacity, resources and employment. This requires a broad-based inclusive economic development approach that enables a growing population, especially women and youth, to find opportunities for entrepreneurship and employment. For this to happen, economic growth needs to span multiple sectors and be more inclusive for broader economic participation and social benefits. There is a need to move away from unsustainable and exploitative economic approaches from the past, while still recognizing the importance of agriculture, fisheries and other economic activities upon which livelihoods rely.



Economic growth is the central development challenge facing Liberia and the overarching focus of this CDCS. The approach under DO 1 is multi-dimensional. There is a concerted effort to move to a cohesive framework that promotes broad-based sector-level growth, more intentionally involving stakeholders throughout the process to ensure sustainability, developing private sector partnerships and leveraging other donor resources. More and better job opportunities that harness the youth dividend and bring both youth and women into the formal economy is the main thrust. USAID will make efforts to ensure greater inclusion of traditionally marginalized groups for inclusive economic growth that reduces poverty (e.g. different ethnicities, women, people with disabilities and youth). These efforts can open up alternatives to the opaque model of Chinese investment and extraction. There will also be a greater focus on ICT with a specific focus on increasing internet connectivity and expanding mobile money.

Several lines of effort are long-term macroeconomic investments, which serve as the backbone for a more prosperous future, while others at the micro-level will improve livelihoods in the short-term along with increased economic opportunities, such as job creation. Both are expected to fuel economic growth. To provide the basis for growth, USAID will work on macro-

economic policy reforms. These reforms will also enhance private sector investment by reducing trade barriers to investment, supporting infrastructure development and developing an SEZ in concert with the government and other donors. The GOL has created a steering committee composed of GOL representatives and four donors to guide the SEZ development process. As the SEZ evolves, USAID will ensure the GOL takes steps commensurate with USAID's investments and will collaborate with other donors and civil society to help hold the GOL accountable. Committed GOL and presidential involvement will be essential for the success of this effort. To date, the GOL has demonstrated a commitment as a convener in this effort and has designated land for the SEZ site. The close USAID/GOL coordination on the SEZ highlights a real-world implementation example of USAID's strategic alignment with the PAPD's Pillar II—Economy and Jobs by creating more and better-quality jobs that are germane to future economic growth and sustaining the peace. The GOL's prioritization of economic policy under the Pillar II will also complement USAID's newly planned Policy Dialogue activity that will be implemented under this strategy. To expand opportunities, USAID will support the growth of existing medium and small enterprises and promote increased agricultural productivity by growing market linkages for subsistence farmers, many of whom are women.

Under DO 1, USAID will also focus on more sustainable natural resource management and a wider-range of their use, including natural resource enterprises. Much of Liberia's economy is derived from unsustainable exploitation of natural resources, with little actual economic return, a phenomenon commonly referred to as the resource curse. USAID's efforts will focus on reversing this trend and ensuring that future economic growth and private sector investment do not negatively impact Liberia's natural resources. These efforts also provide a counterbalance to China's intense interest to assume control over Liberia's natural resources, as well as remove pressure from Liberia's natural resources by generating economic alternatives in, for example, the agricultural sector.

Assumptions:

- GOL commits to infrastructure and public service upgrades.
- GOL undertakes macro-economic reforms.
- Increase in foreign direct investment.
- Concessionary and state-owned enterprise reforms.

Risks:

- Political risks including challenges with proper governance.
- Shifting GOL priorities due to elections (transfer of political power).
- Climate change effects on the land, ocean and infrastructure.
- Pandemic/Outbreaks will negatively affect economic growth.
- Civil unrest caused by disaffected youth and workers.
- Macroeconomic risks (e.g. world market commodity price reductions; inflation; foreign exchange risks).
- Culture of rent seeking creates an opportunity cost of not seeking added value for economic growth.

IR 1.1— Private sector enabling environment improved for greater investment.

IR 1.1 serves as a foundational element of USAID/Liberia's economic growth strategy. Evidence from the economic growth sector indicates that USG assistance is best delivered in conjunction with GOL reforms. Inclusive economic growth that fosters job creation is not possible without a strong private sector enabling environment. This begins with policy reform. In order to support the GOL's PAPD and sustain long-term government commitment, specific investments will be needed to improve policy-making capacity within the GOL while simultaneously reforming targeted economic policies. These policy reforms will be centered upon trade facilitation, import policies, concessions and the development of an SEZ to improve the overall business climate, increase domestic revenues and to support job creation leading to private sector growth. Programs will also address women's barriers to economic empowerment. Their contribution is crucial to more sustainable and inclusive prosperity, as it relates to livelihoods, trade and infrastructure.

USAID's policy and regulatory reforms will support a competitive non-rentier private sector through an inclusive and sustainable process. Currently, concessions, awarded via processes that lack transparency, govern the exploitation of natural resources. A lack of secure property rights discourages sustainable investments in agriculture and natural resources. USAID's policy initiatives will diversify the Liberian economy away from concession-based primary commodities (iron ore and unprocessed rubber and palm oil) and into other primary and higher value-added agricultural products where Liberia can compete both in export markets and in the domestic market vis-à-vis imports. These efforts will help unlock commercial agriculture investments and sustainable natural resource management production.

In order to spur greater investment in the country, concerted efforts will be made to strengthen financial markets to increase the utilization of banking services and other formal financial institutions. In addition, targeted infrastructure support will provide basic services such as electricity, clean water, internet connectivity and improved roads with the intention of expanding opportunities for existing formal and informal small and medium enterprises. Finally, given the importance of job creation, there will be an intentional effort to engage women and youth across all facets of the economic growth spectrum to ensure non-discrimination in key value chains and human resources management policies. USAID's approach to increase economic opportunities for women will also take into consideration women's vulnerability to external economic shocks due to the fact that women's labor is concentrated in the informal economy in two sectors: 90 percent of women work either in sales and services or in the agriculture sector according to the 2013 Demographic and Household Survey (DHS).

The GOL, as part of its PAPD, supports reforms for sustained economic growth. GOL commitment is stronger than its capacity to increase macro-economic stability in the country. The GOL understands that an improved private sector development policy, regulatory and institutional framework is needed to ensure long-lasting economic growth. Thus, there appears to be some level of GOL commitment to reduce barriers to trade, increase competitiveness in the business regulatory environment and leverage foreign relations for greater regional integration. USAID/Liberia will strengthen the policy analysis capacity within the GOL through strategic partnerships with civil society and well-established policy think tanks. Private sector actors within the formal and informal banking sector will be vitally important to unlock investment and improve financial inclusion through partnership. Finally, bilateral and multilateral donor coordination within the economic enabling environment will be crucial towards sustaining GOL commitment.

The evidence base of this IR has been drawn from past works in the areas of trade, private sector investment and workforce development. These studies include desk reviews on the current economic environment in Liberia. Numerous USAID and external studies were also reviewed in this process. GIS data collection and analyses from the 2016 Household Income and Expenditure Survey, the Millennium Challenge Corporation’s Constraints Analysis, and the World Bank’s 2018 Strategic Country Diagnostic provided additional perspectives. Finally, the USAID supported *Liberia’s Development Conference Anthology*³ provides a synopsis of empirical studies that highlight policy recommendations for the GOL.

IR 1.2— Commercial agriculture sector strengthened, especially for women and youth.

Given its potential for economic growth and job creation, agriculture will be a significant focus of DO 1. While there is sufficient arable land in Liberia, its cultivation remains underdeveloped. The strategy aims to take steps to cultivate land with the available excess labor capacity. The strategy will continue its focus on farmers and agro-entrepreneurs in the rice, cassava and vegetable sectors in the target counties of Bong, Lofa, Nimba, and Montserrado. The strategy will aim to improve access to markets through value chain development, improved agricultural infrastructure, and the diversification of more nutritious, high value agricultural products. According to USAID/Liberia’s Gender Analysis (2018), approximately 40 percent of the female workforce is engaged in agricultural work that is, growing and selling agriculture products. USAID/Liberia’s programs will collaborate closely across other DOs to address the three key constraints to Liberian women’s empowerment in agricultural work: security of land tenure; lack of access to credit; and low literacy rates. For these reasons, the new strategy will have an increased emphasis on women and youth by expanding their contribution to the agriculture value chain.

This IR aligns with the GOL’s intent to increase competitiveness in the agricultural, fisheries and forestry sectors as laid out in the PAPD and Liberia Agriculture Sector Investment Program (LASIP). The government recently passed legislation regarding land tenure rights which may help to facilitate efforts in this IR. Among the potential partners in this area is Sweden (SIDA), which supports value chain strengthening and agriculture markets in Liberia.

The evidence base of this IR has been drawn from past works in the areas of food security, trade and agriculture value chains. Among these studies are three performance evaluations (Liberia Agribusiness Development Activity (LADA); Smallholder Oil Palm Support Project; FED final report). In addition, studies such as the *Cross Border Trade and Food Security and the Liberia Market Study: Enabling Agricultural Trade* provide additional insights into development opportunities in this sector. Finally, empirical evidence is drawn from the *Development Conference Anthology*⁴.

IR 1.3— Natural resources sustainably, equitably and productively managed.

Liberia is endowed with natural resources and suffers from the resource curse, which is a result of an opaque and outdated concession system that concentrates the benefits and wealth to a

³ *Liberia’s Development Conference Anthology: Engendering Collective Action for Advancing Liberia’s Development* (2017). The Anthology provides a tangible synopsis of policy prescriptions that can inform the design and implementation of national development strategies in Liberia.

⁴ *IBID*

small number of people. As a result, current practices are not sustainable nor do they permit equitable production that benefits all Liberians. Future work must move away from the unsustainable and exploitative approaches of the past, while still recognizing the importance of the economic activities related to natural resources management upon which livelihoods rely. USAID/Liberia will work on improving natural resource management systems and strengthening sustainable natural resource enterprises. Finally, the Mission will continue to capitalize on recent land reform in Liberia by improving the land tenure system for equitable natural resource management. Access to land particularly for women will be a specific consideration in these efforts. The role of land and natural resources as a source of potential conflict in Liberia will be carefully monitored.

The GOL policy regarding natural resources is to ensure sustainable management and the use of environmentally sound and renewable practices, including disaster risk reduction and adaptation to climate change. There are numerous partners also working in this domain to ensure the proper management of forestry and other natural resources. The World Bank is supporting Liberia to align with a worldwide forestry strategy called Reduced Emissions from Deforestation and Forest Degradation. The European Union is funding the Voluntary Partnership Agreement, which is a comprehensive governance and verification system to control, monitor, and license legal timber. The FAO, Flora & Fauna and Conservation International organizations are contributing to natural resource conservation in Liberia.

The evidence base of IR 1.3 was drawn from past works in the areas of natural resource management, biodiversity and forestry. Among these studies are two performance evaluations: *The Forest Incomes for Environmental Sustainability (FIFES) Midterm Evaluation*; and the *People, Rules and Organizations Supporting the Protection of Ecosystem Resources (PROSPER) Activity Final Evaluation*. In addition, the FAA 118/119 Tropical Forestry and Biodiversity Analysis summarizes the key drivers of deforestation and biodiversity loss based upon a national field assessment, interviews and updated desk review.

DO 2— Effective and Inclusive Governance Catalyzed through Reforms and Greater Accountability

Development Hypothesis Statement: If civil society and media are effectively and responsibly mobilized to advance reforms and hold government accountable, and if increased donor coordination ensures incentives are aligned for reform and diverse groups of political leaders are trained and supported, then effective and inclusive governance will be catalyzed through both the demand for reforms, and the capacity of reformers. If effective and inclusive governance is catalyzed, then a more attractive environment for sustainable and responsible investment will support inclusive economic expansion.

Development Hypothesis Narrative: Governance issues and corruption underpin many of Liberia's challenges, including service delivery and revenue generation, and many citizens lack faith in their government. Citizens, civil society and media, with support, can use their potential to push government reforms and demand accountability. Women and youth in particular can have a bigger effect in this space. Engagement with the GOL where there is political will to make progress on reforms can bring about improvements in capacity and effectiveness and contribute to development outcomes across the board. More effective and inclusive governance

will mobilize resources to meet citizen needs and provide the enabling environment and stability for economic growth and empower all Liberians in achieving self-reliance.



Macro Risks and Assumptions:

1. Governance reforms and transparency are superseded by economic imperatives.
2. Permissive operating environment for civil society and media remains open.
3. The GOL continues its commitment to pass and implement reforms and is receptive to civil society advocacy.
4. Corruption will continue to be a pervasive problem.

Effective and inclusive governance is a key priority for Liberia’s ability to finance and implement solutions to its own development challenges. USG interventions will ultimately advance the GOL’s ability to effectively allocate resources and deliver services to its people. To accomplish this, assistance will cultivate a new generation of political leaders and civic-minded citizens, including youth — an active and large part of the population. These diverse leaders and a more engaged citizenry will help increase both the supply of qualified leaders and the demand for new leadership by citizens. U.S. assistance will also harness the energy of civil society and media to mobilize citizens to advocate for reforms and increased transparency and ultimately hold their government accountable. These investments will improve the social contract between the GOL and the public, improve the delivery of essential services to citizens and promote a more resilient Liberia.

Assistance promotes U.S. regional priorities that help partner countries progress toward stability, citizen-responsive governance and self-reliance, while also combating Chinese influence in the region. Governance issues underpin many of Liberia’s challenges, including service delivery and revenue generation. Predatory, rent-seeking behavior and corruption are overarching challenges. As a result, many Liberians lack faith in their government.

Governance needs to be more effective and inclusive to be able to mobilize resources to meet citizen needs, deal more effectively with Chinese influence and provide the enabling environment and stability required for economic growth. At the same time, the GOL trusts the USG in key moments, most recently, turning to USAID for an independent forensic audit of missing GOL funds. Assistance draws upon this close relationship to catalyze reforms and greater accountability.

Assumptions:

- Permissive operating environment for civil society and media remains open.
- The GOL continues its commitment to pass and implement reforms.
- Corruption will continue to be a pervasive problem.

Risks:

- Governance reforms and transparency are superseded by economic imperatives, e.g., macro-economic stability is prioritized at the expense of addressing more systemic governance challenges.
- Passage of a new law to eliminate certain tenured positions will undermine the independence of certain reform-focused institutions and efforts.
- Incentives for reform will be undermined if China provides alternative support with no reform requirements.

IR 2.1— Diverse political leaders and active citizens cultivated to protect and promote Liberian interests.

Current electoral and political processes are still nascent in coaxing democratically elected officials to govern in response to constituent interests. Citizens largely lack pathways to hold officials accountable. This dual challenge hampers progress in achieving the effective and inclusive governance envisioned in DO 2. This IR will therefore build on past experience, supporting the creation of a new generation of leaders, with a focus on women and youth, who are motivated by ethical principles and who value input from all citizens. Simultaneously, assistance will encourage and support active citizenry, especially women, to engage in public discourse and voting to influence public policies and decision-making.

USAID will deliberately focus its efforts on greater inclusion of traditionally marginalized groups, (e.g. different ethnicities, women, youth— with an emphasis on young women, illiterate people, people with disabilities, etc.) to address the challenges of disenfranchisement. Finally, USAID will provide targeted support to the National Elections Commission to credibly administer electoral processes, as well as civil society to oversee them, thereby providing an effective platform for diverse aspirants and voters to engage in the electoral process. More diverse and inclusive leaders and more engaged citizens will broaden the base of representation, strengthen the roots of democracy and encourage accountability of new leaders.

Women, some ethnicities and people with disabilities, among others, are often disenfranchised from electoral and political processes and often lack a voice in decisions that directly affect their lives. Nevertheless, the GOL has demonstrated its commitment to maintaining free, fair and credible electoral processes. Notably, the 2017 elections represented Liberia first peaceful democratic transition of power in over 70 years. The GOL's PAPD is also based on the principles of inclusion and gender equality.

The evidence base of this IR was drawn from past works in the areas of elections and political processes. These sources include an Impact Evaluation (*Evidence on Debate Participation and Radio Broadcasting in A Liberian Election*); *Elections After Review*; and *Getting Ready to Lead Activity Summary*. Numerous USAID and external studies were also reviewed, including: *Pause and Reflect of the Liberia Elections and Political Transitions Activity*; *Liberia Electoral Security Assessment*; *Liberia Conflict Vulnerability Assessment*; *Liberia Electoral Access and Participation (LEAP) Surveys I and II*; *Social Cohesion and Reconciliation Survey (SCORE)*; and International Peace Institute's *Local Networks for Peace Lessons from Community-Led Peacebuilding*. .

IR 2.2— GOL empowered and incentivized to deliver quality public services.

Investments under IR.2.2 will help improve the country's trajectory to self-reliance by strengthening GOL capacity and commitment to deliver quality public services to all its citizens. This IR aims to increase GOL ability to further its own development, including through continued support for domestic resource mobilization, public financial management and decentralization, in line with core objectives in the GOL's new PAPD strategy. In order to implement key policy priorities, the GOL must generate adequate government revenues, improve fiscal discipline and ultimately increase service delivery at national and local levels, all essential conditions for effective and inclusive governance.

In line with IR 2.3, this IR will deliver assistance through approaches that catalyze reforms and greater accountability. This IR also complements IR 1.1 with support for public financial management reforms that will improve the macroeconomic foundation for stability and economic growth, which is essential for the country's journey to self-reliance. This IR will encourage the GOL to establish revenue and expenditure structures and develop techniques (particularly at the decentralized level) to manage government spending, which improve its ability to serve its citizens and influence the economy.

Decentralization has important implications for service delivery to rural communities, especially for women and girls, and is a key step for Liberia's transition after decades of conflict. Inclusive governance requires that all citizens participate in the decentralization process to ensure national policies and the country's rich resources go towards support for women, girls and rural communities, and also leverages their capacity to catalyze reform and economic growth across the country.

Some progress has already been observed reflecting an increased commitment on the part of the GOL to address governance challenges in the country, notably the passage of the Local Government Act in 2018, legislation that codifies decentralization commitments into law. The removal or end of several tax revenue exemptions will also create opportunities for increased revenue generation, which is critical for balancing the fiscal deficit. The PAPD strategy similarly seeks a reformed public sector exhibiting improved fiscal discipline and service delivery, and de-concentration of economic and political activities away from Monrovia.

Achievements in these areas, should they continue, could unlock donor and private sector investments that will stabilize the economy and enable development. However, challenges remain in implementing policies already in place due to limited political will and low capacity for strategic planning and resource management within local and national government institutions. Assistance under this IR will work with the GOL in areas where there is political will to address governance challenges. Partners have also contributed efforts toward this IR. The International Monetary Fund (IMF) and the International Finance Corporation (IFC) support governance and accountability in the financial management sector. The African Union has taken on corruption as a major theme.

Several sources have informed the development of this IR. The *Liberia Development Conference Anthology* has provided policy insights into mainstreaming integrity, for example "Public Sector Administration; Inclusiveness, Inequality and Access to Government Services;" and "Improving Local Services through Administrative Decentralization." Assessments and studies of existing and past programs related to decentralization and revenue generation have also been used. These were used in addition to numerous stakeholder consultations focusing on a range of issues, including accountability, corruption, and local ownership.

IR 2.3— Civil society and media enabled to advance reforms and accountability.

In comparison to USAID/Liberia’s prior CDCS, this strategy will place a greater emphasis on strengthening the capacity of CSOs and media outlets to exercise advocacy and oversight functions. A particular emphasis will be placed on supporting women CSO leaders and journalists, as well as promoting issues that advance gender equality and women’s rights. The strategy will also be more deliberate about identifying and implementing cross-cutting interventions that can help advocate for services and reforms across sectors. Specifically, this IR will help position CSOs and media outlets to serve as channels through which citizens can become informed and mobilized to exert productive influence in government decision-making structures through increased engagement.

Local government oversight and decision-making examples include county advisory committees and Parent-Teacher Associations. Because CSOs and media outlets are the vehicles through which citizens play an active role in governance, improving systems and demonstrated performance of CSOs and media outlets will result in increased citizen participation in government decision-making and enhanced accountability of government services—and contribute to community stability.

Despite the importance of civil society and media and the role they play in bringing issues to the forefront of public discourse, there is relatively little emphasis placed on this area of Liberia’s development. Although Liberia has maintained a fairly open enabling environment for civil society and media, the GOL has recurring tensions with some local media outlets especially since the “missing money investigation.” In addition to the USG, only a couple of other donors, Sweden and the European Union, support civil society capacity building. Other donors engage civil society primarily as a vehicle to deliver goods and services.

The evidence base for this IR was developed out of a growing need to identify additional avenues to strengthen Liberia’s governance structures. The focus on civil society and media to achieve this end has arisen from the success of past USAID/Liberia interventions, as well as the global body of literature that suggests vibrant civil society and independent media are critical to ensuring that citizens are well informed about the actions and performance of government institutions and officials, and that citizens have the means to freely influence public policies. In addition to worldwide literature and evidence, the Mission is utilizing a number of Liberia-specific analyses to inform priorities and programming.

DO 3— Foundations for growth strengthened through a healthy, productive, and educated population

Development Hypothesis Statement: If the quality of water, sanitation, and hygiene (WASH), healthcare, and education services improve within a strengthened and more transparent governance system, then the health and education status of Liberians and the human capital of the country will also improve leading to a more productive workforce thereby, stimulating inclusive economic growth.

Development Hypothesis: Education and health services are undermined by low levels of capacity, commitment, and resources. USAID will focus on meeting key education and health needs with the end goal of promoting economic growth through an integrated approach that engages the private sector, other donors, and the GOL. To address capacity, there will be a

deliberate approach to strengthen health and education systems. Building incentives and private sector alternatives into USAID’s programs will increase GOL commitment. A strong foundation of healthy, educated Liberians will support the country’s path to economic expansion and self-reliance. If children receive better basic education and early education— and are healthy enough to learn— if youth are better prepared for the evolving global economy through higher education and job placement opportunities— and are not sidelined by health issues or early pregnancy— then there will be a stronger foundation to propel Liberia’s economic growth. In addition, if improved delivery of health and education services is based on improvements in core system functions, including governance and public financial management, then these improvements will contribute to greater capacity and commitment among citizens and local systems.



Macro Risks and Assumptions:

1. The GOL continues to be in arrears, affecting health clinic operations and schools.
2. The GOL has the political will to implement education and health laws, policies and reforms.
3. The GOL have the capacity and commitment to assume responsibility for public service delivery in the health and education sectors.

This DO will focus on meeting key education and health needs, with the end goal of promoting the well-being of Liberians and supplying the necessary workforce needed for sustainable economic growth. As outlined previously, current education and health services are rudimentary at best. Self-financing of basic health and education will not be possible for the foreseeable future, and donor support will need to continue. Without it, Liberia’s human development indicators will stagnate or worsen and the foundation for development, a literate and healthy population, will crumble. Mission investments in basic literacy, teacher training, water, sanitation, and hygiene (WASH), health commodities, malaria and other health areas are therefore critical, and will also require parallel government investments in social and physical capital.”

Principle donors in the health sector include: the European Union, UN, GAVI, Germany, Global Fund, Ireland, Japan, World Bank, United Kingdom and China. Most donors contribute to the health sector directly to international health mechanisms such as the Global Fund. The UNFPA is one of the few donors directly supporting family planning. China focuses on the construction of health facilities and training medical staff. However, there have been challenges with increasing trade and Liberian partnerships with China. The prevalence of the transportation and sale of counterfeit medicines in West Africa, including Liberia was confirmed as early as 2013 in survey report of the Institute of Research against Counterfeit Medicines (IRACM). According to the IRACM, about 70 percent of the medicines on West African markets, nearly all

of which are produced in China, are fake because the suppliers of these medicines see West Africa as a soft spot for illegal trade. The integrity of the public health sector is at risk and USAID's continued collaboration with the GOL and the people of Liberia to make educated choices is vital for building trust in the healthcare system and public health.

Principle donors in the education sector are the European Union, Sweden, UNICEF, and World Bank. Donors align their programs with the National Education Strategy. The European Union focuses principally on secondary education and Sweden on post-secondary. European Union and the World Bank have announced support of significant youth programs. Therefore, USAID will continue to coordinate with the GOL and other donors to ensure USAID's geographic and programmatic focus complement the existing development efforts and minimize potential duplication.

Given this situation, USAID will take an integrated approach that engages the health and education, private sector and other donors in collaboration with the GOL to mobilize and manage joint resources. For example, WASH investments will intentionally target urban hubs and engagement of private service providers for sustainability of services that provide the building blocks for economic growth. The health and education sectors will also utilize similar approaches, and will coordinate in a number of key areas, such as a coordinated early childhood interventions through improved nutrition, parents and caregiver engagement, and early education opportunities. They will also coordinate with DO 1 on nutrition and DO 2 on governance issues, including corruption, domestic resource mobilization, public financial management, efficient use of resources and decentralization.

Given the demographic dividend of the country with 70 percent of the population under the age of 30, USAID will coordinate investments with an emphasis on children and youth. Youth-centered interventions will be customized to geographic locations of the youth for accessibility as well as some youth's specific needs, in particular for girls (such as safe learning environments) and out-of-school young mothers. Therefore, another area of close coordination between health and education will be on youth. USAID programs will coordinate family planning with education efforts for the adolescents in USAID's geographic focus areas. Youth job skill development, job placement and follow-up, as well as reproductive health services will be a critical contribution to Liberia's journey to self-reliance, peace and stability.

Health systems strengthening will be aimed at those components in which the GOL has demonstrated political will for reform such as improvements in health financing, use of data for decision-making, quality improvement and decentralization. Activities will build on lessons learned from the post-Ebola recovery period and shift from a focus on restoring confidence in the health systems to more strategic investments in results-based financing and sustainable systems for surveillance and response to outbreaks. At the community level, USAID will pursue an integrated strategy to improve nutrition, health, and WASH at scale while bolstering social protection services and sustainable agriculture.

In education, strengthening the education system will revolve around training not just public school officials (i.e., teachers and Ministry of Education officials) but also engaging with private and faith-based teachers and school systems as well. Moreover, USAID intends to support teacher professionalism writ-large (both public and private) by improving the human resources and administrative processes that support the entry and quality of teachers in the teaching profession. Of course, USAID will continue to support learners throughout the education spectrum—from the early grades, to youth seeking workforce training, all the way through tertiary education—with relevant academic instruction and increased opportunities to

eventually become productive members of society. Finally, strengthening incentives for the GOL through performance-based payments (e.g., a development impact bond) will be an important part of promoting commitment.

USAID will align more closely with other donors to speak with one voice to the GOL to better leverage financial and technical expertise and assistance. DO 3 will focus increasingly on private sector engagement, including investing in private health care and working with private and faith-based schools.

DO 3 will also include a new focus on foundational rights for vulnerable populations to access services. This will be culturally aware and ensure a do-no-harm approach, and may cover GBV, FGM, LGBTI and disability rights, and other areas where need and opportunity converge. In particular, Liberia is on the precipice of being downgraded to the USG Trafficking in Persons Tier 3, which is increasing GOL commitment to address the issue through increased ability to prosecute perpetrators, public awareness campaigns and an updated national action plan.

Assumptions

- The GOL continues to be in arrears, affecting health clinic operations and schools.
- The GOL has the political will to implement education and health laws, policies and reforms.
- The GOL has the capacity and commitment to assume greater responsibility for public service delivery in the health and education sectors.

Risks:

- The GOL does not honor its commitment to improve health and education sectors.
- The Ministry of Health will not have the resources to pay health worker salaries.
- The Ministry of Education will not have the resources to pay teachers and administrators.
- The GOL will not provide the necessary policy, staff and instructional material support.
- The GOL's payroll continues to include unqualified or retired teachers.
- Further economic disruptions will adversely affect the GOL's ability to remunerate educators and health care workers.
- Human rights awareness could lead to heightened demands for equitable social services, that if not met could increase societal tensions.

IR 3.1— Quality of health, HIV, nutrition and WASH services improved.

In order for the Liberian population to remain healthy and productive, people must be able to access and receive quality health services. Maintaining a healthy population requires preventing malnutrition and infectious diseases such as malaria and HIV as well as promoting the adoption of health behaviors to address WASH-related health hazards and preventable maternal and child deaths. In addition, qualified health professionals and health facilities within reasonable travel distance must be available to treat illnesses adequately and in a timely manner. Liberians' ability to access quality maternal and child, reproductive and nutrition health services is the key to setting the foundation for long-lasting positive health outcomes.

Across USAID's effort to improve Liberians' access to quality health services within HIV, nutrition and WASH activities USAID is moving away from directly financing the health sector's human resources (e.g., health worker salaries) and other basic commodities, such as medicines. The Mission is instead redirecting its efforts by working closely with the GOL and

the donor community to identify specific constraints in the health sector and resolving them through stronger community health networks. The goal is to address specific constraints each gender faces with the aim to reduce gender gaps within community health networks, especially in HIV and nutrition activities. WASH programs in particular have unique and pressing gender-based issues around the security of women which are at the forefront of USAID efforts.

A notable shift under this IR is a more targeted performance-based financing scheme for the FARA G2G activity that holds the Ministry of Health accountable for delivering quality health services. Another shift is a more explicit and intentional linkage with the IRs under the DO 1 for private sector engagement efforts, with DO 2 for coordinated advocacy and outreach for community level health and WASH programming, and with the DO 3 IRs related to education-sector interventions around early childhood programming and sexual and reproductive health services specifically targeting both adolescent boys and girls. USAID programs will also promote the adoption of healthy behaviors associated with reproductive, maternal, neonatal, and child health, nutrition, and WASH practices. Progress and future programming decisions in these areas will be enhanced through gender sensitive data collection, reporting and treatment monitoring.

This approach will ensure USAID/Liberia's approach complements the GOL efforts, especially GOL initiated *Resilient Health Plan 2015 – 2021* and contribute to the Ministry of Health's Pro-Poor Agenda Priorities. USAID's efforts will address specific gaps in the Ministry of Health's capacity and use USAID's support as an incentive for the GOL's commitment to deliver adequate health services. USAID will coordinate its efforts, especially around strengthening facility and community health services, with other donors, most notably with Global Fund, World Bank, Co-Impact and the Global Financing Facility. USAID will also increase its private sector engagement to increase access to financing and strengthen a network of private health providers to improve quality of services and access for lower wealth quintiles. By strategically convening the private sector, USAID hopes to unlock innovative solutions that will help increase access for the poor, such as expanded health insurance options that include micro-insurance options, emergency fund and pooled procurement of medical supplies.

The evidence base for this IR has been drawn from past works in the areas of community-based primary health care, health systems strengthening and maternal, neonatal and child health care.

IR 3.2— Health/nutrition and WASH systems at national and sub-national level strengthened.

In order for the improved access to quality health services to be sustainable, a broad set of health infrastructure and systems must also be strengthened. A path to a more sustainable and stronger health, nutrition and WASH system at both national and sub-national levels requires a coordinated approach in key areas: 1) more efficient and accountable supply chain system for medical supplies and medicine; 2) better decision making from enhanced data collection, reporting, and treatment monitoring; 3) enhanced detection and response to infectious disease outbreaks, especially of fatal diseases, such as malaria and Lassa Fever/Ebola; and 4) improved and more sustainable WASH services, infrastructure and systems. These efforts are underpinned by increasing the capacity of the GOL's Ministry of Health to implement the Liberia Health Equity Fund and related financial reforms.

Donors have promoted and financed several key reforms in the health sector and health system but it continues to suffer from weak reform implementation, chronic leakage and

inefficiencies. This IR focuses on increasing the GOL capacity to successfully run and maintain key programs in the health sector outlined above through improved financing, surveillance systems and service provision protocols.

USAID's health systems strengthening efforts complements the GOL initiated *Resilient Health Plan 2015 – 2021* and contribute to the Ministry of Health's Pro-Poor Agenda Priorities. USAID's efforts in the health systems strengthening will also more intentionally align with its broader support for domestic resource mobilization under the DO 2 so that the improved revenue collection, tax administration, and public budgeting will increase the GOL commitment for the public health expenditure. A notable shift under this IR is programming with the consolidated Global Health Security funds since the post-Ebola virus crisis response has ended. The health systems strengthening efforts will move away from creating new systems and managing key monitoring activities, such as wildlife surveillance, to focusing more strategically on improving labs, testing capacity, data collection and information sharing across the health systems. This will be a test for the GOL to translate its commitment into action and build on the foundation of the health systems capacity that USAID and other donors have established.

More extensive and strategic engagement with a wide range of private health providers that include private clinics, insurance providers, pharmacies, and labs, will strengthen the private sector and their contribution to the overall health system as well as to inclusive economic growth. In the WASH sector, investments in systems will consolidate and sustain investments to date and focus on sustainable solutions for accessing clean water and sanitation facilities.

The evidence base for this IR has been drawn from past works in the areas of water, sanitation and hygiene (WASH), community health care, and health systems strengthening. GIS data collection and analyses from the Household Income and Expenditure Survey from 2016 were analyzed to inform strategic designs in the sector.

IR 3.3— Quality of education services improved.

From years of research and experience, USAID has learned that education can raise incomes through more years of schooling, but if students acquire fewer skills because of poor-quality education, large increases in school enrolment will not translate into gains in economic growth. In order for the Liberian population to be healthy and productive citizens, much of this is predicated on improved education services. Quality of education services encompasses a few key areas: adequate teacher skills and capacity; teacher to student ratios are appropriate; teachers are incentivized to deliver quality lessons (e.g., regular salaries) and students have appropriate education and learning facilities. Finally, improved education quality also looks at management of the broader education system to ensure that the GOL takes a more systematic and equitable approach to improve services throughout the country and not just in certain geographic areas.

USAID will continue to invest in interventions that support early grade reading, as well as broaden its interventions to invest in early childhood development to promote reading readiness. Facilitating an early start and stimulating children with an early, quality educational foundation provides the building blocks for a sound academic career. USAID will build on past and current activities focused on early grade reading to provide reading and teaching materials, teacher training, coaching and supervision. IR 3.3 activities will build staff capacity to ensure effective implementation of reading interventions, involve community and private sector engagement to support reading activities, and strengthen the educational system to develop a set of sustainable policies and processes.

Another key component to improving education quality is increasing the number of qualified teachers capable of delivering quality instruction for improved learning outcomes. Projects under this IR will include technical assistance to the MOE and/or private institutions to support capacity building, hiring and placement of teachers. Given that the provision of quality education is of vital interest to businesses, USAID will engage with the private sector as a key partner to ensure that investments will be sustainable and institutionalized to achieve self-reliance. Moreover, USAID will explore the use of results-based financing, such as the development impact bond, to leverage resources from the private sector to cost-effectively scale up a sustainable early grade reading program.

The evidence base for this IR has been drawn from past assessments and evaluations of the education sector. In addition, GIS data collection and analyses from the Household Income and Expenditure Survey from 2016 were analyzed to inform strategic designs in the sector.

IR 3.4— Equitable access to learning increased.

Inclusive economic growth is best achieved when the majority of the population has access to fundamental building blocks for success which includes access to education – literacy and numeracy. Not only does an individual need access to these skills, the skills need to be delivered in an effective manner so that they are sustained.

Through accelerated learning program (ALP) interventions, USAID will continue to assist the MOE to address unequal access to quality education faced by children and youth who have left the formal school system. USAID will assist the MOE to adopt at the national level the ALP approach. This will include: ALP policy formulation; training of the MOE administrative staff and teachers in the ALP curriculum and summative assessment tools; production and distribution of curriculum materials; community outreach; and the rehabilitation of out-of-school learning centers for improved accessibility. USAID will also continue to support adolescent girls who have left school due to pregnancy by providing literacy and numeracy learning opportunities, livelihoods support, and access to counselors and caseworkers.

To address Liberia’s youth dividend and high unemployment, USAID’s investments across multiple sectors will target youth and address livelihoods, skills development, job creation and job placement needs. Additionally, USAID will develop an activity to support inclusive education and improve access to learning for children with disabilities. There is also the need to ensure education and learning services are delivered in an environment conducive to learning that is safe and accommodating for students. This is a significant concern for teen girls who increasingly drop out of school due to a lack of WASH and sanitation facilities at school, as well as for students with learning and physical disabilities. Besides physical upgrades to improve access to education services, USAID’s work will also reduce barriers to learning by addressing school-related and gender-based violence (SR/GBV) and SR/GBV’s impacts on girls vis-a-vis boys. Learning outcomes disaggregated by sex will assist in determining the best approaches to ensure improved results.

The evidence base for this IR has been drawn from past works focused on equitable access to education. Among these studies have been desk reviews focused on workforce development and youth. In addition, there have been a number of performance evaluations to inform the sector. Moreover, GIS data collection and analyses from the Household Income and Expenditure Survey from 2016 were analyzed to inform strategic designs in the sector. Finally, stakeholder consultations and focus group discussions with youth and community development

experts were implemented to improve youth engagement strategies and improve outcomes for USAID's education initiatives.

IR 3.5— Foundational rights and access to public services for all Liberians increased (shared with DO2)

USAID/Liberia will have a new focus on foundational rights for vulnerable populations to access health, education, and other public services. When barriers exist for specific groups of people in accessing basic public services and exercising their rights, their ability to meaningfully contribute to the economy greatly diminishes. Therefore, USAID/Liberia's cross-sectoral approach recognizes key gaps among people of different ability, gender, and sexual orientation. This approach will target pervasive harmful practices that negatively affect foundational rights of individuals and their ability to fully engage as healthy, productive members of society. A culturally sensitive modality will ensure a do-no-harm approach, and will cover gender-based violence (GBV), female genital mutilation (FGM), lesbian, gay, bisexual, transgender, and intersex (LGBTI) and disability rights, and other areas where need and opportunity converge. In particular, Liberia is on the precipice of being downgraded to the USG Trafficking in Persons Tier 3, the lowest level, which could lead to sanctions. To reverse this trend USAID will continue to coordinate closely with the GOL and other donors to build capacity, commitment and public awareness around this important issue.

This IR also has a strong linkage to DO3, inclusive access to health services and education, and to other IRs in DO2 on related rights-based issues for policy implementation under governance, citizen advocacy, and oversight by civil society and media. USAID's efforts will complement the current gaps in addressing marginalization, as human rights awareness could lead to heightened demands for equitable social services, that if not met could lead to an increase in societal tensions.

The efforts under this IR align specifically with GOL's Pro-Poor Agenda's rights-based approach to national development and its first pillar, Power to the People, which aims to empower Liberians and provide more equitable education, health, youth development and social protection access. USAID's interventions will complement the GOL's gender equality targets outlined in the PAPD. Sweden, Ireland, and the EU support gender equality and the rights of some marginalized groups. USAID/Liberia is currently a member of the Gender Working Group, which includes the Ministry of Gender and Children.

The evidence base for this IR is primarily focused on the human and economic costs of gender and disability discrimination, GBV, and exclusion of particular social groups, all of which have been widely published in recent studies. Through numerous analyses, USAID/Liberia has identified barriers that women, sexual and gender minorities, people with disabilities, and boys face in formal education, access to finance, access to and within the security and justice sectors, and civic participation. Furthermore, USAID's interventions for SRH/HIV services will specifically address the increased risks that girls and persons with disabilities face in Liberia. USAID also plans to leverage specific opportunities highlighted by previous examples of women and youth's contribution to building conflict resilience through social cohesion and conflict mitigation. Specific studies highlighted in the sector include the following: the *USAID/Liberia Gender Assessment*; a desk review focused on trafficking of persons/sexual and gender based violence.

V. Monitoring, Evaluation, and Learning (MEL)

USAID is committed to producing long-lasting development results. This is achieved through a collaborating, learning, and adapting (CLA) environment that's grounded in rigorous performance monitoring and evaluation processes and methods, testing promising new approaches, and collaboration and coordination among various partners. USAID/Liberia's MEL strategy will ensure that the CDCS 2019-2024 serves as a living strategy, providing guidance and reference points for implementation, learning, and course correction as needed.

During this CDCS period, USAID will focus on testing the hypothesis that demonstrates its major shift in approach that prioritizes inclusive economic growth: spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce will foster self-reliance in Liberia. Throughout the implementation of the CDCS, USAID will monitor the level of the GOL commitment by measuring the steps it takes towards sustained economic growth that are commensurate with the will and desire of Liberia's young population. Primary learning will focus on how USAID's programs come together to foster the capacity and commitment of key actors at different levels of the system where potential for the most effective transformation is the greatest.

Emphasis on the gender-sensitive and age-aggregated data collection during the CLA process will better inform the Mission's decision-making throughout implementation. Beyond monitoring the GOL's and other key actors' commitment through metrics associated with relevant J2SR sub-dimensions, MEL processes will employ a flexible and adaptable framework that supports diverse inputs and allows for learning across DO development hypotheses. This is accompanied by USAID's customized frequency and methodology of monitoring for each program area as they are relevant and with an emphasis on commitment and capacity measures, such as linking USAID's support for the GOL with the GOL's willingness to pay salaries or dedicate ministerial level budgets for the provision of key public services and payment of teacher and healthcare workers' salaries.

During this CDCS period, USAID will focus on testing the hypothesis that demonstrates its major shift in approach that prioritizes inclusive economic growth spurring private sector led economic expansion through a focus on catalyzing reforms and cultivating a healthy, productive and educated workforce as a means to foster self-reliance in Liberia. As an example, USAID, as with the previous strategy, will conduct Mission-wide mid-term CDCS stocktaking exercises that will include a comprehensive meta-analysis across and within the DOs. The Mission's progress towards overall goal attainment and progress within the respective DOs will be tested. By examining the central hypothesis that inclusive economic growth is the common denominator for all DOs, knowledge gaps will be identified during the stock-taking exercises and will provide ample opportunities for adaptation and mid-course corrections.

Liberia's progress along the J2SR path depends on a robust collaboration across multiple programs and sectors. Economic expansion depends upon governance and accountability, as well as human capital development for a healthy and productive workforce. The development of USAID's Performance Management Plan (PMP) will be the first step in the formulation of a comprehensive MEL strategy. The PMP will incorporate salient performance monitoring indicators, baselines, targets, and third party verification when appropriate, as well as specific J2SR roadmap metrics as context indicators to monitor the Results Framework assumptions and

triggers (i.e. business environment analysis, government effectiveness, civil society and media effectiveness, health and education outcomes).

To complement routine performance monitoring, the Mission PMP will include a multi-year evaluation plan to generate evidence on project effectiveness, sustainability, and overall contribution to the J2SR. Care will be taken to select performance indicators that can best demonstrate the Mission progress toward Liberia's J2SR, particularly under the sub-dimensions of capacity and commitment and other associated metrics. Given the common risks and assumptions across the DOs and interdependent theories of change for the DOs, J2SR-centered capacity and commitment monitoring during the Mission's annual Portfolio and Performance Reviews (both internal and joint with the GOL), quarterly financial and performance reviews, and country context monitoring will accelerate Mission learning and speed up adaptation. Effectively utilizing existing Program Cycle processes as well as DO specific monitoring and assessment results will further strengthen and reinforce the CLA processes and activities that are already integrated into Mission operations.

The PMP will include a comprehensive CLA implementation plan that promotes effective use of data for learning and adaptive management through USAID's MEL working group and Liberia Strategic Analysis (LSA), its current MEL mechanism. The Plan will be guided by analysis of a wide variety of information sources and knowledge (e.g. M&E data, evaluation and research findings, innovations and geographic information system (GIS) data, stakeholder consultations, annual portfolio review and pause and reflect moments). The Mission will plan for a mid-course stocktaking exercise that will allow for a more detailed discussion regarding Liberia's J2SR. The Mission's CLA agenda will encapsulate all of these sources of information into the existing knowledge portal that has been established under LSA and serves as one primary database where data is quickly aggregated for effective and efficient management decisions. USAID's CDCS is built on several assumptions which may or may not hold throughout its five year implementation. The Mission will monitor several key context indicators and expand its practice of developing contingency plans for programming to pivot as necessary in order to adapt to or mitigate the impacts of any significant country context changes and revise the critical risks as necessary.

The Mission's J2SR learning agenda is the foundation upon which the CLA plan is built and is guided by six DO specific learning questions that capture the mutually reinforcing factors of commitment and capacity in Liberia.

VI. Annexes

A. Journey to Self-Reliance Roadmap

B. Climate Risk Screening

LIBERIA

JOURNEY TO SELF-RELIANCE: FY 2019 COUNTRY ROADMAP



LEGEND



Liberia's Score
0-1, least to most
advanced globally



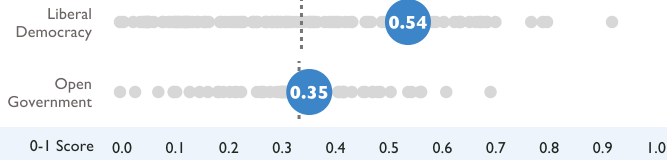
Other Low- and
Middle- Income
Countries' Scores



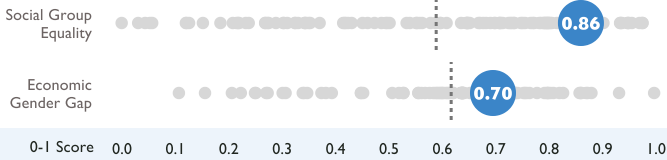
Average Score for
Low- and Middle-
Income Countries

COMMITMENT

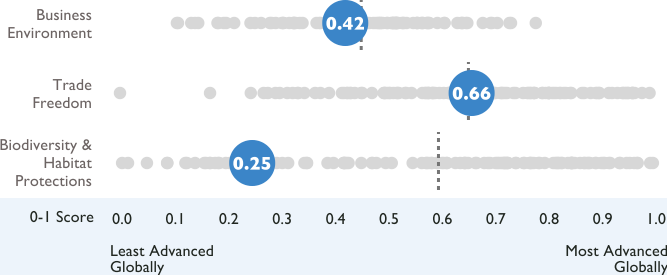
OPEN AND ACCOUNTABLE GOVERNANCE



INCLUSIVE DEVELOPMENT



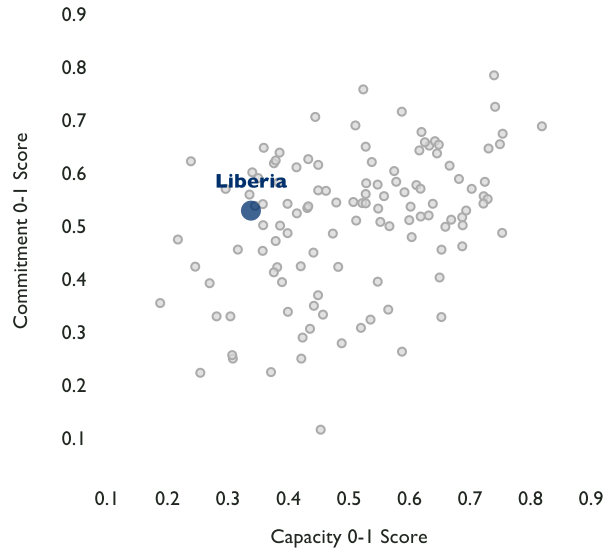
ECONOMIC POLICY



All source data is for the latest year available, typically 2017 or 2016, and is derived from third-party institutions. All indicators are weighted equally in the calculation of the overall Commitment and Capacity scores. Names and boundary representation in the map are not necessarily authoritative.

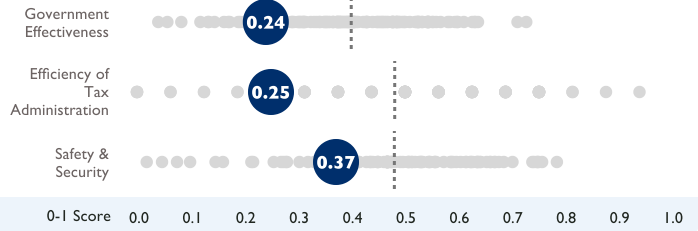
For more information on definitions and sources, please visit selfreliance.usaid.gov.

LOW- & MIDDLE-INCOME COUNTRY SNAPSHOT

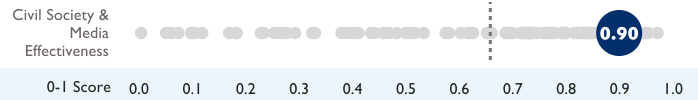


CAPACITY

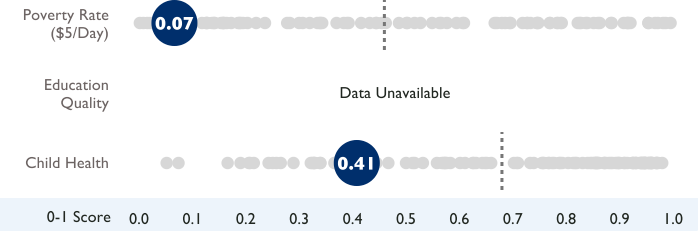
GOVERNMENT CAPACITY



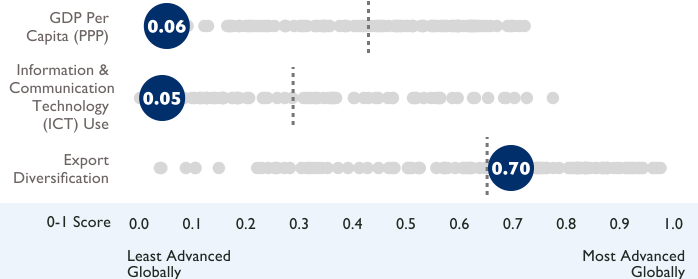
CIVIL SOCIETY CAPACITY



CITIZEN CAPACITY



CAPACITY OF THE ECONOMY



SELF-RELIANCE ROADMAPS

INDICATOR DEFINITIONS AND SOURCES

COMMITMENT

OPEN AND ACCOUNTABLE GOVERNANCE

Liberal Democracy: Measures freedom of expression, freedom of association, suffrage, elections, rule of law, judicial constraints on the executive branch, and legislative constraints on the executive branch. Source: [Varieties of Democracy \(V-Dem\)](#).

Open Government: Measures the degree to which a government shares information, empowers people with tools to hold the government accountable, and fosters citizen participation in public policy deliberations. Sub-factors include: publicized laws and government data, right to information, civic participation, and complaint mechanisms. Source: [World Justice Project, Rule of Law Index](#).

INCLUSIVE DEVELOPMENT

Social Group Equality: Measures political equality across social groups as defined by ethnicity, religion, caste, race, language, and region. Source: [Varieties of Democracy \(V-Dem\)](#), [Social Group Equality in Respect to Civil Liberties](#).

Economic Gender Gap: Index comprising five components: (1) wage equality between women and men for similar work; (2) the ratio of female estimated earned income to male income; (3) the ratio of female labor force participation to male participation; (4) the ratio of female legislators, senior officials, and managers to male counterparts; and (5) the ratio of female professional and technical workers to male counterparts. Source: [World Economic Forum, Global Gender Gap Report, Economic Participation and Opportunity Sub-Index](#).

ECONOMIC POLICY

Business Environment: Assesses a country's entrepreneurial climate by measuring business' access to infrastructure (such as the internet and transport, and to credit), business flexibility (the costs of starting business and of hiring and firing), clear and fair regulations (e.g., intellectual property rights), and perceptions of meritocracy and opportunity. Source: [Legatum Institute, Prosperity Index](#).

Trade Freedom: Measures a country's openness to international trade based on average tariff rates and non-tariff barriers to trade. Source: [Heritage Foundation, Index of Economic Freedom](#).

Biodiversity & Habitat Protections: Measures extent of marine protected areas, terrestrial biome protection (weighted for both national and global scarcity), representativeness of protected areas, and whether protected areas cover the ranges and habitats of critical species. Source: [Yale University/Columbia University Center for International Earth Science Information Network \(CIESIN\)](#).

CAPACITY

GOVERNMENT CAPACITY

Government Effectiveness: Measures the quality of public services, the quality of the civil service and its independence from political pressure, the quality of policy formulation and implementation, and the credibility of the government's commitment to its stated policies. Source: [World Bank, Worldwide Governance Indicators](#).

Efficiency of Tax Administration: Measures the efficiency of tax collection in relation to corporate taxes, household income taxes, national geographic consistency and reach, and the government's ability to limit tax evasion. Source: [Institutional Profiles Database](#).

Safety & Security: A combination of objective measures of security, and subjective measures of personal safety, personal freedom, and social tolerance. Source: [Legatum Institute, Prosperity Index](#).

CIVIL SOCIETY CAPACITY

Civil Society & Media Effectiveness: Measures the range of actions and mechanisms that citizens, civil society organizations, and an independent media can use to hold a government accountable. The mechanisms include using informal tools such as social mobilization and investigative journalism. Source: [Varieties of Democracy \(V-Dem\)](#), [Diagonal Accountability Index](#).

CITIZEN CAPACITY

Poverty Rate (\$5/Day): Measures the percent of the population living under \$5/day in purchasing power parity (PPP) terms. Source: [World Bank, PovCalNet](#).

Education Quality: Measures the percentage of students attaining a minimum proficiency in reading toward the end of primary school, providing a comparative evaluation of the relative performance of educational systems across countries. Source: [World Bank](#).

Child Health: A composite measure that aggregates under-5 child mortality, access to improved water sources, and access to improved sanitation facilities. Source: [Columbia University Center for International Earth Science Information Network \(CIESIN\)](#).

CAPACITY OF THE ECONOMY

GDP Per Capita (PPP): Measures the flow of resources available to households, firms, and government to finance development as the country's total Gross Domestic Product (PPP) divided by the country's population. Source: [World Bank, World Development Indicators](#).

Information & Communication Technology (ICT) Use: Index comprising: (1) internet users as percent of population; (2) fixed-broadband internet subscriptions per 100 population; (3) internet bandwidth kb/s/user; (4) mobile broadband subscriptions per 100 population; (5) mobile telephone subscriptions per 100 population; and (6) fixed telephone lines per 100 population. Source: [World Economic Forum \(WEF\), Global Competitiveness Index](#).

Export Diversification: Measures the diversification of a country's export products, one marker that can help gauge economic sophistication and resilience. Source: [UNCTAD, Export Concentration Index](#).

USAID/Liberia CDCS

Annex B: Climate Risk Management (CRM) and Climate Change Considerations

Executive Summary

Findings in this Climate Risk Management (CRM) report contribute to the new USAID/Liberia CDCS, valid from 2019 to 2024. Since the CRM screening process began prior to the finalization of the results framework, the screening analyzed the risks by the USAID/Liberia portfolio sector: water, sanitation, and hygiene (WASH), health, education, economic growth, agriculture, and democracy, rights, and governance (DRG). The findings and recommendations are organized by the new Development Objectives (DOs).

Based on the findings, USAID/Liberia will consider approaches in its new strategy to increase climate resilience and encourage lower emission development actions in all of its programming. In this way, the Mission's efforts can increase capacity in Liberia to adapt to climate change impacts while promoting better environmental management practices, increased economic opportunities, and greater food security. USAID/Liberia's forestry and renewable energy programs will contribute to lower emission development.

Overview of the CRM Screening Process

An Africa Bureau climate risk screening facilitator and the USAID/Liberia Climate Integration Lead advised the Mission on the CRM process using USAID's Climate Risk Screening and Management Tool. Working with the Program Office, they walked the mission through the tool to identify potential climate risks, adaptive capacity, and responses to a changing climate. The results were summarized in the strategy screening matrix.

Primary sources of climate information included:

1. [Liberia Climate Risk Profile](#)
2. [Liberia GHG Emissions Factsheet](#)
3. [Liberia Climate Risks in Food for Peace Geographies](#)

The Mission also consulted the [2018 Liberia National Policy and Response Strategy on Climate Change](#) to ensure alignment with Government of Liberia priorities. Recognizing that the impacts of climate change in Liberia requires a coordinated and effective national response, the Government of Liberia through the Environmental Protection Agency of Liberia (EPA) developed the National Policy and Response Strategy to identify climate mitigation and adaptation priorities and guide integration of climate change issues into national development planning at the national, county, district, and local levels.

To develop the climate risk screening, discussions were held with each technical team and the Program Office to examine:

1. How do/will climate change risks impact the sector - target population, institutions, context, operating environment and intended results?
2. What opportunities for mitigation or adaptation to the effects of climate change exist at various levels of policy reform, management practices and approaches, information systems, research?
3. How can the mission's technical sectors respond to the opportunities with strategic choices and approaches?

The information was used to construct the CDCS climate change matrix and this narrative. In addition, and per the Wave-1 Interim Guidance for Integrating Self-Reliance Concepts in USAID Country Development Cooperation Strategies, the Mission has evaluated how the findings from this climate risk screening apply to the self-reliance objectives as described in the DO and IRs and how climate change will affect the ability of the Government of Liberia to plan, finance, and implement solutions to its own development challenges.

Summary of Findings & Recommendations

Short-term climate variability is already affecting Liberia, including temperature increases and rainfall variability. As the GoL notes in their new national climate policy, “the impacts of climate change in Liberia not only undermine development gains but also poses serious risk to food security and adaptive capacity,” requiring urgent and concerted national action. As impacts become more pronounced, climate change may erode the progress that Liberia has made and limit gains in the future, including the government's ability to address its development challenges.

Self-reliance requires countries to be able to address a wide range of risks, including economic shocks, social and political crises, and climate events. Responding to more frequent climate shocks and stresses, including floods and higher temperatures, can reduce the resources and capacity needed to foster inclusive economic growth and also act as a barrier on Liberia's journey to self-reliance. Across all three DOs, capacity remains a constraint to achieving Liberia's development goals and self-reliance objectives. Per the findings of this climate risk screening, capacity is also a constraint to effectively managing climate risks to USAID investments in Liberia, including government, civil society, and citizen capacity. Liberia ranks higher on commitment metrics versus capacity metrics. Ensuring that climate impacts do not limit economic expansion, stress government capacity, and affect health and education will require both communication and advocacy, to strengthen political will to address climate risks, and increased capacity of government, civil society, and citizens to manage climate risks.

For DO 1, inclusive economic growth is the primary goal. Specific climate risks to achieving this DO and priority mitigating measures are identified in the climate risk screening matrix. In particular, agriculture employs 67% of the Liberian workforce and is a major contributor to GDP but key staple and export crops are climate-sensitive. Floods and sea level rise will impact

infrastructure and population centers. Building national and local capacity to understand and respond to climate risks will promote self-reliance in this sector. USAID/Liberia's work to improve financial markets can also help build the adaptive capacity of the private sector while development of economic policies that promote broad based growth will increase access to capital and reduce vulnerability.

Per the Liberia Roadmap, commitment is lowest for biodiversity and habitat protections. Self-reliance in the natural resource management sector requires a country to have both the capacity and the commitment to sustainably manage its critical natural resources. In Liberia, forests contribute to global emissions reduction targets, safeguard Liberia's water resources, and are vital to rural livelihoods. USAID/Liberia will promote education and advocacy to increase political will and public awareness of the importance of building resilience to climate change by conserving biodiversity and forest habitats and safeguarding ecosystem services.

For DO 2, effective and inclusive governance, government capacity remains weak and over the medium to long-term climate impacts can be expected to further stress government capacity to provide public services (IR 2.2), with attendant impacts on the enabling environment for economic growth. More effective, inclusive governance is essential to addressing Liberia's development challenges and achieving self-reliance. Per the climate risk screening, for USAID/Liberia, integrated programs that leverage DRG expertise in strengthening governance and citizen participation can reduce climate risks to the USAID portfolio in Liberia and promote self-reliance. On-going decentralization programming can promote local involvement in building climate resilience while efforts to improve land use planning can reduce risks from extreme weather events and other climate impacts.

For DO 3, healthy, productive, and educated population, with basic indicators in health and education already low, USAID will work to create an enabling environment for self-reliance. As identified in the climate risk screening matrix, climate change may affect the long-term ability of Liberian citizens to support the country's path to economic expansion and self-reliance, for example by lowering school attendance or exacerbating disease and malnutrition. USAID/Liberia will continue to support school feeding programs and build the capacity of local institutions, for example strengthening the public and private health care systems and the ability of local governments to provide climate-resilient WASH services. USAID/Liberia will also look for opportunities to work collaboratively across sectors to strengthen capacity to adapt to climate impacts.