



EUROPEAN UNION - LIBERIA

NATIONAL INDICATIVE PROGRAMME

FOR THE PERIOD 2014 - 2020

GENERAL CLAUSES

The European Union and the Government of the Republic of Liberia hereby agree as follows:

- (1) The European Commission and the Government of the Republic of Liberia, hereinafter referred to as the Parties, determined the general orientations for cooperation for the period 2014-2020.

These orientations which are included in the National Indicative Programme, concern the European Union Development Cooperation in favour of the Republic of Liberia and were drawn up in accordance with the provisions of Articles 2 and 4 of Annex IV to the ACP-EC Partnership Agreement, signed in Cotonou on 23 June 2000, revised and signed in Luxemburg on 25 June 2005 and revised and signed in Ouagadougou on 22 June 2010.

The National Indicative Programme is annexed to the present document.

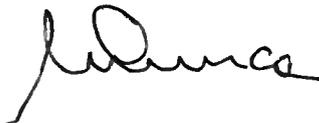
- (2) As regards the indicative programmable financial resources which the European Union envisages to make available to the Republic of Liberia for the period 2014-2020, an amount of € 279 million is foreseen for the allocation referred to in Article 3.2 (a) of Annex IV of the ACP-EC Partnership Agreement (A-allocation). A B-allocation referred to in Article 3.2 (b) can be established to cover unforeseen needs. This allocation is at EUR 0 until a need arises. These allocations are not entitlements and may be revised by the Commission, following the mid-term and end-of-term reviews, in accordance with Article 5.7 of annex IV of the ACP-EC Partnership Agreement.
- (3) The A-allocation is destined to cover macroeconomic support, sectoral policies, programmes and projects. The National Indicative Programme concerns the resources of the A-allocation. It also takes into consideration financing from which the Republic of Liberia benefits or could benefit under other European Union resources. It does not pre-empt financing decisions by the Commission.
- (4) The B-allocation is destined to cover unforeseen needs such as humanitarian, emergency and post emergency assistance, where such support cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate exogenous shocks. The B-allocation shall be established according to specific mechanisms and procedures and does therefore not constitute a part of the programming.
- (5) Pending the entry into force of the Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting with the Council on the financing of European Union Aid under the multiannual financial framework for the period 2014 to 2020, financing decisions for projects and programmes can be taken by the Commission at the request of the Government of the Republic of Liberia within the limits of the A- and B-allocations referred to in this document under the condition that sufficient financial resources are available in the transitional measures ("Bridging Facility") composed of uncommitted balances from the previous EDFs and from funds decommitted from projects or programmes under those EDFs. The respective projects and programmes shall be implemented according to the rules and procedures of the 10th

EDF until the entry into force of the 11th EDF implementing rules and financial regulation.

- (6) The European Investment Bank may contribute to the implementation of the present National Indicative Programme by operations financed from the Investment Facility and/or from its own resources, in accordance with Articles 2c and 3 of the 11th EDF multi-annual financial framework for the period 2014-2020.
- (7) In accordance with Article 5 of Annex IV to the ACP-EC Partnership Agreement, the National Indicative Programme as well as the A-and B-allocations can be revised following the mid-term review and the end-of-term review or ad hoc reviews.

Done at Brussels on 3 March 2015.

For the European Union



Neven MIMICA

Commissioner for International
Cooperation and Development

For the Government of
the Republic of Liberia



Amara KONNEH

Minister of Finance
National Authorising Officer

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LIST OF ABBREVIATIONS

ACP	Africa Caribbean and Pacific	ITU	International Telecommunication
ADWG	Agriculture Donor Working Group	Union	
AfDB	African Development Bank	JICA	Japan International Cooperation
AfricaRice	Africa Rice Centre	Agency	
AfT	Agenda for Transformation 2013-2017	KfW	Kreditanstalt für Wiederaufbau (German government-owned development bank)
AU	African Union	M&E	Monitoring and Evaluation
AU-IBAR	African Union Interafrican Bureau for Animal Resources	MCC	Millennium Challenge Corporation
CAADP	Comprehensive Africa Agriculture Development Program	MDGs	Millennium Development Goals
CF	Child Fund	MIS	Management Information System
CRS	Catholic Relief Services	MLME	Ministry of Lands, Mines and Energy
CSOs	Civil Society Organizations	MNDP	Multinational New Rice for Africa Dissemination Project
CWIQ	Core Welfare Indicator Questionnaire	MSME	Micro, Small and Medium Enterprises
DFID	Department for International Development	NEPAD	New Partnership for Africa
DHS	Demographic and Health Survey	NGOs	Non-Governmental Organizations
DOA	Department of Agriculture	NIP	National Indicative Programme
DOE	Department of Energy	PFM	Public Finance Management
ECHO	European Community Humanitarian Office	PRS	Power Reduction Strategy
ECOWAS	Economic Community of West African States	PWD	People with disabilities
EDF	European Development Fund	REED	Reducing Emissions from Deforestation and Forest Degradation, "REDD+" goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.
EIB	European Investment Bank	RIP	Regional Indicative Programme
EPA	Economic Partnership Agreement	RREA	Renewable Resources Extension Act
ER	Expected Results	SIDA	Swedish International Development Cooperation Agency
EMIS	Education Management Information System	SME	Small and Medium-sized Enterprises
ESDC	Education Sector Development Committee	SSR	Security Sector Reform
EU	European Union	TCF	Technical Cooperation Facility
FAO	Food and Agriculture Organization	TCP	Technical Cooperation Programme
FLEGT VPA	Voluntary Partnership Agreement on Wood Products	TRUST	Transparency, Risk-sharing, Use and strengthen country systems, Strengthen capacities, Timely and predictable aid
GDP	Gross Domestic Product	TVET	Technical and Vocational Education and Training
GoL	Government of Liberia	USAID	United States Agency for International Development
LASIP	Liberia Agriculture Sector Investment Program	UN	United Nations
LACEEP	Liberia Accelerated <i>Electricity</i> Expansion Project	UNCTAD	United Nations Conference on Trade and Development
LESR	Liberian Economic Stabilisation and Recovery	UNDP	United Nations Development Programme
HDI	Human Development Index	UNFPA	United Nations Population Fund
IFAD	International Fund for Agricultural Development	UNICEF	United Nations Children's Fund
IFMIS	Integrated Financial Management System	UNMIL	United Nations Mission in Liberia
IHS	Integrated Household Survey		

USc/kWh	United States cents/Kilo watt hour
USD	United States Dollar
WB	World Bank
WEF	World Economic Forum
WFP	World Food Program
WHO	World Health Organisation

SUMMARY

The objective of the EU's relationship with Liberia is to support the transition from a post conflict situation characterised by critical structural poverty and governance challenges towards a sustainable and inclusive development path.

Already before the Ebola crisis, the Government of Liberia (GOL) \$553 million 2013-2014 budget was insufficient to provide critical public services and make necessary public investments to stimulate economic growth. Liberia is highly dependent on foreign aid (37.3% of its gross national income (GNI) as aid (ODA) in 2012).

The present multiannual indicative programme is based on Government of Liberia's (GoL) second Poverty Reduction Strategy (PRS), the Agenda for Transformation 2013-2017 (AfT), and the New Deal for Engagement in Fragile States, to which Liberia has adhered to, notably concerning the alignment with Peace-building and State-building Goals (PSG) as well as the choice of focal sectors, indicators and TRUST principles. It establishes the basis for the recovery after the Ebola crisis. Actions can also include direct or indirect health targets in the sectors in the wider context of the donor coordination at country level.

The indicative allocation to Liberia will be EUR 279 million in programmable funds, subdivided as follows:

Focal Sector 1: Good Governance	EUR 107 million	38 %
Focal Sector 2: Energy	EUR 100 million	36 %
Focal sector 3: Education	EUR 32 million	11 %
Focal sector 4: Agriculture	EUR 30 million	10 %
Cross-cutting: Measures in favour of civil society	EUR 4 million	1,4 %
Support measures	EUR 6 million	2,1%
Total	EUR 279 million	100%

The **good governance sector** will support the overall improvement of the public sector management both in terms of finance management, including revenue generation, and fight against corruption. It will also address the ability to deliver services as well as focus on the consolidation of peace, democracy, the rule of law and security.

The **energy focal sector** aims the access to sustainable and affordable electricity for the general population and for productive activities.

The **education sector** will focus on improvement of quality, equity and accessibility of the basic education and of the Technical Vocational Education and Training (TVET), as defined by the AfT

as a key priority for economic growth and transformation and also, from a rights-based perspective, as part of the process of social inclusion and nation building.

The AfT stresses that **agriculture** is the largest source of employment and a source of food for its people. The EU support is focusing on increasing agricultural productivity and added value in a sustainable manner from an environmental, economic and social point of view. The access to domestic and international markets shall be improved and nutrition-sensitive production systems shall be developed.

NATIONAL INDICATIVE PROGRAMME

1. The overall lines for the EU response

1.1. Strategic objectives of the EU's relationship with the partner country

Liberia is one of the most fragile states in Western Africa which for years exported violence and conflicts. Since the end of the war, ten years ago, Liberia has made substantial progress in terms of setting up a functioning administration. Additional Public Finance Management reforms, a continued commitment to democracy, reconciliation, sustainable management of its vast natural resources and good economic prospects, could significantly change the situation in the next 10 to 20 years, particularly if the economic growth is translated in political, social, economic and environmental progress for all Liberians. Unfortunately, the contrary could also become true. Liberia's fragile stability could degrade if the economic and democratic reforms fail to build inclusive development. Liberia also faces a number of key challenges during the period including Presidential elections in 2017 and the gradual drawdown of the United Nations Missions in Liberia (UNMIL) recently confirmed be completed by end June 2016. In addition, the Ebola epidemic emerged early 2014 and developed by mid- 2014 into a multidimensional crisis affecting not only the health sector but also the entire economic and social fabric of the nation. The epidemic hit the capital significantly, generating for the first time ever an Ebola outbreak in a large urban environment with a population of some 2 million. It is clear that progress made in Liberia since the end of the civil war is in jeopardy. This Programme will contribute to the Ebola recovery process, and has been explicitly consulted and endorsed by the Liberian President during the crisis, covering key sectors to facilitate the post-Ebola reconstruction process. The measures to contain the Ebola epidemic in Liberia are being covered by the emergency response strategy to which the EU and Member States have widely contributed. However, the remedies for longer term implications of the epidemic must take into consideration the underlying fragility that allowed the epidemic to take hold and spread in Liberia.

The Ebola outbreak has notably exposed the fragility and structural challenges of the country to deliver services (social, basic infrastructure, security) to all the population throughout all the territory, some of which will likely be increased with the UNMIL drawdown and 2017 elections. The Government of Liberia is working on its strategic vision for early recovery, including the Liberia Economic Stabilisation and Recovery Plan. The NIP will respond to this including a number of actions under the agreed focal sectors, reflecting the medium and long term consequences of the epidemic on them. These actions can also include direct or indirect health targets in the State Building Contract, training of health staff in the Technical Vocational Training part, and focus on improved resilience by improving the agriculture production. This will however have to be agreed in the wider context of donor coordination at country level when the actual programmes are designed.

The Government of Liberia's (GoL) second Poverty Reduction Strategy (PRS), the Agenda for Transformation 2013-2017 (AfT), tackles the main challenges for economic and social development establishing two key objectives: (i) to create wealth and (ii) to increase inclusiveness for a more equal and just society. The priorities that the AfT identifies are the following: (1) peace, security and rule of law, (2) infrastructure and economic transformation, (3) human development and (4) governance and public institutions.

Before the Liberian conflict there were substantial European investments in mining, forestry, shipping, fisheries, construction, banking, agro-industry, and tourism. Now few EU companies are present in Liberia (fuel distribution, shipping and logistical services, mining, logging and rubber). As the country continues to develop and conditions for foreign investment improve, there could be increased investment interest in the near future. The conclusion of the West Africa-EU Economic Partnership Agreement (EPA), the implementation of the Voluntary Partnership Agreement on wood products (FLEGT VPA) and a potential Liberia-EU Sustainable Fisheries Partnership Agreement could further open new opportunities for Liberia's growth, trade, job creation, EU and other foreign investments and improved management of natural resources. Land governance also deserves further attention as international investments increase, building on and in the context of the FLEGT VPA process.

A prosperous, peaceful, sustainably reconciled, unified and economically stable Liberia is therefore in the interest of all Liberians, the region, the continent and the European Union. Helping Liberia to achieve this by supporting the Agenda for Transformation should be the prime objective of the EU and its Member States. This can be achieved through development cooperation accompanied by a thorough political and policy dialogue as well as trade and sectorial agreements focusing on poverty eradication and job creation, human rights, reconciliation and impunity, unification and state building, good governance, rule of law, sustainable management of natural resources, regional economic integration, regional security threats etc., which are key to Liberia's past, present and future. Climate change represents an additional challenge to development with the need for flexibility and responsiveness particularly in the agricultural sector in regard to adapting to climate change.

The EU and its Member States conducted a joint assessment of the Agenda for Transformation 2013-2017 (Aft), and committed to align all future assistance to it. The EU and Member States will further elaborate an EU (possibly also including Norway and Switzerland) joint response to the Aft and will start working on joint programming for the post Aft in 2017.

Furthermore, the New Deal for Engagement in Fragile States, which Liberia has adhered to, has been integrated in the programming notably concerning the alignment with Peace-building and State-building Goals (PSG) as well as the choice of focal sectors, indicators and TRUST principles.

Regarding possible joint programmes, the EU and Sweden will continue to work closely on governance issues, particularly on electoral support, decentralisation, Public Finance Management (PFM) reform and support to the justice sector. The EU will closely work with Norway, Germany and the European Investment Bank on energy issues. Concerning the education sector, the vocational training programme will be designed seeking complementary with on-going or future EU Member State programmes, for example in the construction and transport sector. Complementary support to issues such as sub-regional security, the EU - Gulf of Guinea Strategy, fight against illegal fishing and illegal logging or improved intra-regional trade may take place through the West Africa Indicative Programme and other Thematic Instruments.

1.2. Choice of sectors

The choice of four sectors of concentration is guided by the Government of Liberia's development priorities, as expressed in the Agenda for Transformation (2013-2017), which integrates the New Deal for Engagement in Fragile States.

The Government of Liberia is currently working on its strategic vision on early recovery. This includes the Liberian economic stabilisation and recovery plan of October 2014 (LESR), that provides a first assessment of the potential impact of the Ebola crisis on the Liberian Economy, on

the Government's fiscal position and on key economic sectors. The LESR plan provides guidance as to the required Government response and policy interventions, which includes support to education, enhancing the productivity of the Agriculture Sector, and promoting domestic infrastructure development in the energy sector. Re-establishing stability to the state and supporting the provision and of services throughout the territory and their resilience to external shocks is also an obvious priority in anticipation of the UNMIL drawdown in June 2016 and the Presidential elections of 2017. Furthermore, the Government plans to sequence the Agenda for Transformation's priorities to include the effects of the Ebola crisis on the different aspects of Liberia's development policies, within the remaining mandate of President Sirleaf's Administration.

Although the choice of focal sectors was planned and agreed with Liberia before the unexpected ebola epidemic, the above mentioned assessment, as well as the explicit and repeated confirmation of the choice of focal sectors by the President of Liberia during the crisis, provides with a solid basis to confirm the initial four focal sectors. The focal sectors selected can indeed be said to cover areas where special efforts have to be put in order to remedy the medium and long term consequences of the Ebola epidemic.

Efforts to promote a better division of labour among donors, current and anticipated capacity of the EU Delegation to Liberia, as well as preliminary conclusions from the draft Study – Political Economy Analysis of Liberia and the Liberia draft Fragility Assessment - have been also considered. The choice of sectors represents also a further step forward in accompanying and supporting Liberia in its transition from relief and rehabilitation to development both before and after the Ebola crisis.

Specifically in the health sector, seriously damaged by the Ebola epidemic, other development partners are also expected to contribute very significantly to the recovery of the sector in a post-Ebola scenario, while the EU will continue its engagement and vigilance in the sector, in spite of being a non-focal sector. Indeed, the EU and its Member States are significantly engaged in the support of the Liberian health systems during and after the Ebola outbreak. There are several on-going humanitarian aid and 10th EDF national and LRRD regional projects in support of the health sector. Additional EU support can be expected if/as necessary through the 11th EDF regional and thematic interventions, the B envelope and the mid-term review of the 11th EDF.

Cross cutting issues and possible synergies between sectors will be incorporated in all sectors and interventions. All interventions will comply with national environmental legislation and regulations. At identification and formulation phases, interventions will be screened against environmental impact and climate change risk using EU Guidelines and national procedures. The Agenda for Transformation includes Gender Equality and Women Empowerment as a key issue and will be included as a crosscutting issue in every priority sector with the UN Resolution on Women, Peace and Security also as a reference. The lessons learned and medium and long term impact of the Ebola epidemic on the four focal sectors will be built in every intervention.

Sector 1: Good Governance

Despite good progress during the implementation of the PRS-I, the vital functions and basic services delivery of the Liberian state remain weak. Many root causes of the conflict still remain unaddressed and pose a threat to the sustainability of peace. Security is stable, as demonstrated during the Ebola epidemic, but gains are fragile and largely dependent on UNMIL presence, which is now set to end in June 2016. The capacity of national security forces, particularly the police, to replace UNMIL after its drawdown is of serious concern. Governance, justice and public

institutions remain weak and inaccessible to large parts of the population. According to the AfT Liberia's experience with security and justice remains marred in some cases by arbitrary arrest and detention, harsh prison conditions, and prolonged pre-trial detention. These denials of due process continue alongside isolated reports of ritual killings, mob violence, and certain customary justice practices that violate human rights. There is limited progress in the reform of the civil service, the decentralisation process has been delayed and, although there has been good progress on PFM reform, much still needs to be achieved in the fight against corruption and in improving transparency and accountability, in particular in the management of natural resources. In this context the Voluntary Partnership Agreement (VPA) with the EU constitutes an important mechanism to ensure proper governance and promote legal timber exports that ensure employment and revenue generation.

Liberia's economy continues to grow and medium-term economic prospects are good but the country remains vulnerable to external shocks, as demonstrated by the Ebola epidemic. Extreme poverty is still a serious problem. The Government's AfT has identified these as priorities, notably under pillar (1) peace, security and rule of law, (2) Economic Transformation and (4) governance and public institutions.

Building on positive results achieved by institutional building programmes supported by the 9th and the 10th EDF, considering the Peace and State building goals from the New Deal and lessons learned during the Ebola crisis on the fragility of state institutions, it is proposed to support transparent, accountable, responsive and resilient public institutions, at national and local level, in order to efficiently contribute to Liberian efforts towards economic and social development, inclusive and participatory governance systems, strengthened rule of law, protection of human rights, security, justice, economic governance and progress in the democratic process in view of the Presidential elections in 2017. The supporting measures may include initiatives to enhance statistical capacity building. Such measures, including necessary reforms, are required both by human rights perspective and to ensure sustainable economic growth.

The lessons learned and medium and long term impact of the Ebola epidemic will also be built in every intervention and in the expected political and policy dialogue that will underpin the expected interventions in this focal sector on critical issues such as public finance management, public service delivery and decentralization, civil service reform, elections, justice security, human rights, corruption and institutional building.

The successful implementation of these reforms will depend on enhanced participation across the society and especially from marginalized groups such as women, children and youth; and the creation of mechanisms for Liberians to demand accountability and change. True reconciliation across society remains also one of the greatest threats to Liberia's long-term peace and stability. Specific support to the truth and reconciliation process may be considered, subject to the existence of the necessary political will, and may in that case be supported through thematic, regional programmes and/or support to CSOs.

Sector 2: Energy

Most of Liberia's infrastructure was destroyed or fell into disrepair during the years of conflict. Before its civil war (1989–2003), Liberia had a total installed capacity of 182 MW, 98% of which was located around Monrovia. The electricity sector had around 35,000 customers at that time. The hydropower plant at Mount Coffee supplied 64 MW during the wet season and about 10 MW during the dry season. Outside Monrovia there were ten small isolated power systems supplying rural areas. By the end of the civil war, the power sector infrastructure, including the Mount Coffee hydropower plant, had been largely destroyed. The entire infrastructure for distribution of electricity

was also destroyed. The Liberia Electricity Corporation (LEC), the national electricity utility, ceased operations at that time and has only restarted its activities in 2010. A small grid has since been rebuilt in Monrovia, with EU support, and is supplied with electricity produced by diesel generators. Installed generation capacity has steadily increased to 22.6 MW of which about 16 MW are effectively available.

For the time being Liberia does not have the capacity to supply electricity to most of the economic operators, which is essential to reach the goal of middle-income status. Inadequate electricity remains a crippling constraint for private sector and particularly for industrial development. The high cost of energy to the consumer (53.5 US¢/kWh) is recognized as the most critical problem of the sector. The AfT states that investment in energy, to unlock the urban economy, has the greatest return on investment and should be prioritized. The estimated cost of the GoL investments plan totals more than USD \$500 million.

The overall objective of the GoL is to increase access to renewable energy services and provision of affordable power supply for community, service delivery and economic transformation. The Ebola outbreak has, amongst other problems, dramatically exposed the lack of a core functioning infrastructure hampering the capacity of the country to respond to the epidemic. The strategic objectives are to supply affordable power from the grid to MSMEs, industries and households in urban areas, while supporting alternative modes of generation that can extend electricity to off-grid areas using small-scale thermal-, solar- and hydro-technologies. Particular attention will be placed to secure access to health facilities (in line with some successful pilot projects financed through the EC's Energy Facility) in order to ensure one of the key minimum requirements for service delivery in the Health sector (following the guiding principle to "Build Back Better" after the EVD impact).

It is also foreseen to secure agreement from mining companies to invest in (or support) power generation and transmission from which other users can also buy power. The energy sector will also look to increase its environmental sustainability, including reduced use of charcoal and wood for fuel.

The Ministry of Lands, Mines and Energy (MLME) has developed a transmission and distribution-driven Plan, called the Energy Access Plan (2013 – 2030). The Plan is expected to cover the expansion of electricity to all Counties in the country. Specifically, the objectives of the plan are, by the year 2030, i) to extend electricity to at least 70% of residents in Monrovia; ii) to extend electricity supply to at least 35% of the population outside Monrovia.

Women's access to energy resources and women participation in the decision making instances at all levels will be integrated in the support programmes as appropriate;

In terms of production, and as confirmed by several studies, the country presents a high level of potential hydroelectric production, with six major rivers which drain the country in a north-south pattern. All of these rivers, with abundant quantities of precipitation, present high discharges during the wet season, but low available runoffs in dry season.

Sector 3: Education

The AfT defines improved access to quality education as a key priority for economic growth and transformation and also, from a rights-based perspective, as part of the process of social inclusion and nation building. The Ebola outbreak has painfully confirmed the extreme urgency to achieve results in this key sector. Together with the weaknesses in the health system, the striking and persistent illiteracy rate have contributed to the scant response and the slow pace of the awareness raising campaigns put in place by the Government to stem the contagion. To rebuild a health system able to be resilient to a potential resurgence of the disease, a rapid shift in the education policy and sector performance is urgently needed.

The 2009 Education Sector Plan calls for a free and compulsory nine-year basic education, comprising six years of primary and three years of junior secondary education. In addition, the Education Reform Act of 2011 and the draft Technical and Vocational Education and Training (TVET) Policy of 2011 provide a framework that includes pre-primary/early childhood education as well as post-basic education and skills development.

Due to the war almost a whole generation missed the opportunity of having some form of formal education. Only 19 per cent of people older than 15 years old have attained some level of primary education, while 15 per cent has attained some level of secondary education. According to the 2013 Annual School Census, there is a persistent gender disparity in primary education: 147,107 students (representing 54.6% of the total student in primary education) are males and 122,358 students (45.4%) are females.

Although there has been considerable progress since the end of the war, the education system continues to be broken in critical areas and is far from fully functioning.

During the implementation of the first PRS the GoL, with support from the development partners, addressed the main challenges of rebuilding the primary education subsector, but with mixed results. A continued support to the education system, with special focus on the founding block constituted by the primary education, is required in order to consolidate and make sustainable the progress achieved so far.

Youth employment is a priority for the GoL and key for conflict prevention. Liberia's population growth is 4 per cent per annum. 75% of the population is under 35 years and most of them are unemployed or underemployed. According to the 2010 Liberia Labour Force Survey, 68 per cent of employed Liberians work in the informal sector without regular wages and benefits. More than half of those employed are uneducated, which leads to low productivity and low wages. Overall, Liberia faces the dual challenge of improving the quality and productivity of work for those with vulnerable employment and of creating work for young people who will enter the labour force in the coming years. Women have overall almost an equal share of employment but they are very under-represented in terms of paid employment as only 24 percent of paid jobs are held by women.

The poor quality of current TVET and Skills Development education does not meet the demands from the labour market and graduates have little chance of finding employment. The GoL intends to trial innovative programmes closely linked to labour market needs, which can then be mainstreamed as the secondary level expands.

It is proposed to support the AfT strategic objectives of improving quality, relevance, and accessibility of basic education and vocational/technical education programs, thereby increasing employment options for the youth. Girl's access to school, women's access to professional training, illiteracy imbalances and girl's security in schools will be incorporated in the interventions. In the aftermath of the Ebola outbreak the decision to have Education as a focal sector in the 11th EDF provides the opportunity to help fine tune the sector policy streamlining elements of Infection Prevention and Control and Post Traumatic Stress Disease support into the curriculum for basic education. The economic transformation determined by the impact of the epidemic will as well be taken into consideration when planning the support to TVET projects.

Sector 4: Agriculture

The agriculture sector is enshrined on the AfT, Pillar II – Economic Transformation. The AfT stresses that agriculture is the largest source of employment and a source of food for its people. Moreover, agriculture is central to Liberia's vision of economic transformation and wealth creation that leads to poverty reduction. The Ebola epidemic has further exposed the need to improve the food security of the country and its resilience to external shocks. The agriculture sector grew around 6 percent annually in 2008–09 but less than 4 percent annually in 2010–11, not as rapidly as

expected or as in the initial post-2003 years. It is to be reminded that approximately half of the population is either food insecure or highly vulnerable to food shortages: this is due in part to low agricultural productivity that in turn is caused by structural impediments, inadequate policies, utilization of archaic agriculture techniques and diminished productive capacities such as assets and skilled personnel. Specific constraints include weak land management and water control systems, lack of soil analysis, poor nutrition practices and restricted market access due to poor food value chains. In addition, the small operations generally have lower efficiency and quality of tree care. Fisheries and animal husbandry are also lagging behind. In this vulnerable context chronic malnutrition remains a key challenge in the country, also due to still diffused poor nutrition practices for infants and young children. Gender equality such as percentage of women agricultural workers, access to land and agricultural decision making instances will be assessed and incorporated in all interventions.

Consequently, there is a need to build various sustainable agriculture products value chains, improve policies for effective promotion of agriculture production, access to information on demand and supply of agriculture products and improve the knowledge on sustainable agriculture practices. These objectives shall be pursued through modalities aimed at structurally addressing a number of food insecurity issues at family/individual level in terms of availability, access and utilization of food. At the same time, the development of a sustainable agricultural production should be functional, altogether with actions to support the enhancement of medium- and long-term nutritional security, taking into account of needs in regard to adapting to climate change.

To inform the future growth and development of the agriculture sector, the GoL adopted the Cooperative Development Act 2010 and an accompanying Liberia Cooperative Development Regulations of 2010. These documents have provided the enabling institutional and legal environment for the development of autonomous, viable and demand driven cooperative organisations in order to promote a robust, competitive and modernized agriculture sector supportive of sustainable economic growth and development.

In line with these efforts, it is foreseen to support the AfT process to increase agricultural productivity, value-added, especially for small-holders, to increase integration of small-holder agriculture with domestic and international markets. Moreover, the support is also in line with the Comprehensive Africa Agriculture Development Program (CAADP) post-Compact investment plan, and the Liberia Agriculture Sector Investment Program (LASIP) objectives on smallholders with a focus on food crops, productivity enhancement, value chains development, and capacity strengthening. The Liberian economic stabilisation and recovery plan (LESR), of October 2014, has already confirmed the importance of enhancing the productivity of the Agriculture Sector as priority for the post-Ebola recovery period.

This is in line with the EU's Agenda for Change, which calls for “concentrating investment in sustainable agriculture and energy” as “sectors that have a strong multiplier impact on developing countries’ economies and contribute to environmental protection, climate change prevention and adaptation”. The EU can therefore leverage its expertise in supporting sustainable practices, giving priority to locally-developed practices, smallholder agriculture and rural livelihoods, in value-chain analysis and private sector participation, and nutrition and food security promotion.

2. Financial overview

11th EDF 2014-2020: EUR 279 million (indicative amounts)

A – Allocation	
<i>Good Governance</i>	EUR 107 million (38% of NIP)
<i>Energy</i>	EUR 100 million (36% of NIP)
<i>Education</i>	EUR 32 million (11% of NIP)
<i>Agriculture</i>	EUR 30 million (10% of NIP)
<i>Measures in favour of civil society</i>	EUR 4 million (1.4% of NIP)
<i>Support measures</i>	EUR 6 million (2.1% of NIP)
<i>Total</i>	EUR 279 million
B – Allocation	0

3. EU support per sector

All objectives are aligned with the Agenda for Transformation as indicated below.

3.1 Good Governance (indicative amount EUR 107 million)

3.1.1 The following overall and specific objectives will be pursued:

Overall Objective

To contribute to Liberia's Agenda for Transformation objectives of wealth creation and increased inclusiveness for a more equal and just society.

Specific Objectives

New Deal PSG	AFT	Specific Objective
Aft Pillar I : Peace, Security & Rule of Law		
PSG II: Security	Security	Maintain a secure and safe environment to enable sustainable socio-economic growth and development during and after the process of UNMIL drawdown.
PSG III: Justice	Justice & Rule of Law	Public confidence in the justice system and fair rule of law will be increased by strengthening effectiveness, integrity and accountability and reducing incidences of misconduct, corruption and unprofessionalism. Particular attention is paid to human rights violations, especially of women and children. The government will increase equitable access to justice, particularly for remote or marginalized populations.

AfT Pillar II : Economic Transformation		
PSG IV: Economic foundations PSG V: Revenues and services	Forestry – Development and Protection	Minimize illegal harvesting of forest resources and assimilate and strengthen the informal forestry sector
AfT Pillar IV : Governance & Public Sector Modernization		
PSG I: Legitimate politics	Political Governance	Ensure equitable, peaceful, transparent and inclusive democratic institutions and enhanced political governance at all levels, fostering women's rights and participation at all stages.
PSG IV: Economic foundations PSG V: Revenues and services	Economic Governance	Strengthen public institutions to ensure revenues and government assets, including from natural resources, are well managed, free from corruption and monitored and increase transparency and accountability of public and private institutions.

EU assistance will allow the GoL to support the institutional capacity, professionalism and accountability of security institutions; the progress on PFM and anti-corruption reforms among revenue-generating institutions; the strengthening of domestic revenue mobilization, including from natural resources, and administration and the improvement of the PFM oversight, at the national and county levels and by civil society.

The EU support will also support the GoL's reform processes on strengthening the rule of law, including equitable access to justice. It will help protect the human rights and dignity of all through a strengthened, credible and independent Judiciary delivering transparent justice. The EU will continue supporting the democratisation process, with a particular focus on the legislature and the electoral institutions. Through these interventions the EU will also contribute to the fight against corruption and impunity and the on-going reconciliation process. All these will in turn contribute to the achievement of the objective of poverty reduction and enhanced social development.

Aid modalities to be explored include budget support combined with programmes/projects when specific technical assistance or other institutional support is required (e.g. elections, budgetary oversight).

3.1.2 For each of the specific objectives the main expected results are:

	Expected results
Security	a) Improved security of the population through strengthened capacity, professionalism and accountability of the police;
Justice & Rule of Law	b) Improved delivery of justice (including access to justice, also for vulnerable groups) through reinforced independence, competence, efficiency, integrity and transparency of the justice institutions
Political Governance	c) Credible electoral cycles and improved democratic performance
Economic Transformation	d) Improved forestry governance contributes to promote the sustainable and transparent management of natural resources
Economic Governance	e) Strengthened public institutions to ensure revenues and government assets are well managed. Improved revenue management including from natural resources. Increased transparency and accountability of public and private institutions

3.1.3. Donor coordination and policy dialogue are:

Donor coordination and policy dialogue on budget support have been strengthened in 2013: quarterly meetings of the Budget Support Working Group (BSWG) chaired by the Minister of Finance were agreed and began to take place, a GoL focal point / Secretariat for the BSWG was instituted, a Technical Working Group to prepare the high-level meetings was established and met 4 times, a joint assessment is planned, Terms of Reference for the Group, a Memorandum of Understanding, a Common Assessment Framework are being finalized.

The work of and dialogue conducted at the BSWG also rely on and are complementary to the sector working groups under the Liberia Development Alliance, which is the M&E framework established under the Agenda for Transformation. The EU co-chairs the Pillar IV Working Group on Governance and Public Sector Modernization. Donor working groups exist in most result areas. The EU will actively promote donor cooperation in order to improve the efficiency of aid.

The VPA Joint Implementation Committee provides a platform for sector policy dialogue. Furthermore the EU has led the creation of the Forestry Sector Working Group (FSWG) that has been meeting in a monthly basis to discuss sector programs and projects and discuss governance issues. Close coordination with Norway, that just signed a letter of intent with GoL with a significant pledge of finance to support REDD+ in Liberia, is of particular importance.

3.1.4 The Government's financial and policy commitments are:

On the basis of the 2009 Public Finance Management Act the Government of Liberia has adopted a PFM Reform Strategy and Action Plan in 2009, a mid-term review was finalized in 2014. Also the implementation of the Medium Term Expenditure Framework was reviewed in 2013. These exercises injected some realism about the speed of reforms in a fragile and low-capacity environment. Having revised the timelines the Government retained the priorities of strengthening the budget process and gradual fiscal deconcentration and decentralization in the medium to long term. Recognizing that progress in PFM reform is the basis for increased use of country systems by donors the Government has ensured that the sector is well funded of the AfT period, supported by a substantial multi-donor trust fund managed by the World Bank (funding from AfDB, EU, SIDA, USAID) as well as strategic and technical advice from IMF, ODI Budget Strengthening Initiative, African Governance Initiative and DFID.

The Government of Liberia shall commit itself to the process of drafting and adopting a comprehensive Security Sector Reform (SSR) national security strategy and policy reform plan. The Government of Liberia shall engage to encourage efforts to improve the legal framework, the administration of justice, including capacity building in policing, forensic investigation and prosecution.

Since social protection and inclusion play an important role in peace and social cohesion, the GoL shall commits itself i) to make available funding (EUR 0.5 million) to build the institutional capacity of the Ministry of Gender & Development (MoGD) in order to improve its ability to mainstream gender and children issues; and ii) to earmarked funding (EUR 2-3 million) in the Medium Term Expenditure Framework, over the 2014-2017 period, to support MoPEA in building capacity and leadership, at national and local level, for the design and the setting-up of a social protection system that tackles extreme poverty and vulnerability, whilst contributing to economic growth, peace and security.

The Government is committed to the implementation of the Voluntary Partnership Agreement with the EU as confirmed by its ratification and entry force in December 2013.

The Government's financial commitment is determined by the available domestic revenues and access to grants and loans. The Agenda for Transformation was costed at USD 3.2 billion out of which the good governance pillar accounts for USD 91 million for the period 2012-2017.

3.1.5 The overall risk assessment of the sector intervention:

Providing budget support to a fragile country implies high fiduciary and reputational risks, due to the limited capacity, insufficient structures, persistence of unaccountable economic and natural resources governance systems and political constraints to implement difficult decisions. However, the risk of non-intervention is also high, as the country may not be prepared for the end of the 'grace period' provided by the presence of a large peace keeping force (UNMIL), if structural reforms and capacity development are neglected at the expense of quick fix approaches. Further, the assistance that Liberia receives from the international community is to a great extent off budget, and that risks to undermine the Government's limited capacity to plan and manage the implementation of their development strategy, as well as to sideline the domestic accountability circle. Budget support aims at strengthening country systems, in particular in terms of domestic accountability and management of public funds. Budget support allows the Government to start addressing some of the underlying state fragility problems and stabilizing vital state-building functions and the delivery of social services.

Mitigation measures to reduce risks will be developed in detail in project and budget support programs. They will include strong policy dialogue, support to the implementation of Public Finance Management (PFM) reforms and the Government's monitoring capacities, inclusion of indicators linked to partial disbursements to use as incentives for reforms, institutional support of oversight bodies and CSOs in their oversight role of the budgetary process and the sectors of focus, including e.g. accountability of the security and justice sectors, human rights, gender issues, illegal forestry.

3.2 Energy (indicative amount: EUR 100 million)

3.2.1 The following overall and specific objectives will be pursued:

Overall Objective:

PSG IV: Economic foundations	<u>AFT Pillar II</u> Economic Transformation	To increase access to renewable energy services and affordable power for communities and economic transformation.
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Specific Objectives:

- Increase substantially the access to sustainable and affordable electricity for the general population and for productive activities, including for women.
- Improve energy policy with the involvement of the government, private sector, CSOs and donors.

3.2.2. For each of the specific objectives the main expected results are:

Specific objective	Expected results
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<p>➤ Increase substantially the access to sustainable and affordable electricity for the general population and productive activities, including for women.</p>	<ul style="list-style-type: none"> • Households and enterprises served by the energy grid have increased access to electric power • Electricity price (prevailing tariff) reduced
<p>Improve energy policy with the involvement of the government, private sector, CSOs and donors.</p>	<ul style="list-style-type: none"> • Technical and managerial capacities at the Department of Energy (DOE) strengthened • Improved investment framework in the energy sector

The purpose of the EU intervention is in line with the GoL's overall objective which is to increase access to energy services and to reduce the cost of electricity. The energy sector should focus on supporting the best way possible to reduce the average electricity selling price and increase the number of connected customers in on-grid areas as well as to catalyze the provision of access to the population in off-grid rural areas. Hydropower at a large or small scale provides for a renewable and relatively cheap source of energy given the abundance of watercourses in Liberia, also minimizing negative impacts on the environment in comparison with other forms of power production. The rehabilitation of the Mt. Coffee hydropower plant commenced at the end of 2012 has a crucial role in the electrification of Monrovia and the surrounding areas. To maximize its impact the project needs to be compounded with the consolidation and the expansion of the grid in the urban and peri-urban areas where a big swathe of Liberian population live.

But in order to grant access to energy to the Liberian population in the rural areas too other renewable and diversified sources able to feed private dwellings and public buildings through local grids need to be developed and exploited within a comprehensive rural electrification master plan that foresees the expansion and strengthening of a private sector able to multiply the impact of the donors contributions.

An indicative amount of EUR 100 million will be allocated to this sector, facilitating the blending of grants and loans and private sector capital finance, but also for complementary capacity building activities to the relevant institutions.

3.2.3 Donor coordination and policy dialogue are:

The Energy Donor Coordination is the responsibility of the Ministry of Lands Mines and Energy (MLME) but only three coordination meetings were held in the past two years. An Energy Donors Dialogue has been instituted as a joint initiative by Norway and the EU and the EU Delegation is chairing it. Meetings are held quarterly. The Energy Donors agree to share the same priorities but no Energy Master Plan, action plan, development plan exists yet.

The main donors in the sector are Norway followed by KfW. The EU has been very active in the Energy sector under the 9th EDF (48% of the assets of the Liberia Electricity Corporation – LEC have been funded by the EU) and is presently active through the Energy Facility pre-feasibility studies. JICA, USAID are also present and US Power Africa and MCC are exploring possible interventions. On the loan-donors i.e. Banks side, there is strong competition for the few good projects and the limited amount of debt (3%) the country has decided to incur. The EIB, World Bank, African Development Bank have loans running or under preparation, and have also provided grants for technical studies. China and India have made proposals of energy investments in support of their mining concessions with limited contributions to wider access to energy so far.

The CLSG transmission line funded by both WAPP and AITF will be an important project that needs to be taken into account as it will allow import and export of electricity as well as electrification of adjacent rural areas.

3.2.4. The Government's financial and policy commitments are:

The overall costing of the energy sector under the Agenda for Transformation is USD 515 million and the sector is the first priority in terms of fund raising from the banking sector. The GoL commits to make available sufficient funding to complete EU funding for selected projects and to cover the costs of the Resettlement Action Plans of the investment project(s), including grants and loans from the international community. The GoL commits to complete the implementation of both the Mt. Coffee hydropower plant rehabilitation/upgrading works, the Monrovia consolidation project (inclusive of the Three-Corridor Transmission & Distribution network) and to proceed with the energy sector reform.

3.2.5. The overall risk assessment of the sector intervention:

The risk for the interventions is considered medium. There are a reduced number of cost-effective energy interventions during the period, in a sector with several potential partners and possible time constraints. In order to mitigate risks all possible interventions will be carefully identified and selected and coordinated with other partners. A specific overarching issue is related to the capacity of the monopolist public company Liberian Electric Corporation (LEC) to manage efficiently and in economically sustainable way the conspicuous increase in capital assets different projects will provide. But development partners are already paying a specific attention to LEC management and status and additional measures will be foreseen within the EU funded support if deemed appropriate. Implementation capacity constraints will be carefully mitigated through capacity assessment and choice of implementation modalities.

3.3 Education (indicative amount: EUR 32 million)

3.3.1. The following overall and specific objectives will be pursued:

Overall objective:

<p>PSG IV: Economic foundations PSG V: Revenues and Services</p>	<p><u>AfT Pillar III</u> Human Development</p>	<p>To ensure equal access to a high-quality free and compulsory basic education and to a variety of TVET and Skill Development opportunities that lead to an improved livelihood.</p>
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Specific Objectives:

- Improve quality, equity and accessibility of basic education
- Improve quality, equity and accessibility of Technical Vocational Education and Training (TVET).

3.3.2 For each of the specific objectives the main expected results are:

Specific Objective	Expected results
<ul style="list-style-type: none"> ➤ Improve quality, equity and accessibility of basic education 	<ul style="list-style-type: none"> • Improved quality of basic education including good school management • Increased equitable access to basic education

	including targeted population (girls, rural population, disabled people)
➤ Improve quality, equity and accessibility of TVET	<ul style="list-style-type: none"> • Improved quality of TVET including good school management • Increased equitable access to TVET including targeted population (girls, rural population, disabled people)

3.3.3 Donor coordination and policy dialogue are:

The Education Sector Development Committee (ESDC) is the mechanism for sector coordination and policy dialogue in Liberia. A Memorandum of Understanding for the education sector is in preparation. Joint Education Sector Reviews are implemented annually. These existing mechanisms of coordination and policy dialogue need to be improved.

The establishment, via legislation of the National TVET Council will assist in bringing about a well-functioning organizational set-up for policy dialogue forum. The proposed Council will be led by the Ministries of Education and involve Youth and Sports, private sector, and the Industrial Council to promote a national agenda for TVET that is consistent with the AFT. This forum, among other activities will help pave the way for assigning and defining the role of the lead donor and increased donor harmonization in keeping with the Paris Accord. The landscape of donor activity in TVET is not well known and will require further mapping.

3.3.4 The Government's financial and policy commitments are:

In the current budget the GoL has increased the funding level to TVET by over 100%; compared to previous years. The GoL is committed to providing counterpart matching funds up to \$3,000,000 USD per year for the next three years. This renewed level of funding is consistent with GoL commitment and stated policy priority of youth employment.

3.3.5 The overall risk assessment of the sector intervention:

Risk	Level of Risk	Mitigation measures
Lack of implementation capacities of the beneficiaries	High	<p>Assessment of institutional capacities and elaboration of a capacity building plans</p> <p>Technical Assistant to support the implementation and to build institutional capacities</p>
Lack of coordination of the intervention	Moderate	<p>Reactivation of the National Council of TVET</p> <p>Technical assistant to contribute to the strengthening of the existing sector coordination mechanisms</p> <p>Donor coordination, division of labour</p>

3.4 Agriculture (indicative amount: EUR 30 million)

3.3.1. The following overall and specific objectives will be pursued:

Overall objective:

<p>PSG IV: Economic foundations</p>	<p><u>AfT Pillar II</u> Economic Transformation</p>	<p>To promote a robust, competitive, sustainable and modernized agriculture sector supportive of sustainable economic growth and development</p>
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Specific Objectives:

- Increase agricultural productivity and added value in a sustainable manner from an environmental, economic and social point of view Improved access to domestic and international markets
- Develop nutrition-sensitive productions systems

3.3.2 For each of the specific objectives the main expected results are:

Specific Objective	Expected results
<p>Increase agricultural productivity and added value in a sustainable manner from an environmental, economic and social point of view</p>	<ul style="list-style-type: none"> ➤ Increased access, included women, to: <ul style="list-style-type: none"> ○ Agricultural extension services ○ Financial services Inputs, tools and technologies supply • Increased sustainable production of agricultural products
<ul style="list-style-type: none"> ➤ Develop nutrition-sensitive productions systems 	<ul style="list-style-type: none"> • Improved perennial national mechanisms for monitoring malnutrition
<ul style="list-style-type: none"> ➤ Improved access to domestic and international markets 	<ul style="list-style-type: none"> • Increased domestic sales and exports of agricultural products

The purpose of the EU intervention, in line with the GoL's overall objective, is to promote a robust, competitive and modernized agriculture sector supportive of sustainable economic growth and development.

The agriculture sector should focus on the best way possible to increase agriculture production, food availability and access for the most vulnerable individuals/households improved access to markets, develop improved more nutrition-sensitive productions systems. An agriculture development programme focused on increasing agriculture productivity and/or added value of one or several basic products amongst those indicated by the Government (e.g. rice, livestock, horticulture, cassava, fisheries) and improving the food security and nutrition situation of the Liberian population would play an important role to achieve the purpose. Additionally, private sector oriented development could aim to improving. i.a. access to credit, agriculture services and markets.

3.3.3 Donor coordination and policy dialogue are:

In 2011, Liberia prepared a Comprehensive Africa Agriculture Development Program (CAADP) post-Compact investment plan, and subsequently obtained a CAADP technical review report. The Liberia Agriculture Sector Investment Program (LASIP) presents the strategic choices that Liberia has made for agricultural growth and development from 2011-2015 in an environmentally friendly and sustainable manner. It is within this pro-poor, conflict-sensitive context that the LASIP is concentrating its actions and efforts on smallholders with a focus on food crops (rice, cassava, and vegetables) productivity enhancement, value chains development (including market access), and capacity strengthening.

In order to provide an efficient monitoring of the LASIP implementation, an Agriculture Donor Working Group (ADWG) was created in 2011. The ADWG meets on a monthly basis providing the necessary policy dialogue and monitoring of LASIP.

3.3.4 The Government's financial and policy commitments are:

Even though the GoL's commitment stands below the Maputo Declaration commitments, agriculture has been selected as a priority sector in the Agenda for Transformation costed at USD 144 million, with increased budgetary funding over the last years expected to continue. The Government is further committed to the enactment of laws and the formulation policies in support of agricultural development and creating an enabling environment for increased private sector participation.

3.3.5 The overall risk assessment of the sector intervention:

Risk	Level of Risk	Mitigation measures
Lack of implementation capacities of the beneficiaries	High	Assessment of institutional capacities and elaboration of capacity building plans Choice of implementing modalities (e.g. technical assistance to support the implementation and to build institutional capacities)
Lack of coordination of the intervention with other donors in the sector	Moderate	Sustain/improve Agriculture Coordination groups, division of labour Technical assistance to contribute to the strengthening of the existing sector coordination mechanisms Align to national strategies and monitoring mechanisms
Climate change and natural disasters can	Moderate	Measures to analyze risks and respond appropriately at national and local level

potentially undermine development gains		may be required
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4. Measures in favour of civil society

An indicative amount of maximum EUR 4 million is set aside for support to Civil Society Organizations (CSOs) in complement to on-going support under 10th EDF and thematic Programs. Support to CSOs is eligible for funding as defined in Article 6 of the Cotonou Agreement and Article 4 (1) (d) of Annex IV to the revised agreement. The specific objective is to foster good governance through the independent use of CSOs in the focal sectors. Support to women's organizations will be prioritised as appropriate. The main activities will be to strengthen CSOs capacities and means to adequately monitor the implementation of the AfT in the NIP focal sectors and the indicators linked to a possible State Building Contract. In supporting Civil Society Organizations, the EC may make use of article 15 (4) which allow it to be the Contracting Authority.

5. B-allocation

A B-allocation is included in the MIP for unforeseen needs. This allocation is at EUR 0 until a need arises. In case of necessity, a Financing Decision to meet an unforeseen or urgent need can always be taken notwithstanding the status of the indicative B-allocation mentioned in the NIP.

6. Support measures

6.1. Measures to support or accompany the programming, preparation or implementation of actions

A support facility (i.e. the Technical Cooperation Facility - TCF) which aims to support or accompany the programming, preparation or implementation of actions, is foreseen in the programming through a specific allocation of EUR 2.5 million.

6.2. Support to the National Authorising Officer

An indicative amount of EUR 3.5 million is foreseen for support to the National Authorising Officer.

Attachments

1. Country at a Glance (i.e. macro-economic indicators and indicators derived from the MDGs)
2. Donor matrix showing the indicative allocations per sector
3. Sector intervention framework and performance indicators
4. Indicative timetable for commitment of funds

Attachment 1

LIBERIA AT GLANCE
Key MDG and development indicators

Key indicators	1990	2000	2007	2008	2009	2010	2011	2012	2015 Goals
1. % population below 82.8L\$ per day (appr.1 US\$) ¹			63.8			56.3			31.9
2. Prevalence of underweight children			19.2						9.6
3. Under 5 child mortality	227	169	110	119	114	103			36.66
4. % HIV prevalence in population aged 15-49			1.1						1.1
5. % births attended by skilled health personnel			46.3			22	44	68	80% (2021)
6. % 1 year old children immunised against measles			52.6			64			100%
7. Net enrolment ratio in primary education			0.33		0.42		0.44		100%
8. Ratio girls/boys									1:1
- in primary education			0.884	0.92	0.87		0.884		
- in secondary education			0.751	0.734	0.751		0.781		
- in tertiary education					0.524		0.588		
9. Primary school completion rate (gross)					83				
Primary school completion rate (net)					3.4				
10. % population with sustainable access to improved water source			66.1		76.5		73.9		83.05
11. Fixed lines and mobile telephone per 1000 inhabitants ²						390			
12. Formal cost required for business start up ³ (% of income per capita)							68.4	52.7	
13. Time required for business start up							6	6	
14. Real GDP per capita (in PPP, in USD)						330			
15. Access of rural population to an all season road ⁴			47.0			45.1			
16. Household electrification rate ⁵			0.6			2.8			
17. Unemployment (in % of labour force, ILO def.)			26.9			37.2			
18. Employment in agriculture (in % of total employment)			50.2			47.3			

¹ This indicator may be replaced by an equivalent indicator based on national poverty thresholds, in which case a comment will be required to permit consistent interpretation of data over time.

² Data on telephone lines and cellular subscribers can probably be collected from the national agencies, but are consolidated by the International Telecommunication Union (ITU).

³ Indicators 12-13 are considered as key variables of the WB Doing Business Report (www.doingbusiness.org).

⁴ Data collected through (a) household surveys that include information about access to transport; or (b) mapping data to determine how many people live within the specified catchments of the road network. The WB may have some information as well, notably on the IDA countries.

⁵ Data collected through national household surveys and Core Welfare Indicators Questionnaire (CWIQ) surveys. The WB may also have some information for a number of countries.

Key macro-economic indicators

		2007	2008	2009	2010	2011 ⁶	2012 ⁷	2013 ⁸
Basic data								
1	Population (in 1000)	3800	3500	3700	3800	3900	4000	4100
	- annual change in %							
2a	Nominal GDP (in millions USD)			1,155	1,292	1,545	1,735	1,984
2b	Nominal non-mining per capita GDP (USD)				341.2	384.3	389.0	429.8
2c	- annual change in %			4.6	5.5	6.9	9.5	
3	Real GDP (annual change in %)	9.50	7.10	5.3	6.1	8.2	8.3	8.1
4	Gross fixed capital formation (in % of GDP)			16.6	24.7	24.3	20.8	23.2
Balance of payments								
5	Exports of goods (in % of GDP)			13.3	16.7	24.6	27.6	29.1
	- of which: rubber (in % of exports)			60.8	72.6	65.6	37	40
	- of which: iron ore (in % of exports)			0	0	6.8	24.4	21.8
	- of which share of regional trade (in % of exports) ⁸							
5a	Trade balance (in % of GDP)			-36.4	-35.5	-40.7	-35.6	-42.5
	- of which share of EU imports (in % of imports)							
6	Export of services (in % of GDP)							
	- of which the most important: ... (in % of exports)							
6a	Current account balance (in % of GDP)			-28.8	-32.8	-34.1	-36.7	-50.7
7	Net inflow of remittances (in % of GDP)						7.7	
8	Net inflows of foreign direct investment in USD millions			153	286	295	280	329
9	External debt (in % of GDP)			145.4	8.8	10.7	12.3	12
10	Service of external debt (in % exports goods+services)							
11	Foreign exchange reserves (in months of imports of goods and non-factor services)			3.2	3.8	3.0	3.2	2.9
Trade capacity								
12	Average cost to export ⁹ (USD per container)		1,032	1,032	1,232	1,232	1,220	
13	Global competitiveness index ¹⁰	-	-	-	-	-	-	
Government budget								
14	Revenues (in % of GDP)			20.7	23.5	26.4	28	29.3
	- of which: grants (in % of GDP)			2.1	1	3.2	1.7	1.8
	- of which: external tariff income (in % of GDP)				7.5	7.4	9.1	7.7
15	Expenditure (in % of GDP)			21.9	23.1	27	31.4	32
	- of which: capital expenditure (in % of GDP)			3	2.6	5.2	4.7	6.6
16a	Deficit (in % of GDP) including grants			-1.2	0.5	-0.6	-3.4	-2.8
16b	Deficit (in % of GDP) excluding grants			-3.3	-0.6	-3.4	-5.1	-4.6
17	Total (domestic + external) debt (in % of GDP)			145.4	8.8	10.7	12.3	12
Monetary policy								
18	Consumer price inflation (annual average rate in %)	14.70	9.40	7.4	7.3	8.5	8	6
19	Interest rate (annual average lending rate in %)	14.3	14.3	14.24	14.17	13.85	13.84	
20	Exchange rate: annual average national currency / 1\$			68.3	71.4	72.2	73.5	

⁶ e = estimate

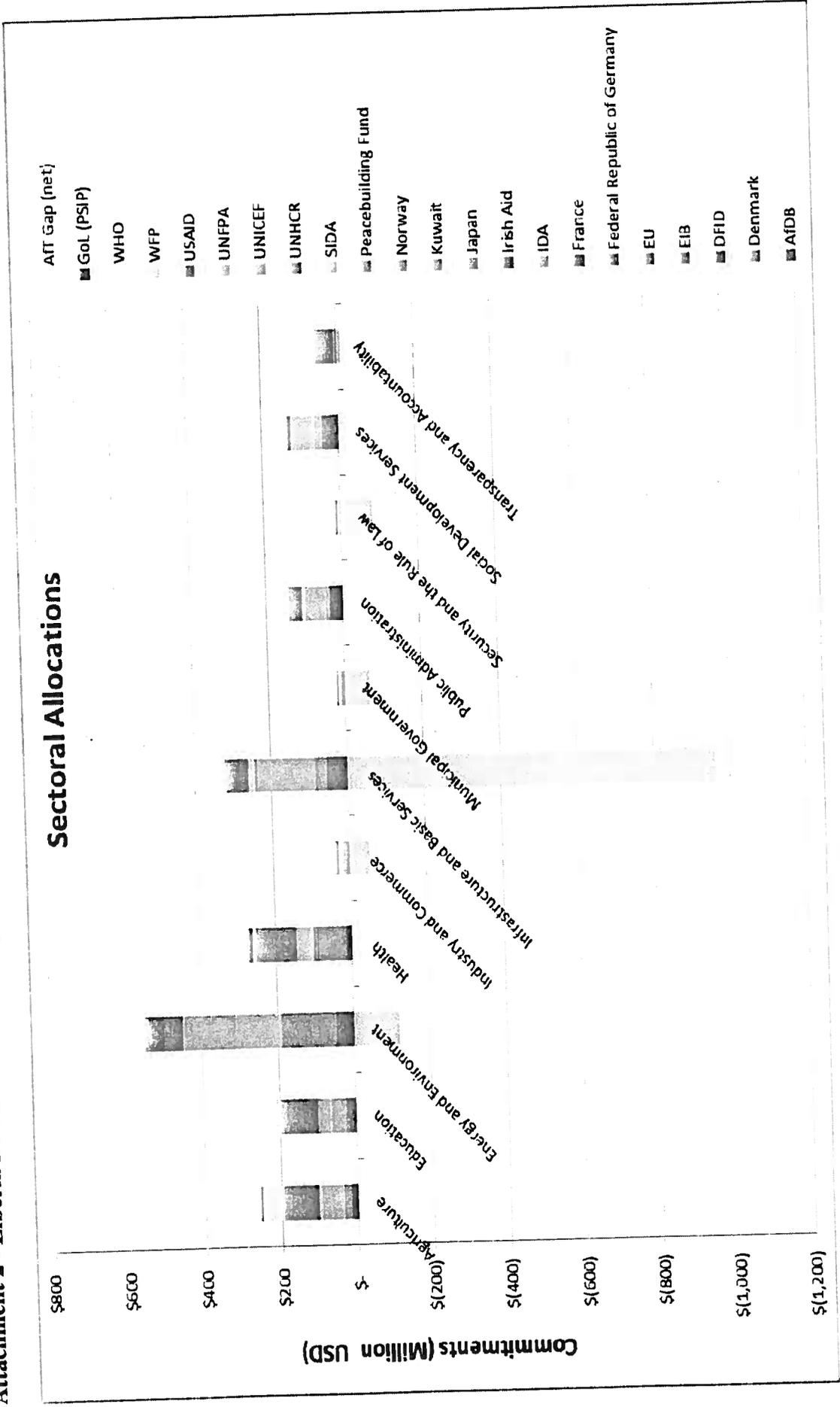
⁷ f = forecast

⁸ Possible sources of information: WTO Trade policy reviews; UNCTAD Handbook of statistics (<http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx>).

⁹ Part of the of the WB Doing Business Report, (www.doingbusiness.org).

¹⁰ If available: WEF's Global Competitiveness Report.

Attachment 2 - Liberia Donor matrix showing the indicative allocations per sector



Attachment 3

Sector 1: GOOD GOVERNANCE

Specific objective 1: Maintain a secure and safe environment to enable sustainable socio-economic growth and development during and after the process of UNMIL drawdown. Public confidence in the justice system and fair rule of law will be increased by strengthening effectiveness, integrity and accountability and reducing incidences of misconduct, corruption and unprofessionalism. The government will increase equitable access to justice, particularly for remote or marginalized populations. Ensure equitable, peaceful, transparent and inclusive democratic institutions and enhanced political governance at all levels, fostering women's rights and participation at all stages.

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline (*)</u>	<u>Target</u>	<u>Means of verification</u>
a) Improved security of the population through strengthened capacity, professionalism and accountability of the police;	<p>% of budget allocated to the justice and security sector</p> <ul style="list-style-type: none"> Status of Police reform and civil complains mechanisms 	<p>Allocation in FY13/14: 2.76% (Liberia National Police); 15.02% (total sector);</p> <p>Allocation in FY14/15 (draft budget): 3.88% (Liberia National Police); 17.77% (total sector);</p> <p>Police act not adopted – no formal complaints mechanisms in place</p>	<p>Allocation of at least 4% of the National Budget to the Liberia National Police and 17% to Pillar 1 – the <i>Justice and the Rule of Law</i> sector under the National Budget in FY15/16)</p> <p>Police act adopted (2015). A complaint Board is established (2016) and functional</p>	<p>Communications with EU in the context of budget support operations</p> <p>Reports of the Joint Justice and Security Programme;</p> <p>Reports of the Ministry of Justice and Police</p> <p>UNMIL Reports</p> <p>CSOs reports on security and police</p> <p>National Budget</p>

Specific objective 2: Public confidence in the justice system and fair rule of law will be increased by strengthening effectiveness, integrity and accountability and reducing incidences of misconduct, corruption and unprofessionalism in the justice system. Particular attention is paid to human rights violations, especially of women and children. The government will increase equitable access to justice, particularly for remote or marginalized populations.

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
b) Improved delivery of justice (including	<ul style="list-style-type: none"> number of qualified public defenders and magistrates throughout 	Number of public defenders deployed in by security	60 additional magistrates enrolled in training program and	<ul style="list-style-type: none"> Judiciary's Reports UNMIL reports on Judiciary

<p>access to justice, also for vulnerable groups) through reinforced independence, competence, efficiency, integrity and transparency of the justice institutions</p>	<p>the territory</p> <ul style="list-style-type: none"> • Number of adjudicated of cases (annual) 	<p>and justice hubs in Zwedru and Harper (May 2014): 5 (One per county, Maryland; Grand Kru, Grand Gedeh, Sinoe)</p> <p>Number of cases adjudicated: to be determined.</p>	<p>additional 5 public defenders recruited, trained and deployed to magistrate courts in Hubs 2 and 3 (2015); increase in the number of cases adjudicated at the magisterial courts at the Gbarnga Hub (as share of cases on docket) from December 2014 to December 2015; (2016)</p>	<p>Quarterly M&E report produced by the Joint Justice and Security Programme;</p> <p>Report to be published on Ministry of Justice website: www.moj.gov.lr</p>
<ul style="list-style-type: none"> • Level of prosecution of sexual/gender-based violence (SGBV) throughout the territory 				
<p>14 SGBV cases prosecuted by the SGBV Crimes Unit at the Gbarnga Hub in 2013; Zwedru and Harper Hubs not yet operational (2014);</p>	<p>30 new SGBV cases prosecuted by the SGBV Crimes Unit at the Gbarnga, Zwedru and Harper Justice and Security Hubs in 2015;</p>			

Specific objective 3: Minimize illegal harvesting of forest resources and assimilate and strengthen the informal forestry sector

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
<p>e) Improved forestry governance contributes to promote the sustainable and transparent management of natural resources</p>	<p>Implementation status of Forest Law Enforcement Government and Trade (FLEGT) VPA</p>	<p>Current licensing system in Liberia</p>	<p>FLEGT licenses in place date to be defined</p>	<p>- VPA Joint Implementation Committee documents - VPA Support Project reports - VPA Audit report - VPA Agreement (for baseline)</p>

Specific objective 4: Ensure equitable, peaceful, transparent and inclusive democratic institutions and enhanced political governance at all levels, fostering women's rights and

participation at all stages.

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
c) Credible electoral cycles and improved democratic performance	<ul style="list-style-type: none"> Extent to which elections are conducted in a transparent and credible manner as measured by electoral observation reports Level of women's political participation and leadership enhanced – measured as % of women in parliament 	2011 Elections EOMs 11% Parliament 13.3% Senate	<ul style="list-style-type: none"> 2017 elections conducted in a transparent and credible manner Increased % of women in parliament 	<ul style="list-style-type: none"> 2017 final election report -International Community Electoral Observations Reports -Election support project reports monitoring and evaluation reports - NEC Reports

Specific objective 5: Strengthen public institutions to ensure revenues and government assets, including from natural resources, are well managed, free from corruption and monitored and increase transparency and accountability of public and private institutions.

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
e) Strengthened public institutions to ensure revenues and government assets are well managed. Improved revenue management including from natural resources. Increased transparency and accountability of public and private institutions	<ul style="list-style-type: none"> Budget credibility: Reduced variance between M&As appropriations and actual expenditures comprehensiveness and transparency of the public budget 	10% (2010/11) tbd	5% target year to be defined tbd	Public Finance Management Reform Strategy (2011) National budget PEFA Reports Assessments and disbursements in the context of budget support operations (EU and other donors)

Sector 2: ENERGY

Specific objective 1: Increase access to significantly more affordable electricity for the general population and productive activities, including for women.

<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
a) Households and enterprises served by the energy grid or in rural areas have increased access to electric power	<ul style="list-style-type: none"> Number of households/ / enterprises provided with access to sustainable energy with EU support <ul style="list-style-type: none"> ➤ In greater Monrovia ➤ In rural areas (outside greater Monrovia) 	0	300 000 Connections (Households and SMEs)	<ul style="list-style-type: none"> - Project completion reports - MLME surveys and reports
	<ul style="list-style-type: none"> Transmission/Distribution lines installed or upgraded (km) with EU support 	0	tbd	<ul style="list-style-type: none"> - RREA surveys and reports - Project completion reports - MLME surveys and reports
	<ul style="list-style-type: none"> Electricity production from renewable sources supported by the EU (MWh) 	0	tbd	<ul style="list-style-type: none"> - Project completion reports - RREA surveys and reports
b) Electricity price (prevailing tariff) reduced	In greater Monrovia	USc/kWh 57	tbd	<ul style="list-style-type: none"> - LEC tariffs and bills - MLME surveys and reports
	In rural areas (outside greater Monrovia)	25		-RREA surveys and

			tbd	reports
Specific objective 2: Improve energy policy with the involvement of the government, private sector, CSOs and donors.				
<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
a) Technical and managerial capacities at the Department of Energy (DOE) strengthened	<ul style="list-style-type: none"> • Status of Department Of Energy Director • Regulatory Function staffed and operational (number of staff) 	<p>non existing</p> <p>non existing</p>	<p>Operational (target In place (target year to be defined))</p> <p>6 staff members (target year to be defined)</p>	<ul style="list-style-type: none"> - EU Delegation certification - MLME surveys and reports
b) Improved investment framework in the energy sector	<ul style="list-style-type: none"> • Status of Energy Law • Status of RREA regulation/law 	<p>non existing</p> <p>non existing</p>	<p>Approved (target year to be defined)</p> <p>Approved (target year to be defined)</p>	<ul style="list-style-type: none"> - the official gazette - the official gazette
Sector 3: EDUCATION				
Specific objective 1: Improve quality, equity and accessibility of basic education.				
<u>Expected Results</u>	<u>Indicators</u>	<u>Baseline</u>	<u>Target</u>	<u>Means of verification</u>
a) Improved quality of basic education including good school management	<ul style="list-style-type: none"> • Number of teachers from basic education, and other key education staff at central and local level trained with EU support 	0	tbd	<ul style="list-style-type: none"> - Programme reports - Annual Sector Reviews

	<ul style="list-style-type: none"> Public school dropout rate by grade Out of school children at basic education 	T 25 572,271	tbd	EMIS 2013 EMIS 2013
b) Increased equitable access to basic education including targeted population (girls, rural population, disabled population, people with disabilities (PWD))	<ul style="list-style-type: none"> net and gross enrolment rate in basic education disaggregated by gender. % Basic education students with disabilities by gender 	NER T 20,4 M 20,7 F 20,1 GER T 52 M 53,9 F 50 T 0.6 M 0.6 F 0.5	Targets will be very difficult to establish following the impact of the EVD on the Education system	- Annual Sector Reviews - UIS (UNESCO Institute for Statistics) -EMIS
Specific objective 2: Improve quality, equity and accessibility of TVET.				
a) Improved quality of TVET including good school management	<ul style="list-style-type: none"> Number of TVET teachers and other key education staff at central and local level trained with EU support 	N/A	tbd	Support programme reports
b) Increased access to TVET including targeted population (girls, rural population, people with disabilities (PWD))	<ul style="list-style-type: none"> Number of learners trained in TVET 	TBCN/A	tbd	Data collection mechanism to be developed

		oil tbd)	Others		
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Specific objective 3: Develop nutrition-sensitive productions systems					
Improved perennial national mechanisms for monitoring malnutrition	<ul style="list-style-type: none"> Frequency and coverage of nutritional data 	and of	Irregular reporting	Monthly reports on moderate and severe acute malnutrition at county level and Annual report at national level	- 2012 Operational national guidelines for the integrated management of acute malnutrition. - Reports from the supplementary Feeding Programme, Outpatients Therapeutic Programme and In-Patient Facility Programme

(* Indicators and results may need to be changed during the period covered by the NIP, notably the mid-term review

Attachment 4. Liberia 11th EDF – I - Indicative timetable for commitments - The amounts mentioned in this table are indicative

	Indicative allocation	2014	2015	2016	2017	2018	2019	2020
SECTOR – Good Governance	EUR 107 M							
- Project 1-3 – State Building Contract	EUR 91 M	x						
- Project 4 - Support to National elections	EUR 10 M		x		x			x
- Project 5 - Strengthening of the General Auditing Commission	EUR 5 M		x					
SECTOR – Energy	EUR 100 M							
- Project 1 – Increased access to reliable energy services	EUR 50 M		x					
- Project 2 - Increased power generation capacity and access	EUR 50 M					x		
SECTOR – Education	EUR 32 M							
- Project 1 - Support to Education Sector policy and Planning	EUR 12 M		x					
- Project 2 - Support to TVET	EUR 20 M		x					
SECTOR – Agriculture	EUR 30 M							
- Project 1 - Support to Agriculture	EUR 30 M			x				
Other measures – CSO	EUR 4 M			x			x	
Support measures	EUR 6 M							
- Project - 1 TCF	EUR 3 M	X						
- Project 2 - Support to NAO	EUR 3 M		x					
Total Commitments	EUR 279 M	36,5	73,5	77	12	80		

