

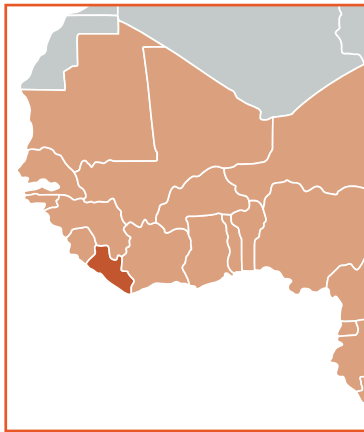


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Investing in rural people in **Liberia**

Despite gains made in socio-economic development since the end of the civil war in 2003, Liberia remains a low-income food-deficit country and is ranked 175th out of 187 countries in the 2013 UNDP Human Development Index. Post-conflict economic growth was strong, with real GDP in excess of 8 per cent in 2012 and 2013, and projected to increase in 2014 and 2015, but the Ebola outbreak in March 2014 halted the upward trend. The economic crisis of recent years also highlighted structural weaknesses in the country's economy, particularly its dependence on very few commodities from the extractive sector and consequent vulnerability to external factors. Although unemployment currently stands at 3.7 per cent, 78.4 per cent of the total population are engaged in unstable, poorly paid work.

Agriculture remains the primary source of livelihood for two thirds of the country's population, which was estimated at 4.3 million in 2013. The sector faces significant difficulties, however, in part due to poor practices and limited use of technology. Productivity is generally low and post-harvest losses can be as high as 45 per cent. More sustainable management of natural resources (forests, soils and water) is needed to improve agricultural productivity and increase resilience in the face of climate change.



Agriculture is the primary source of income for two thirds of Liberia's population

Liberia's growth strategy centres on rebuilding basic infrastructure, restoring the mining industry and cash crop production, and reducing production costs. The government is also seeking to develop the private sector, promote trade openness, liberalize tree crop marketing and remove tariffs on agricultural inputs. Recognizing that investment in agriculture is key to food security and poverty reduction, the Government of Liberia signed the Comprehensive Africa Agriculture Development Programme Compact (CAADP) and has thus committed to allocating 10 per cent of national expenditure to agriculture, although currently this share stands at 3 per cent.

Eradicating rural poverty in Liberia

Agriculture is central to Liberia's vision of economic transformation. Despite the abundance of land and water, making multiple crops per year feasible, less than 5 per cent of the land is under permanent cultivation and less than 1 per cent is irrigated. Smallholder farmers are held back by inadequate inputs of fertilizer, irrigation, quality seed and breeding stock; credit, machinery and infrastructure for transport, storage and marketing are also lacking. In addition, the country is without a food processing industry that has the capacity to prepare products for wider domestic and, eventually, international markets.

The Liberia Agricultural Transformation Agenda (LATA) seeks to create the conditions for the country to achieve a higher level of economic resilience and inclusive growth. Between 2015 and 2017, LATA is aiming to ensure that high-impact agricultural value chains (such as cassava, cocoa, palm oil, rice, rubber, horticulture, fisheries, livestock and poultry) are anchored in Liberia's long-term economic landscape through increased private-sector investments and an enabling business environment.

IFAD's strategy in Liberia

IFAD resumed its activities in Liberia in 2009, following a 20-year suspension in a situation brought on by the country's prolonged civil war. Its new country strategic opportunities programme (COSOP) for Liberia is under design, in partnership with the Ministries of Agriculture and Finance, and the Agriculture Donor Working Group. It will be fully aligned with the CAADP and with national policies such as the Liberia Agriculture Sector Investment Programme.

IFAD's operations in Liberia aim to empower poor rural people to sustainably improve their food security and livelihoods, primarily by increasing smallholder farmers' access to inputs and technical training, and rebuilding assets such as seeds and livestock.

The focus will also be on increasing smallholders' access to markets by:

- Improving the quality of production
- Building roads that link farms to local markets
- Constructing storage and processing facilities
- Providing marketing advisory services and facilitating linkages with exporters and well-established private companies through contract farming.

Liberia recorded its first Ebola case in March 2014; subsequently more than 10,670 people were infected and almost 4,000 died. IFAD provided a US\$3 million grant to support WFP operations in the rural areas of Liberia, Sierra Leone and Guinea that were affected. IFAD-supported programmes continued to assist smallholder farmers during the outbreak. For example, under the Smallholder Tree Crop Revitalization Support Project, all participating cooperatives were equipped with preventive kits (e.g. chlorine hand wash).

Ongoing operations

Smallholder Tree Crop Revitalization Support Project (2011-2016)

This project focuses on the most vulnerable rural households in Lofa County, such as those of poor smallholders who cultivate less than 2 hectares of land and rely on subsistence farming, and those headed by women, young people, and war-wounded and disabled people.

Two thirds of people over the age of 14 in the project area are self-employed in agriculture. Household income here comes from tree crop and food crop sales, farm labour, small-scale commerce and remittances; 80 per cent of households grow only cocoa.

The project aims to reduce post-conflict poverty and food insecurity, and improve rural livelihoods and living conditions by:

- Rehabilitating cocoa plantations to increase production and revenue
- Improving access to markets through road rehabilitation
- Reinforcing the extension services of the Ministry of Agriculture and private providers
- Strengthening the capacities of farmers' organizations.

The total cost of the project is US\$25 million, of which US\$16.9 million is funded by IFAD. The project is expected to directly benefit 15,000 households.

Agriculture Sector Rehabilitation Project (2009-2017)

This project concentrates on Grand Cape Mount, Bomi, Montserrado and Grand Bassa, where many small-scale rice and cassava farmers are located. Its aim is to restore capital lost by rural households during Liberia's civil war by rehabilitating agricultural infrastructure and rebuilding farmers' productive capacity. The project is expected to directly benefit 10,000 households through:

- Enhanced food security and food availability
- Better knowledge of improved agroeconomic practices
- Potentially higher income, notably for those who produce surplus crops or trade animals.

The total cost of the project is US\$26.9 million, financed mainly through an IFAD loan of US\$2.5 million and an IFAD grant of US\$5 million, in addition to US\$17.6 million cofinancing from the African Development Fund and US\$0.7 million from its Fragile States Facility.

Liberia is aiming to anchor its key agricultural value chains through **increased private-sector investment**

Better infrastructure is needed to help restore smallholders' productivity and reduce high post-harvest losses



In line with IFAD's priority of engaging in fragile situations, **two new projects** were also approved in December 2015:

- The Rural Community Finance Project, funded in part by an IFAD loan of US\$5.5 million and a grant of US\$0.5 million, will create sustainable access to rural financial services that will support development of the rural sector.
- The Tree Crops Extension Project, funded in part by an IFAD loan of US\$13 million and a grant from the Adaptation for Smallholder Agriculture Programme (ASAP) of US\$4.5 million, will consolidate the ongoing Smallholder Tree Crop Revitalization Support Project and contribute to the establishment of a viable and sustainable smallholder cocoa and coffee subsector in Liberia.

IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US\$17.7 billion in grants and low-interest loans to projects that have reached about 459 million people. IFAD is an international financial institution and a specialized United Nations agency based in Rome – the UN's food and agriculture hub.

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For further information on rural poverty in Liberia, visit the Rural Poverty Portal <http://www.ruralpovertyportal.org>.



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