

Probable Date of Board Presentation
02 May 2012

FOR CONSIDERATION

MEMORANDUM

TO : THE BOARDS OF DIRECTORS

**FROM : Cecilia AKINTOMIDE
Secretary General**

**SUBJECT : LIBERIA : SMALLHOLDER AGRICULTURAL PRODUCTIVITY
ENHANCEMENT AND COMMERCIALIZATION PROJECT***

GAFSP GRANT OF UA 29.08 MILLION + ADF LOAN OF UA 4.00 MILLION

Please find attached the Appraisal Report of the above-mentioned project.

The Loan and Grant Agreements have already been negotiated.

The Outcome of Negotiations and draft Resolutions will be submitted to you as an addendum.

Please note that this version supersedes the previous one distributed on 11 April 2012.

Attach:

Cc: The President

	*Questions on this document should be referred to:		
Mr. A. BEILEH	Ag. Director	OSAN	Extension 2037
Mr. F. PERRAULT	Regional Director	ORWB	Extension 2036
Mr. D. KEITA	Division Manager	OSAN.2	Extension 2086
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**AFRICAN DEVELOPMENT
BANK GROUP**

PROJECT: SMALLHOLDER AGRICULTURAL PRODUCTIVITY ENHANCEMENT AND COMMERCIALIZATION PROJECT

COUNTRY: LIBERIA

PROJECT APPRAISAL REPORT

Date: March 2012

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- A. Liberia’s Development Agenda and Sector Brief
- B. Back-up of the Key Arguments of the Report
- C. Additional Technical Annexes
- D. Detailed Description of Activities and Components

Currency Equivalents

As of August 2011

UA	=	LRD 115.928
UA	=	USD 1.59900
USD	=	LRD 72.4940

Fiscal Year

01 July – 30 June

Weights and Measures

1 metric tonne (mt)	=	2204 pounds (lbs)
1 kilogramme (kg)	=	2.200 lbs
1 metre (m)	=	3.28 feet (ft)
1 millimetre (mm)	=	0.03937 inch
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

Acronyms and Abbreviations

ADF	African Development Fund
ADWG	Agriculture Donor Working Group
AfDB	African Development Bank
Africa Rice	Africa Rice Centre
AGL	Auditor General of Liberia
AgSS	Agriculture Sector Strategy
ASRP	Agriculture Sector Rehabilitation Project
AWPB	Annual Work Plan and Budget
CAADP	Comprehensive African Agriculture Development Programme
CAAS-Lib	Comprehensive Assessment of the Agricultural Sector
CARI	Central Agricultural Research Institute
CFSNS	Comprehensive Food Security and Nutrition Survey
CSI	Core Sector Indicator
EIRR	Economic Internal Rate of Return
EPA	Environmental Protection Agency
ESMP	Environmental and Social Management Plan
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FAPS	Food and Agricultural Policy and Strategy
FBO	Farmer Based Organization
FED	Food and Enterprises Development
GAFSP	Global Agriculture and Food Security Program
GDP	Gross Domestic Product
GOL	Government of Liberia
ICB	International Competitive Bidding
IFAD	International Fund for Agricultural Development
IITA	International Institute of Tropical Agriculture

JAS	Joint Assistance Strategy
JICA	Japan International Cooperation Agency
LASIP	Liberian Agriculture Sector Investment Plan
LISGIS	Liberia Institute of Statistics and Geo-Information Services
LRD	Liberian Dollar
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MIS	Management Information Systems
MOA	Ministry of Agriculture
MOF	Ministry of Finance
MOGD	Ministry of Gender and Development
MOPEA	Ministry for Planning and Economic Affairs
MTR	Mid-Term Review
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
NS	National Shopping
O&M	Operation and Maintenance
PCR	Project Completion Report
PFM	Public Financial Management
PMU	Project Management Unit
PRS	Poverty Reduction Strategy
PY	Project Year
QPR	Quarterly Progress Report
SA	Special Account
SAPEC	Smallholder Agricultural Productivity Enhancement and Commercialization
SIDA	Swedish International Development Cooperation Agency
TA	Technical Assistance
UA	Unit of Account
UL	University of Liberia
USAID	United States Agency for International Development
USD	United States Dollar
WAAPP	West Africa Agricultural Productivity Programme
WAMZ	West African Monetary Zone
WB	World Bank
WFP	World Food Programme
WVST	William V.S. Tubman University

Grant and Loan Information

Client Information

RECIPIENT/BORROWER: Republic of Liberia

EXECUTING AGENCY: Ministry of Agriculture

Financing Plan

Source	Amount (UA million)	Instrument
GAFSP	29.08	Grant
ADF	4.00	Loan
GOL	1.00	N.A
Total Cost	34.08	

Key Financing Information

Loan currency	USD
Commitment charge	0.5% of the undisbursed amount, effective 60 days following signature of the loan agreement
Service charge	0.75% per annum of the amount disbursed but not yet reimbursed.
Maturity	Half-yearly from the 11 th to the 50 th year
Date of last repayment	December 2062
Tenor	480 months
Grace period	120 months
EIRR (base case)	18%

Timeframe - Expected Milestones

Concept Note Approval	November, 2011
Project Approval	April, 2012
Effectiveness	October, 2012
Date of completion of project activities	December, 2017
Last Disbursement	June, 2018

Project Summary

1. **Project Overview:** The proposed Smallholder Agricultural Productivity Enhancement and Commercialization (SAPEC) Project seeks to reduce rural poverty and household food insecurity by increasing income for smallholder farmers and rural entrepreneurs particularly women, youths and the physically-challenged.

2. **SAPEC will be implemented in 12 of the 15 counties of Liberia over a five-year period.** The project will scale-up the on-going African Development Bank (AfDB)/International Fund for Agricultural Development (IFAD)-supported Agricultural Sector Rehabilitation Project (ASRP) in 8 of the 12 counties where the ASRP is being implemented. The three counties uncovered by SAPEC are programmed for similar interventions by the United States Agency for International Development (USAID), World Bank (WB) and other donors. The project consists of four components, namely: (i) Sustainable Crop Production Intensification; (ii) Value Addition and Marketing; (iii) Capacity Building and Institutional Strengthening; and (iv) Project Management. The total project cost is UA34.08 million, of which the Global Agriculture and Food Security Program (GAFSP) will finance 85.32%, ADF 11.74%, and the Government of Liberia (GOL) 2.94%.

3. The 12 counties covered by the project account for approximately 60% of Liberia's total land area of 111,370 square kilometres, 2.31 million people or 67% of the population, and 180,000 or 51% of its 351,000 rice and cassava producing households, of more than two million persons. SAPEC is expected to reduce the beneficiaries' poverty rate from 68% to 55% and the rate of rural population below the minimum level of dietary energy consumption from 46% to 38%, increase household income by 300%, and increase the annual production of rice, cassava and vegetables by 110%, 287%, and 28%, respectively. Consistent with the on-going ASRP and other donor-funded projects, the Ministry of Agriculture (MOA) will be the executing agency with implementation mainstreamed within its Program Management Unit (PMU) which will be strengthened with expertise in project main areas and supported by collaborative agreements with regional research institutions and implementing partners.

4. **Needs Assessment:** The SAPEC project was proposed in the Liberia Agriculture Sector Investment Program (LASIP) to address the needs for improving food security, reducing poverty, and fostering national economic growth. It was reviewed at a Comprehensive African Agriculture Development Programme (CAADP) Experts Consultation, Interagency and Donors Consultation Meeting, and a Validation Workshop. In addition, the GAFSP proposal for SAPEC has been endorsed by the Liberia Agriculture Sector Donor Working Group (ADWG) comprising the European Union (EU), Swedish International Development Agency (SIDA), USAID, WB and others. The project is consistent with the Liberian Joint Assistance Strategy (JAS), the Bank Group's country strategy in Liberia which has been extended to December 2012, and the Bank's Agriculture Sector Strategy (AgSS) 2010 -2014.

5. **Bank Added Value:** The Bank's comparative advantage and added value in this project are derived from its accumulated experience in financing the on-going ASRP, which includes a number of infrastructure- and capacity building-related interventions. SAPEC will provide opportunities not only to leverage lessons learnt in enhancing development of the proposed investments, but will also provide the Bank, as the supervising entity of the GAFSP grant, an ideal platform for partnering with the GAFSP for pan African agriculture sector development.

6. **Knowledge Management:** Knowledge gained from implementation of the on-going ASRP in Liberia, particularly on the need to build country capacity for project implementation, has been duly applied in designing this project. In the same pattern, the knowledge that will be generated by the SAPEC project will be instrumental in designing and managing similar Bank-financed projects in the future. Provisions made for knowledge and information management include gender-disaggregated baseline studies in project year (PY) 1 and impact analysis, technical papers and reports from project experts in subsequent years, supervision missions, Mid-Term Review (MTR), Project Completion Report (PCR), and linking of the project to the MOA and Ministry of Planning and Economic Affairs (MOPEA) monitoring databases to facilitate efficient data collection and use.

VII. Logical Framework - Country and project name: LIBERIA: SMALLHOLDER AGRICULTURAL PRODUCTIVITY ENHANCEMENT AND COMMERCIALIZATION (SAPEC) PROJECT

Purpose of the project: To increase the incomes of smallholder farmers and rural entrepreneurs particularly women, youths and the physically-challenged.

RESULTS CHAIN		PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/MITIGATION MEASURES
		Indicator (including CSI)	Baseline : 2011	Target		
IMPACT	Enhanced national food security and reduced rural poverty	Rural poverty rate Rate of rural population below the minimum level of dietary energy consumption	68% rural poverty rate; 46% rate of rural population below the minimum level of dietary energy consumption	Poverty rate reduced to 55% by 2020; rate of rural population below the minimum level of dietary energy consumption reduced to 38% by 2020	LISGIS, CFSNS Statistics/survey & Impact survey	<u>Assumption:</u> Government continues to emphasize agriculture as a priority beyond 2012
	OUTCOMES	Incomes of smallholder farmers, particularly women and youth, and rural entrepreneurs raised on a sustainable basis	Increase in incomes of smallholder farmers and rural entrepreneurs	Average farmer income estimated at USD 350	USD 500 and USD 1000 by 2015 and 2017, respectively, in project areas	-LISGIS Stats -Baseline surveys -Impact Surveys -M&E Reports	Assumption: Stable political and macro-economic environment.
OUTPUTS	1. Sustainable Crop Production Intensification 1.1 About 1000 ha of lowlands developed for rice production in 4 counties 1.2 Improved technologies for rice, cassava and vegetables disseminated and adopted 1.3 Pilot credit scheme established in one rice-producing county.	1.1 Hectares of land developed under new irrigation and drainage systems 1.2.1 Rice, cassava and vegetables areas 1.2.2 Rice, cassava and vegetables yields 1.2.3 Annual output of rice, cassava and vegetables 1.3 No. of beneficiaries of the credit scheme & repayment rate	1.1 1600 ha developed by ASRP 1.2.1 Areas (ha) rice (200,000), cassava (63,000) & veg. (17000) 1.2.2 Average yields (mt/ha) lowland rice (1.5), upland rice (0.8), cassava (6.0) & veg (4.4) 1.2.3 National production (mt) estimated at 200,000,(rice), 400,000 (cassava) and 75,000 (veg.) 1.3 N/A	By 2017: 1.1 1000 ha of new lowland developed 1.2.1 Areas (ha) of rice (214,000), cassava (68,900) and vegetables (17,500). 1.2.2. Average yields (mt/ha) for lowland rice (3.5) upland rice (2.0); cassava (25.0) & veg (5.5) 1.2.3 Annual prod. (mt) rice projected at (420,000), cassava (1,550,250) & veg (96,250) 1.3 100% women beneficiaries;95% repayment rate	LISGIS stats.; M&E Reports Impact Surveys Audit Reports	<u>Risk:</u> Poor contractor/service provider performance and procurement delays. <u>Mitigation:</u> Project plans to expedite works procurement and use reputable engineering consultants to supervise civil works.
	2: Value Addition and Marketing 2.1 Roads linking farms to markets rehabilitated 2.2 Marketplaces rehabilitated, equipped and functioning 2.3 Agribusiness centers (Ag. Cen.) constructed, equipped and functioning 2.4. MOA tech centers supported 2.5 Post-harvest losses (PHL) reduced	2.1 Kilometers of all-weather feeder roads rehabilitated 2.2 Number of marketplaces rehabilitated and functioning 2.3 Number of Ag. Cen. Constructed and functioning 2.4 Number of functioning MOA Tech Centers 2.5 PHL reduction resulting from project interventions	2.1 N.A 2.2.N.A 2.3. N.A 2.4 N.A 2.5 Rice (25-30%); cassava/veg. (N.A)	By 2017: 2.1 270 km feeder roads rehabilitated in 6 project counties 2.2 12 marketplaces rehabilitated in the 12 project counties 2.3 9 Ag. Bus. Cen. developed 2.4 3 MOA technology centers supported 2.5 PHL reduction of 50% (Rice); 15% (Cassava; vegetables)		<u>Risk:</u> Farmers do not adopt new technologies. <u>Mitigation:</u> Project has allocated sufficient resources for dissemination and adoption of new technologies

VII. Logical Framework - Country and project name: LIBERIA: SMALLHOLDER AGRICULTURAL PRODUCTIVITY ENHANCEMENT AND COMMERCIALIZATION (SAPEC) PROJECT

Purpose of the project: To increase the incomes of smallholder farmers and rural entrepreneurs particularly women, youths and the physically-challenged.

	RESULTS CHAIN	PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/MITIGATION MEASURES
		Indicator (including CSI)	Baseline : 2011	Target		
OUTPUTS	3: Capacity Building & Institutional Strengthening 3.1 Local agricultural organizations established and functioning 3.2 Farmers, particularly women, youth and phys. challenged trained in value addition and business management at agribusiness centres 3.3 Training needs assessed & MOA staff, including women, trained 3.4 MOA planning and policy development capacity strengthened 3.5 Agricultural research education supported 3.6 Local entrepreneurs developed 3.7 Management of markets/agribusiness centers enhanced 3.8 Gender mainstreaming strategy in place and capacity of gender focal point in MoA strengthened	3.1 No. of targeted clients including agricultural organizations and no. of male and female members 3.2 No. of farmers trained and % of women, youth and phys. challenged on better post-harvest storage, transportation, and/or management practices 3.3.1 Training needs assessment 3.3.2 Number of MOA staff trained (males/females) 3.4 Number and type of evidence-based policies and strategies formulated and adopted 3.5.1 CARI crop and soil lab 3.5.2 Number of staff and professionals trained to raise agricultural productivity 3.6 Number of private sector operators 3.7 Number of targeted clients trained including producer association and trader organization 3.8 Gender strategy adoption and training session held with focal points and ministry staff	3.1 N.A 3.2. 6000 workshop participants and 30 trained community agents (ASRP 2012) 3.3.1 N.A 3.3.2 40 extension staff, 5 CARI scientists & 15 SMS (ASRP) 3.4 N.A 3.5.1 N.A 3.5.2 N.A. 3.6 N.A. 3.7 N.A 3.8 N.A	3.1.1 36 FBOs (3/county); 10 lowland site-based Water User Assoc; 12 county committees; 12 NGOs (1/county) established with 30% women representation in management by 2016 3.1.2 Coop. Dev. Agency strengthened by 2017 3.2 Ave. of 500 farmers trained / year with 70% women, youth and phys. challenged by 2017 3.3.1 Training needs assessed by 2013 3.3.2 60 professional (20 grad.; 40 undergrad); 80 extension and 360 vocational/technician staff, with minimum 30% women, trained by 2017 3.4 Manpower, market and fertilizer assessments undertaken ; training plan, market development and fertilizer policy developed and gender strategy finalized and adopted by 2014; 3.5.1 CARI lab rehabilitated and functioning by 2015 3.5.2 2000 students trained, with 30% women, at Liberian agricultural colleges (UL 1500; WVST 500) by 2017 3.6 10 private sector operators trained by 2016 3.7 LMA and 1 trader org. per county trained, with 30% women participation, by 2014 3.8 Gender strategy adopted and implemented and training session held		Risk: Inconsistency between staff training and the agriculture sector needs. Mitigation: The project will undertake a study to assess sector capacity needs and develop strategy and funding plan.
	4: Project Management 4.1 Project effectively managed	4.1 No. of annual work plan/budget prepared 4.2 No. of quarterly progress reports prepared 4.3 No. of M&E reports prepared 4.4 No. of audit reports prepared 4.5 Percent grant/loan disbursed 4.6 No. of vacant positions filled	4.1 N.A 4.2 N.A 4.3 N.A 4.4 N.A 4.5 N.A 4.6 N.A	4.1 5 annual work/budget plans prepared by 2017, each before end of FY 4.2 20 quarterly progress reports prepared by 2017, each within 1 month of end of qtr. 4.3 5 M&E reports prepared by 2017, each within 3 mos. of year end 4.4 5 audit reports prepared by 2017, each within 6 mos. of FY closure 4.5 Ave. rate of disbursement 18%/year 4.6 Vacant positions filled within 3 months		Risk: Current in-country capacity can lead to poor project management. Mitigation: Adequate TA provided and close support by the Bank's Liberia Field Office.
KEY ACTIVITIES	Components: 1: Sustainable Crop Production intensification Agriculture Land Rehabilitation and Development Dissemination of Improved Agricultural Technologies 2: Value Addition and Marketing Agricultural Commercialization Promotion Enterprise Development and Management 3: Capacity Building and Institutional Strengthening Agricultural Planning and Policy Development Support to other Agricultural Sector Institutions 4: Project Management	Costs - millions UA: Civil Works 16.883 Goods 2.722 Services 8.451 <u>Wages, Salaries, TA & OM 2.546</u> Base Cost 30.602 Physical Contingencies 1.393 Price escalation 2.089 Project cost 34.084	Sources of financing (million UA) GAFSP : UA29.08 million (USD46.50 million) ADF: UA4.00 million (USD6.40 million) GOL: UA1.00 million (USD1.60 million) Total: UA34.08 million (USD54.50 million)			

**REPORT AND RECOMMENDATION OF THE MANAGEMENT OF THE ADB GROUP TO THE BOARD
OF DIRECTORS ON A PROPOSED GRANT AND LOAN TO LIBERIA FOR THE
SMALLHOLDER AGRICULTURAL PRODUCTIVITY ENHANCEMENT AND
COMMERCIALIZATION PROJECT**

Management submits the following Report and Recommendation on a proposed GAFSP grant for UA29.08 million and ADF loan of UA4.00 million to finance the Smallholder Agricultural Productivity Enhancement and Commercialization Project in Liberia.

I – STRATEGIC THRUST & RATIONALE

1.1 Project Linkages with Country Strategy and Objectives

1.1.1 The activities of the Smallholder Agricultural Productivity Enhancement and Commercialization (SAPEC) project are consistent with the 2008 – 2012 Liberia Poverty Reduction Strategy (PRS), particularly pillar II - Revitalizing the Economy, and pillar IV - Rehabilitating Infrastructure and Delivering Basic Services. They are also aligned with “Liberia Rising 2030”, the new development strategy that will succeed the PRS which envisions transformation of Liberia into a middle-income country by 2030; the goal of the Food and Agriculture Policy and Strategy (FAPS) of the Government of Liberia (GOL); and the four programs of the related Liberia Agriculture Sector Investment Program (LASIP) which are food and nutrition security, competitive value chains and market linkages, institutional development, and land and water development.

1.1.2 The project will also facilitate attainment of the objectives of several sector and cross-cutting policies (See section A.1 of the Technical Annex). They include the Decentralization Policy, National Health Policy and National Health Plan, Education Sector Plan, National Capacity Development Strategy, National Gender Policy, National Plan of Action on the National Youth Policy, Liberian National Youth Employment Action Plan, National Environmental Policy of Liberia, Environmental Protection Agency (EPA) Act, Environmental Protection and Management Law, and National Adaptation Program of Action.

1.1.3 The SAPEC project furthers the four Pillars of the Comprehensive African Agricultural Development Programme (CAADP), which are: (i) Extending the area under sustainable land and water management; (ii) Improving market access through adequate rural infrastructure and trade expansion; (iii) Increasing food supply and reducing hunger, and (iv) Improving agricultural research and systems of technologies dissemination. It will also contribute to the achievement of several Millennium Development Goals (MDG) including extreme poverty and hunger eradication, gender equality and women empowerment, and environmental sustainability.

1.1.4 Moreover, the SAPEC addresses Liberia’s fragility following 14 years of civil conflict that devastated the economy, decimated institutions, destroyed infrastructure and triggered massive rural-urban migration. The project promotes pro-poor growth by investing in smallholder agriculture to reduce food insecurity, fosters equity and inclusiveness by ensuring the participation of women, youth and the physically-challenged in agricultural activities including agro-processing, and facilitates decentralized delivery of basic social and economic services by using counties as key entry points. The SAPEC project thus contributes to the peace- and state-building goals of the country as it transitions from conflict and fragility to recovery and resilience.

1.2 Rationale for Bank's Involvement

1.2.1 The Liberian JAS 2008-2011, which has been extended to December 2012, supports investment in agriculture for food security, job creation and economic growth. The SAPEC project was identified during the formulation of the LASIP which benefited from extensive stakeholder and CAADP consultations. It was formulated with the assistance of the Bank and submitted to GAFSP for financing. GAFSP approved a grant of USD46.5 million for the project. Eight of the proposed 12 counties fall in the project area of the on-going African Development Bank (AfDB)-funded Agricultural Sector Rehabilitation Project (ASRP). The Bank was chosen as the Supervising Entity for the GAFSP grant and the GOL requested the African Development Fund (ADF) to fill the financing gap with a UA4.00 million loan. GAFSP resources will support crop production and sector capacity building activities while the Bank's funding will be directed to the required infrastructure development. The collaboration depicts an ideal partnership in the agriculture sector which should be promoted. It allows the Bank to address other agricultural development needs through partnership, as provided for by the AgSS 2010-2014. The involvement of the Bank should also be viewed as a continuation of its interest in Liberian agricultural development and the development agenda of the country for which it is a leading donor.

1.2.2 The SAPEC project is aligned with the second pillar of the AfDB/World Bank (WB) Joint Assistance Strategy (JAS) for Liberia which supports improved access to key infrastructure services, improved agricultural and natural resource management to generate pro-poor growth, and improved business and investment climate. It also conforms to the Bank's Agriculture Sector Strategy 2010-2014 and Programme for the Reduction of Post-Harvest Losses in Africa 2010-2014. A new Country Strategy Paper will be prepared for 2012-17, which will coordinate programming with other development partners.

1.2.3 The outlook for the project and justification for the Bank's involvement are further strengthened by the satisfactory rating of the bank country portfolio (2.53) in this fragile state which includes the 2-year old ASRP, the only on-going Bank project in the sector. Essentially, the SAPEC project will scale up the ASRP whose positive impacts on capacity building are already being felt in terms of improved performance of trained staff in ASRP project supervision, their contribution to the preparation of SAPEC, and contribution to rural economic activity. It is also a good opportunity for the Bank to promote purposeful collaboration and alignment with other agricultural development initiatives in Liberia.

1.3 Donors Coordination

Table 1.1: Overview of Annual Donor Assistance to Agriculture Sector

Sector	Size		
	GDP	Exports	Labour Force
Agriculture	42%	31%	70%
Annual Donor Expenditure (2011)			
USD 38.91 Million			
	<i>USAID</i>		44.2%
	<i>EU</i>		28.8%
	<i>The World Bank</i>		12.1%
	<i>AfDB</i>		8.5%
	<i>WFP</i>		3.1%
	<i>IFAD</i>		2.0%
	<i>German Government</i>		1.3%
Level of Donor Coordination			
Existence of Thematic Working Groups			Yes
Existence of SWAPs or Integrated Sector Approaches			No
AfDB's Involvement in donors coordination			M*

*M: Member but not Leader

1.3.1 The Bank contributes about 8.5% of the average annual sector development resource flow of USD38.91 million and is financing the ASRP at UA12.5 million. The Bank collaborates closely with other Development Partners including the IFAD, co-financier of the ASRP, the WB with which it is implementing a Joint Assistance Strategy (JAS) and the European Union (EU), USAID, SIDA, Food and Agriculture Organization (FAO) and World Food Programme (WFP).

1.3.2 Development assistance is coordinated by the Ministry of Planning and Economic Affairs (MOPEA) through the national monitoring system and other approaches. At the sector level, the Ministry of Agriculture (MOA) has established the Agriculture Coordination Committee which includes non-governmental organizations (NGOs) and other partners, and a functioning Agriculture Sector Donor Working Group (ADWG) with Bank representation that has been very important for information sharing, harmonization and monitoring of development programs.

II – PROJECT DESCRIPTION

2.1 Project Components

Project Development Goal and Objective

2.1.1 The goal of the proposed SAPEC project is to reduce rural poverty and household food insecurity. Its objective is to increase, on a sustainable basis, the income of smallholder farmers and rural entrepreneurs, particularly women, youths and the physically-challenged.

Table 2.1: Project Components

	Component	Baseline Costs* (UA million)	Component Description
1	Sustainable Crop Production Intensification	13.690	<ul style="list-style-type: none"> • Agriculture lowland rehabilitation • Dissemination of improved soil, water and crop management technologies • Adoption of improved agricultural technologies by smallholder farmers
2	Value Addition and Marketing	10.450	<ul style="list-style-type: none"> • Feeder roads rehabilitation • Construction of market places and agribusiness centres • Provision of agricultural equipment
3	Capacity Building and Institutional Strengthening	4.527	<ul style="list-style-type: none"> • Strengthening of water associations, county committees, FBOs, NGOs, entrepreneurs, LMA and trader organizations • Value addition training for farmers • MOA staff training and planning and policy development • Agric. colleges soil/water labs refurbishing and academic quality improvement • Baseline and impact studies
4	Project Management	1.934	<ul style="list-style-type: none"> • Coordination and supervision • Procurement and contract management • Financial management, audit and reporting • Monitoring and evaluation

* The baseline costs exclude physical and price contingencies, which account for UA1.3 and 2.1 million respectively.

Component A: Sustainable Crop Production Intensification

2.1.2 The project will increase the productivity of 4,000 ha and 1,000 ha of uplands that will be dedicated to cassava and rice cultivation, respectively. The project will also make more land and water available for cropping with the rehabilitation of 1,000 ha of community-owned lowland in the four rice producing counties of Grand Gedeh (438 ha), River Gee (424 ha), Maryland (25 ha) and Grand Kru (113 ha). Land development engineering activities will include earth and layout works, canalization, water control and water capture structures. The

developed areas will be amenable to both rain-fed and irrigated cropping systems with two crops of rice per year, and 500 ha of the developed lowland will also be utilized for vegetables production.

2.1.3 Drawing upon lessons from the Bank-financed “Projet Multinational de Diffusion du Riz Nerica”, the SAPEC project will disseminate packages of improved rice, cassava and vegetables technology options to farmers. The collaborative approaches for technology dissemination to smallholder farmers, particularly women who form the majority of rice and cassava farmers, will include partnerships with regional research institutions such as the International Institute of Tropical Agriculture (IITA) and Africa Rice Centre to provide technical assistance to the MOA, farmer groups, private sector actors and NGOs. The involvement of these centres of excellence in project implementation will leverage Regional Public Goods (i.e. new crop varieties, crop management practices, and knowledge) produced as a result of Bank investment not only in the Nerica Project but also in Multinational Projects such as the “Promotion of Science and Technology in Agricultural Development”, and “Support to Agricultural Research for Development of Strategic Crops in Africa (SARD-SC)”.

2.1.4 The IITA and Africa Rice Centre will work with competitively recruited NGOs and/or private sector firms to disseminate high yielding crop varieties and improved crop management techniques for adoption by farmers. The activities will include promotion of integrated soil, crop and water management technologies to boost crop productivity and product quality, knowledge transfer regarding adequate crop management, land preparation and nutrient, water and weed management, development and implementation of seed multiplication strategies, demonstration trials of improved varieties, and farmer mobilization. The project will finance agricultural inputs (e.g. planting materials, fertilizers and integrated pest and disease management materials), and institutional capacity building for extension (MOA’s county-level extension staff) and agricultural research (Central Agricultural Research Institute-CARI).

2.1.5 A pilot agricultural credit scheme in Grand Gedeh delivered through a competitively recruited service provider will give farmers, particularly women, the means to hire labour for field preparation; this will address one of the major constraints to increased agricultural productivity. The pilot credit scheme will address Bank experiences regarding low repayment of the primary clientele (women), risk-sharing with and track record in the country of the provider, and the use of best practices and lessons learned to ensure sustainability. Operational details including eligibility criteria, loan size, collateral, and repayment procedures will be developed by the service provider in consultation with the MOA, Ministry of Finance (MOF), Central Bank of Liberia, the project, and its beneficiaries, and will require prior approval of the Bank. The GOL plans to work with partners to scale up the scheme once the key targets of at least 60% women beneficiaries and 95% repayment rate are attained.

Component B: Value Addition and Marketing

2.1.6 Rice and cassava are Liberia’s most important food crops. However, the local production of rice accounts for only half of annual domestic demand, rendering the country a net importer of its main staple. In the case of cassava, current supply satisfies domestic demand but significant external market opportunities remain unexploited. Value addition is limited in the sector and few capable private operators exist. Those in operation are mainly informal petty traders who lack modern marketing skills, market information, and requisite organizational capacity to increase their market share and profitability. High post-harvest

losses, lack of industrial processing, and inadequate feeder roads and marketplaces further restrict the marketing system.

2.1.7 To address these constraints, the project will improve the food value chain through market development and access. SAPEC will rehabilitate 270 kilometres (km) of all-weather feeder roads (Maryland 35 km, Grand Gedeh 60 km, River Gee 50 km, Grand Kru 45 km, River Cess 40 km and Sinoe 40 km) and 12 market centres (1 per county), construct nine agribusiness centres, and refurbish three MOA technology transfer centres. The 270 km feeder roads will conform with the Country Development Agenda while the agribusiness centres and MOA centres, which will serve as one-stop-shops for individual farmers, farm-based organizations and rural entrepreneurs, will be equipped for postharvest handling (i.e. grading and packaging) and crop processing, and will provide technical, business and marketing training; they will be annexed to the market centres. The agribusiness centres, each comprising a milling house, warehouse and drying floor, and MOA centres will ensure the availability of marketing and knowledge transfer infrastructure in the project area. The agro-processing machinery options will include rice hullers/millers and cassava graters, presses, fryers, chippers and millers. The markets, depending on location, will include storage space, sanitary facilities, access to water, a pre-school and/or playgrounds, and facilities to conduct relevant training for farmers and other entrepreneurs. The processing infrastructures will attract private sector interest for joint management and final transfer to the private sector or viable farmer groups for sustainability. The marketplaces and agribusiness centres will be managed by the Liberia Marketing Association (LMA) in association with a designated local trader organization. Sustainable electricity supply for basic services for marketing and knowledge transfer facilities will be provided by diesel generators. The project will also review results of the ASRP-funded renewable power feasibility study that is on-going, as and when they become available, for adoption if found viable.

Component C: Capacity Building and Institutional Strengthening

2.1.8 Agricultural sector institutions are encountering an acute shortage of skilled manpower and dearth of information for sector planning, policy development and decentralized service delivery. The project will train 60 staff drawn from the MOA, CARI and related agricultural institutions in fields of study to be confirmed by a training needs assessment. Master's degree training will be supported in regional countries for 20 staff; while tuition, books and fees will be paid for 40 staff pursuing undergraduate degrees at local institutions. In addition, the project has made provisions to train 80 extension officers and 360 vocational technicians, 50% of who are women, and fund gender-specific baseline, market development and sector manpower capacity assessments.

2.1.9 Improving the capacity of other agricultural institutions and organizations is equally critical to sustaining project benefits and facilitating national food security and poverty reduction. Financial resources will thus be provided to rehabilitate crops and soil laboratories at CARI and public colleges of agriculture at the University of Liberia (UL) and the William V. S. Tubman University (WVST), and to build the capacity of the research and teaching staff at the two latter institutions through recruiting instructors and providing laboratory equipment. The support of agricultural education will help remedy the current crippling scarcity of agricultural scientists, technicians and developers caused by protracted conflict and contribute to sustainability of the positive benefits of the SAPEC project and other national development efforts.

2.1.10 At the local level, the SAPEC project will strengthen 36 farmer-based organizations (three per county), 10 lowland site-based water users associations, 12 county committees (one

per county) and 12 NGOs to improve decentralized agricultural decision making and facilitate farmer participation in food value chains. The project will also support the on-going capacity building exercises at the Cooperative Development Agency to enhance the regulation and development of cooperatives and other farmer-based organizations.

2.1.11 Public and community capacity building will be complemented by enterprise development and management enhancement to promote agricultural commercialization. The project will provide agribusiness and value addition training to 2,000 smallholder farmers with priority given to women, youth and physically-challenged beneficiaries. Central to this ‘agriculture is a business’ philosophy will be the training of 10 rural entrepreneurs per county including processors and agro dealers. The private sector operators will be exposed to market assessment and development strategies, investment opportunities in the agriculture sector particularly in agro inputs marketing and crop processing, packaging and sales training, business management, modern practices in the utilization and maintenance of processing equipment, and other value addition knowledge and skills. This capacity building will be delivered at the agribusiness centres and MOA technology transfer installations. The management capabilities of appropriate officers and members of the Liberia Marketing Association and local trader associations (one per county) will also be upgraded to not only promote entrepreneurship, but also to ensure effective management of the marketplaces and agribusiness centres, thus fostering the sustainability of project benefits.

Component D: Project Management

2.1.12 The component will focus on the effective coordination and management of the project. Activities will include procurement of services for the design, supervision and construction of civil works, and purchasing of goods and services including agro-processing and office equipment, training for multiple clients, and feeder roads maintenance. Key project cycle management tasks to ensure efficiency and effectiveness will include recruitment of project staff, provision of office space in all project centres, and preparation of operational manuals, annual work plans and budgets (AWPB), quarterly progress reports, procurement plans and audit reports. Others include on-the-job training, adoption of the monitoring and evaluation (M&E) system established under the ASRP, provision of communication infrastructure, organization of stakeholders workshops, and coordination of baseline and impact assessment studies. Upon approval of the project by the Bank, a project implementation mission will be fielded. The mission will assist GOL with the project start-up activities including staffing, preparation of bidding documents and operation manuals, preparation of the project launching workshop, etc. To this effect, a minimum budget resource will be provided for the mission’s activities.

2.2 *Technical Solutions Retained and other Alternatives Explored*

2.2.1 Two technical solutions for project management were considered and rejected for their identified weaknesses in generating the anticipated development impact on a sustainable basis. The first option was to channel the GAFSP resources to Liberia through a budget support program; this option was rejected due to the generally weak staffing and capacity gaps of the MOA. The current design enables recruitment of competent expertise from outside Liberia to fill identified skills gaps and facilitates technical assistance from Bank partners. The other option, contracting of project implementation to a reputable research institution, was rejected because the project objectives go beyond their technology transfer competencies and include value addition, access to markets and capacity building.

2.2.2 Technical solutions proposed for marketing infrastructure works are guided by the achievements and lessons learnt from the on-going Bank-funded ASRP and other projects. The

adopted approach thus focuses on a narrow menu of infrastructure components targeted on key areas of rural vulnerability notably lowland development, feeder roads, marketplaces and agro-processing facilities. The design also captures potential synergies and value addition from agro-processing facilities by integrating them into the overall scheme of the marketplaces. Moreover, it incorporates input from the MOA, Ministry of Public Works (MPW) and Ministry of Gender and Development (MOGD) officials, and beneficiaries at both preparation and appraisal stages and reflects complementary activities of the GOL and other donors. Finally, the design embodies local capacity building and ownership, and sustaining of project benefits.

2.2.3 Several alternative approaches to lowland rehabilitation and development were considered including dams for water storage, but these were deemed inappropriate solutions given the nature of the agro-ecological situation and the potential adverse environmental impacts. With a water balance showing 70% rainfall probability, 70% run-off coefficient, and minimal restrictions for double lowland rice cultivation, a system that combines reservoirs and conveyance channels was ultimately chosen to store flood water and convey it to rice fields where ‘flood’ or ‘basin’ irrigation would be used. Water control structures including gates and off-takes would be constructed while others such as field canals, other than tertiary canals, would be constructed by the plot owners.

2.2.4 Various delivery mechanisms were also considered for the pilot credit scheme. Intermediation through farmer-managed organizations in the project area was found to be infeasible because of their current lack of capacity, and channelling the credit through commercial banks was rejected because of their poor rural outreach and lack of appropriate products. The current option envisages delivery through a competitively recruited service provider with a track record of utilizing best practices to overcome poor creditor performance.

Table 2.3: Project Alternatives Considered and Reasons for Rejection

Alternative	Brief Description	Reasons for Rejection
Implement the project through budget support or sub-contract outside MOA	Project management via budget support or contracting to research institution.	<ul style="list-style-type: none"> • Generally weak MOA staffing • Project objectives go beyond technology transfer
Provide all marketing infrastructure in each project area	Supply of a broad range of marketing infrastructure, including value addition facilities, in all project areas without regard to synergy and local conditions	<ul style="list-style-type: none"> • Ignores lessons learned from ASRP • Inattentive to local needs • Does not capture potential synergies from integration
Dam construction to store flood water	Dam construction to ensure sufficient water availability, accessibility and distribution for rice cultivation.	<ul style="list-style-type: none"> • Inappropriate for local conditions • Potentially adverse environmental impacts
Credit provision via banks or FBOS	Management by FBOs or commercial banks of the pilot credit scheme aimed at hiring labour particularly for women.	<ul style="list-style-type: none"> • FBOs lack capacity • Banks lack adequate rural presence and appropriate products

2.3 Project Type

2.3.1 SAPEC is a grant and loan investment project funded by GAFSP and ADF XII resources, respectively.

2.4 Project Cost and Financing Arrangements

2.4.1 **The total cost of the project, including physical and price contingencies, is estimated at UA34.08 million.** The foreign exchange portion is estimated at UA20.77 million representing 61% of the total project cost. Local costs excluding taxes amounts to UA13.31 million which is equivalent to 39% of the total cost. The unit costs of roads, marketplaces and agro-processing facilities are based on current contracts for similar works under ASRP.

2.4.2 The total project cost will be financed to the tune of 85.32% by GAFSP grant resources (UA29.08 million or USD46.5 million as at August 2011 prices). The Bank will finance 11.74% or UA4.00 million using ADF resources. Given the fragile status of Liberia's economy, the country will not be required to provide budgetary contribution but will be responsible for costs associated with office accommodation and taxes, estimated at UA1.00 million (USD1.6 million) or 2.94% of total financing.

2.4.3 The GAFSP and ADF resources will finance UA17.718 million and UA2.438 million of the foreign currency exchange and UA11.362 million and UA1.563 of the local currency costs, respectively. The ADF will finance 24% of the cost of civil works while GAFSP will finance the remaining 76% as well as all other investment and recurrent costs.

2.4.4 Project costs by component, sources of funding, and category and schedule of expenditures are summarized in Tables 2.4 a, b, c, and d.

COMPONENTS	LRD			UA			% Foreign Exchange	%Project costs
	Local	Foreign	Total	Local	Foreign	Total		
Sustainable Crop Production Intensification	618,971	968,134	1,587,104	5,339	8,351	13,690	61	40
Value Addition/Marketing	472,449	738,959	1,211,408	4,075	6,374	10,450	61	31
Capacity Building and Institutional Strengthening	204,684	320,146	524,830	1,766	2,762	4,527	61	13
Project Management	87,455	136,789	224,243	754	1,180	1,934	61	6
TOTAL BASELINE COST	1,383,558	2,164,027	3,547,585	11,935	18,667	30,602	61	90
Physical contingencies	61,866	96,765	158,631	526	801	1,327	61	4
Price contingencies	98,397	153,904	252,301	854	1,299	2,153	61	6
Total Project Costs	1,543,822	2,414,695	3,958,517	13,314	20,767	34,081	61	100

Sources of financing	LRD			UA			% total
	Local Currency	Foreign Currency	Total Costs	Local Currency	Foreign Currency	Total Costs	
GAFSP	1,317,189	2,060,218	3,377,407	11,362	17,718	29,081	85.32
ADF	181,245	283,485	464,730	1,563	2,438	4,000	11.74
GOL	45,388	70,992	116,380	389	611	1,000	2.94
Total Project Cost	1,543,822	2,414,695	3,958,517	13,314	20,767	34,081	100

Expenditure Categories	GAFSP		ADF		GOL		Total	%	Project Costs	
	Amount	%	Amount	%	Amount	%			Local	Foreign
I. Investment Costs									Local	Foreign
Civil Works	12883	76	3950	24	0	0	16833	50	6584.37	10298.6
Goods	2721	100	0	0	0	0	2721	8	1061.19	1659.81
Services	8451	100	0	0	0	0	8451	25	3295.89	5155.11
Total Investment Costs	24055	86	3950	14	0	0	28005	82	10941.5	17113.6
II. Recurrent Costs									Local	Foreign
Salaries & Allowances	804	70	0	0	350	30	1154	3	450	704
O&M Vehicles/equipment	502	53	0	0	445	47	947	3	445	502
O&M Civil Works	343	69	0	0	152	31	495	2	152	343
Total Recurrent Costs	1649	64	0	0	947	36	2596	8	993	1554
Baseline Costs	25704	84	3950	13	947	3	30601	90	11935	18667
Contingencies	3377	96	50	3	53	1	3480	10	1326	2100
Total Project Costs	29081	85.32	4000	11.74	1000	2.94	34081	100	13314	20767

COMPONENT	UA					
	2013	2014	2015	2016	2017	TOTAL
Sustainable Crop Production	1,684	4,226	4,258	3,522	-	13,690
Value Addition and Marketing	884	2,851	3,317	2,887	512	10,450
Capacity Building & Inst. Strengthening	1,022	1,655	1,340	437	73	4,527
Project Management	609	333	366	333	295	1,934
Total Baseline Cost	4,198	9,065	9,281	7,179	879	30,601
Physical Contingencies	187	404	377	320	39	1,328
Price contingencies	296	643	642	509	61	2,152
Sub-total Contingencies	483	1,048	1,019	829	100	3,480
Total Project Costs	4,682	10,112	10,300	8,008	979	34,081

2.5 Project Target Area and Population

2.5.1 The SAPEC project area will cover 12 of the 15 counties of Liberia. The other three counties have been programmed for similar projects from other donors - the WB/JICA West Africa Agriculture Productivity Project (WAAPP) and the USAID FED project commencing in 2012. Eight of the proposed 12 counties fall in the project area of the on-going AfDB/IFAD supported ASRP, contributing to the scaling up of the latter by the SAPEC. They are the rice producing, south-eastern counties of Grand Gedeh, River Gee, Grand Kru and Maryland, and the major cassava producing north-western areas of Grand Cape Mount, Bomi, Montserrado, and Grand Bassa. The four new counties added to these two groups are Gbarpolu, Sinoe, River Cess, and Margibi where farmer access to improved planting materials and market is particularly challenging.

2.5.2 The SAPEC project promotes nationwide creation of opportunities for inclusive growth and equitable development that will support effective peace building. It covers approximately 60% of the total land area of 111,370 square kilometres and 2.31 million or 66.5% of the country's population. The estimated total project beneficiaries of 180,000 smallholder farming families, of which 25,000 will be directly targeted, constitute 51% of the total rice and cassava producing households in Liberia who provide livelihood for over 1 million people. About 20% of these households are headed by women, and 60% of its members are women who form the majority of Liberia's rice and cassava cultivators.

2.5.3 *Land Tenure:* Within the project areas, all smallholder farmers growing food crops have access to community managed lands. The publicly acknowledged and respected, and governmentally recognised, means for land dispute and access resolution is community-based and community driven. However, women's rights to agricultural land are sometimes restricted despite the statutory establishment of equal inheritance in the customary relationships. Insecure tenure sometimes discourages women from investing in land for fear of losing their land use rights upon divorce or death of a husband. The project will mitigate this risk by promoting the sensitization and mediation program of the GOL's Land Commission in the coverage areas, and will work with communities to ensure that female-headed households and married women have access to plots where lowlands are rehabilitated.

2.6 Participatory Process for Project Identification, Design and Implementation

2.6.1 The SAPEC project was identified in the LASIP developed by the GOL to achieve national and sector priorities articulated in the PRS and the FAPS which was formulated based on findings from the Comprehensive Assessment of the Agricultural Sector (CAAS-Lib). SAPEC and other LASIP interventions were subsequently reviewed at a CAADP Experts Consultation (4 September 2009), Interagency and Donors Consultation Meeting (30 September 2009), review workshops (18 and 21 May 2010), and at a LASIP Validation

Workshop (28 May 2010) where inputs were received from a wide-range of stakeholders including government agencies, the private sector, NGOs, farm-based organizations (FBOs), and civil society. Care was taken to include female farmers and community interest groups in these consultations as well as during a stakeholder workshop arranged by the Bank in Liberia in December 2011.

2.6.2 In addition, the GAFSP proposal for SAPEC was endorsed by the ADWG comprising the EU, SIDA, USAID, WB and others, and strengthened by a Bank mission that prepared the proposed project and ensured the participation of farmers during field trips which were part of project design. The mission consulted the MPW on the construction and maintenance of farm-to-market roads and marketplaces, and MOGD on the latter. Many farmers expressed the need for more food production support including seeds/cuttings, fertilizers, credit, and agro-processing equipment. They also requested for improved feeder roads, markets and training; female farmers identified lack of male labour for field preparation as the greatest constraint to improved agricultural production. The activities under the project are responsive to many of these needs. The consultation process initiated during the formulation of the project will continue during its implementation.

2.6.3 Communities, Government and NGOs will participate in project implementation. The project will also be supported by credible regional research institutions and renowned implementing partners for technology transfer.

2.7 *Bank Group Experience and Lessons Reflected in Project Design*

2.7.1 There are 10 on-going projects in the current Bank portfolio at different stages of implementation with a total approved amount of UA93.4 million of which the Water & Sanitation sector (Infrastructure) accounts for 48%, Social Sector 23%, Agriculture (and Emergency) 19%, Private Sector 6%, and Governance and Public Finance Reforms 4% (see Appendix II). The average size of the projects in the portfolio is UA6.8 million. Two projects in the Bank portfolio were closed in 2011 and their PCR were prepared with no delays. The Bank's current project in the agriculture sector is rated satisfactory (2.53). Generally, implementation challenges are due to lack of competent staff to handle critical operational project cycle management functions. Delaying factors include meeting loan conditions and processing of procurement dossiers.

2.7.2 These challenges were duly considered during project design. For example, adequate provision has been made to attract regional experts to support implementation and train national counterparts before they take over. The expert positions, which will not exclude nationals, will be competitively filled. Under the capacity building component of the project, resources are provided to fund short duration courses to build staff competence in every category of project cycle management. The project will benefit from Bank implementation support missions immediately after grant signature to expedite disbursement effectiveness, initiation of critical procurements including staff recruitment, and preparation of the project management and operational manual. In addition, the Bank's country office will be fully functional before the project becomes effective, minimizing disbursement and no objection delays.

2.8 *Key Performance Indicators*

2.8.1 The Results Based Logical Framework contains indicators pertaining to the impact, outcomes and outputs of the SAPEC project; it includes the Bank's Core Sector Indicators (CSI) and other institutional indicators that will be used to gauge the effectiveness of project management. A gender-disaggregated baseline study that is prioritized will be conducted at the

onset of project implementation to provide the basis for assessing progress as implementation advances. Efforts toward achieving project impacts, outcomes and outputs will be checked against targets set in the Logical Framework. The quarterly and annual reports will provide information on the progress made in outputs. The mid-term review and end-of-project reports will address progress made towards achieving the expected project outcomes. An impact assessment study at the end of the project will focus on project achievements and issues of sustainability. The main sources of data will thus comprise internal reports as well as external publications including LISGIS statistics, MOA Production Estimates of Crops and Animals, and FAO food security reports.

2.8.2 Managers and policymakers will use the reports identified above to assess project effectiveness during implementation and after completion. The quarterly progress reports and annual M&E report published by the M&E unit of the project will be conveyed to the PMU management, the Bank and the MOA's Monitoring Division. The Monitoring Division, using the system developed under ASRP, will collaborate with the M&E department at the MOPEA in the preparation of appropriate reports pertaining to the achievement of MDG-based PRS deliverables (i.e. reduction in rural poverty and food insecurity, increased smallholder farmer income, and output growth in rice, cassava and vegetables) for review and action by policymakers. The MOPEA has developed an accessible, web-based M&E tool that will be utilized. Furthermore, project information reported to the MOF will be available to policymakers through the Integrated Financial Management Information System (IFMIS) established in Liberia under the Bank-financed Public Financial Management Reform Support Program.

III – PROJECT FEASIBILITY

3.1 *Economic and Financial Performance*

Economic Analysis

Table 3.1: Key Economic Figures

EIRR (base case)	18%
NPV (base case)	USD27.3 million

3.1.1 Project costs and benefits were estimated over a 20 year project cycle. Costs captured by the model include the total investment cost of the project (i.e. irrigation and marketing infrastructures, feeder roads, capacity building and institutional support as well as maintenance costs for civil works including roads, and the operation and maintenance of equipment). In addition, agricultural production enhancement costs were included in the economic analysis. Additional underlying assumptions and detailed calculations in the model are presented in Annex B7 of the Technical Annexes.

3.1.2 The project is expected to lead to a sharp increase in the number of smallholder farmers and rural entrepreneurs participating in agricultural value chains by at least 25,000. Thus the key benefit of the project, a 300% increase in the average income of these direct beneficiaries, results from annual output expansion of 110% for rice, 287% for cassava and 28% for vegetables. The rise in rice, cassava and vegetables production stems from expanded lowland and upland areas due in part to the irrigation schemes, increase in cropping intensity, and adoption of improved agricultural production technologies such as fertilizer, certified seeds/cuttings, and integrated pest management; these interventions are expected to elicit yield increases of 130% for lowland rice, 150% for upland rice, 316% for cassava and 25% for vegetables. The reduction in post-harvest losses (50% for rice and 15% each for cassava

and vegetables) associated with the provision of processing equipment, storage and marketing facilities, and rehabilitation of feeder roads are additional enablers.

Financial Analysis

3.1.3 The analysis of financial performance and impact of the project at the farming household level has been conducted on the basis of assumptions regarding technology adoption rate (90%), a rice- and cassava-based cropping system and increased cropping intensity (1.5 for rice), expanded area under cultivation, increased crop yields, and reduced postharvest loss rates. The costs taken into account for the financial analysis included all project costs. Benefits were based on estimates of the annual net farm income generated for the two farming systems under two scenarios namely, Without Project and With Project. For the respective cassava- and rice-based farming systems, the incremental annual net farm income before labour was found to be LRD131,500 and LRD318,700, and the return per family day of labour LRD1,315 and LRD1,080. As a result, about 400,000 labour days equivalent to 2000 permanent jobs would be generated. Detailed assumptions and findings are shown in Annex B7 of the Technical Annexes.

3.2 Environmental and Social Impacts

Environment

3.2.1 The project is classified as Category 2 because the infrastructure to be developed and/or rehabilitated is scattered, small-scale in nature and unlikely to induce potential, significant or irreversible environmental and social impacts. The category was validated by the Bank's Quality Assurance and Results Division (ORQR.3) on 09/09/2011. The Environmental and Social Management Plan (ESMP) was jointly prepared by the MOA, Environmental Protection Agency (EPA) and the Bank to mitigate any potential risks and disclosed before Board presentation of the project. The Bank and the EPA, consistent with its legal mandate, will supervise implementation. UA300,000 has been allocated to implement ESMP activities including remediation, EPA and PMU capacity building, and monitoring.

3.2.2 The proposed activities will have positive environmental and social impacts because the agriculture technologies will promote efficient use of land and water. Negative impacts will largely occur during the construction phase of the project, including soil erosion and degradation arising from land preparation activities (land tilling, leveling and ridging); drainage of cultivated lands; generation of a moderate level of dust emissions; alteration of hydrological conditions and water flows to river systems; pollution of water and land resources from vehicles and machinery used for construction; and loss of biodiversity due to intensive cropping of developed swamp schemes and feeder roads construction. The negative effects occurring during the construction phase will be addressed through the ESMP and an appropriate Code of Good Practices for Construction that will be prepared and included in the Work Contract. This will prevent negative environmental impacts and promote occupational health and safety of workers. The ESMP contains activities that will reduce to minimally-acceptable levels other potential negative impacts, including pollution and contamination of water bodies that may arise from runoff of excess fertilizers and pesticides through an application of efficient management regimes and best practices. It will also limit the expansion of natural habitats that may not be compatible, alteration of hydrological conditions and river flows for downstream ecosystems, rapid rise of water table at certain locations with problems in drainage and soil salinity, and increased incidences of water-borne diseases.

3.2.3 The positive environmental and social impacts of the project will prevail over potential negative impacts during the operational phase. The positive impacts are as follows:

(i) the 1,000 ha that will be rehabilitated for irrigated agriculture will bring marginal productive land into full production; (ii) good quality water will become available for different purposes; (iii) farmers who are likely to settle in the project areas will be allocated lands, thus improving their livelihood; (iv) potential afforestation will improve the micro climate; (v) a general increase in smallholder farmer household income; (vi) mitigating effects of rainfall variability from the areas where the 1,000 ha of lowland will be rehabilitated; (vii) enhancing of inter and intra community interaction and adoption of renewable energy sources due to quicker diffusion and adoption of new agricultural technologies; and (viii) introduction of fisheries and new flora.

Climate Change

3.2.4 The project design has taken into consideration the GOL's National Adaptation Program of Action for climate change risks. The use of surface water from the lowlands for localized irrigation will be a mitigating factor against climate change. Furthermore, lowland rehabilitation and soil, crop and water management activities will be implemented under best practices. Farmers will also receive advice on weeding regimes, pesticides use, and maintenance of nitrogen-fixing tree species to improve soil fertility and multi-purpose tree species for foliage cover.

Gender Equality

3.2.5 Women farmers in Liberia find it difficult to rise above subsistence level agricultural production due to a number of factors including lack of access to land, labour, credit, value-chains and markets that have led to high post-harvest losses and missed income. This project seeks to address women's farmer's constraints by: (i) providing agricultural solutions for higher yielding crop varieties, (ii) information and training on better production techniques; (iii) access to markets and market infrastructure in which agro-processing machines will be installed to reduce toil in farm processing; and iv) training in agro-business management to enhance entrepreneurial skills. The project also seeks to mitigate identified constraints such as lack of labour through a pilot credit scheme that will be administered by a competitively recruited service provider. The project will ensure allocation of low-land rice fields to female heads of households through supporting on-going GOL initiatives being led by the Land Commission to ensure gender equity in accessing, securing and utilizing communal lands. Furthermore, marketplaces constructed under the project will contain playgrounds, storage, and space to conduct training and stalls.

3.2.6 The project seeks to empower women both within the project areas and in the MOA. It will encourage committees and farmer-based groups to include a 30% quota for women in management and training activities in line with GOL regulations. The project will also provide technical assistance to build the capacity of a Gender Focal Person at the MOA, implement a gender mainstreaming strategy, and conduct a gender-responsive baseline study that presents both quantitative and qualitative data to implement the project aspects which promote gender equality.

Social

3.2.7 The project will generate considerable socio-economic benefits to all layers of the rural communities including women, youth and the physically-challenged in the project areas, and generally to the national economy. Improved access to beneficiary communities will expand production and enhance marketing and household incomes. The growth of markets, new businesses and economic development along the rehabilitated roads will have added social benefits including access to healthcare and educational facilities.

3.2.8 Direct beneficiaries are expected to experience a three-fold increase in household incomes, labour-based rehabilitation of feeder roads will provide employment for about 2,000 persons, availability of credit will increase women's productivity and marketing, and reduce child under-nutrition through increased availability and utilization of a wider variety of vegetables, thus improving food security. Value addition training will improve skills and promote employability of youths and physically-challenged, capacitating them to earn their living and facilitating their contribution to the rural economy. In addition to positive impacts on health and education, the anticipated economic well-being resulting from higher family incomes will generate positive multiplier effects on social stability.

Involuntary Resettlement

3.2.9 There will be no involuntary resettlement as a result of the project. The feeder roads targeted for rehabilitation will generally follow existing right-of-way and other features, requiring only minor adjustments. The marketplaces and agribusiness centres will be constructed on current market locations or sites identified by GOL agencies and communities, requiring no resettlement.

IV – IMPLEMENTATION

4.1 Implementation Arrangements

Executing Agency

4.1.1 The implementation arrangements for the project will be along the line of the on-going AfDB, IFAD, WB and other donor projects in the agriculture sector. Thus, the MOA will be the executing agency with implementation mainstreamed within its PMU to consolidate sector manpower capacity building for project implementation. The MOA-PMU is currently headed by a Director to whom a competitively recruited Project Coordinator for the SAPEC Project Implementation Unit (PIU) will report. The SAPEC Project Coordinator will be supported by the PMU's Program Support Office (PSO) which is currently staffed by monitoring and evaluation, procurement, financial management, administration, civil engineering and information technology specialists. The PSO will be reinforced through the competitive recruitment, using performance-based contracts, of an Irrigation/Rural Infrastructure Engineer, an Agronomist, an Agro Processing Specialist, an M&E Officer, a Project Accountant and a Procurement Officer. The engagement of these experts will require the Bank's prior approval. The national staff will receive in-service training including skills transfer from international experts. Furthermore, and in keeping with standard procedures, the PMU will ensure the active participation of the appropriate national and field staff of the Ministry of Public Works (MPW) in the execution of civil works. The Steering Committee that is currently utilized by the ASRP shall provide policy direction, advice and guidance to ensure consistency between MOA project management and GOL priorities and investments in the agriculture sector.

4.1.2 The project will be implemented at the field level by a SAPEC Focal Point in each county who will report to the PIU through the County Agricultural Coordinator. The county committee will ensure that project implementation remains consistent with local agricultural development objectives. The Counties will be further strengthened with 80 project trained Extension Officers supplied with motor cycles who will receive performance allowances along with the 12 focal persons and 12 county agricultural coordinators.

4.1.3 To effectively coordinate implementation including timely execution of project activities and reporting, the project has allocated resources for monitoring, staff training, communication, audit, and for the strengthening of financial management and accounting systems. Consequently, the project will promote the effective use of the accounting package

installed by the MOA-PMU to capture financial information up to county levels. The project will also provide transportation, field and office equipment to facilitate the delivery of project outputs.

Procurement Arrangements

4.1.4 All procurement of goods and works and acquisition of consulting services financed by the Bank and the GAFSP grant will be in accordance with the Bank's *Rules and Procedures for Procurement of Goods and Works* (May 2008 edition) or as appropriate, *Rules and Procedures for the Use of Consultants (as the case may be)*, using the relevant Bank Standard Bidding Documents. Ministry of Agriculture (MOA) will be the executing agency with implementation mainstreamed within the Ministry's Program Management Unit (PMU). The PMU is responsible for all donor financed projects in the Ministry. The Project Coordination Unit which will be setup under the Program Management Unit will be responsible for the procurement of goods, services, training and operating cost items. To address the shortcoming of weak technical expertise of the Ministry, the project will competitively recruit key experts to fill the posts of Project Coordinator, an Irrigation/Rural Infrastructure Engineer, an Agronomist, an Agro Processing Specialist, an M&E Officer, a Project Accountant and a Procurement Officer. These key officers will have relevant experiences and their engagement will require the Bank's prior approval. Technical Annex B5 provides details on the list of procurement items, procurement rules and procedures relating to goods, works, consulting services, and training, as well as the review procedures required by the Bank.

Financial Management and Disbursement Arrangements

4.1.5 *Financial Management:* An assessment of the Program Management Unit (PMU) of the MOA was carried out in accordance with the *Guidelines for Financial Management and Financial Analysis of Projects*, approved by the Board of Directors of the African Development Bank on November 7, 2000, and in conformity with the "*Financial Management Toolkit*" issued by ORPF in June 2010 to determine the adequacy of the financial management arrangements to be employed by the PMU. The assessment concluded that arrangements at the PMU are adequate and meet the minimum requirements of the Bank. The PMU has qualified staff currently managing the ASRP and has acquired accounting software which it uses to capture project financial transactions and prepare reports. An additional accountant will be engaged for the SAPEC project and given orientation to the processes and procedures of the PMU that are documented in a draft procedures manual which needs to be finalized and approved for adoption. Details of the assessment are presented under Technical Annex B4.

4.1.6 *Disbursement:* The Bank's disbursement rules and procedures as stipulated in the Disbursement Handbook (January 2007) will be used. The loan and grant will be disbursed through the Special Account (SA) and Direct Payment methods. Two foreign currency SA (denominated in United States Dollars) will be opened in commercial banks on terms and conditions acceptable to the Bank. The accounts will be used for receiving the grant and loan proceeds from the co-financiers and making payments for eligible project expenditure. The PMU will obtain all transaction documentation and event reports to incorporate the financial transactions in its financial statements and reports. An initial deposit will be released by the Bank at the request of the project, after the loan/grant becomes effective and all disbursement conditions have been fulfilled. The SA will be replenished as per the procedures stipulated in the related Disbursement Letter and the Disbursement Handbook. Activities that are to be financed through the Special Accounts will be executed as approved in a consolidated AWPB. Invoices and supporting documents will be submitted directly to the PMU for verification and

recommendation/confirmation of obligation to a vendor, and subsequently paid by the PMU. To ensure proper expenditure monitoring, the Project will be required to maintain loan/grant, categories and contracts ledgers.

4.1.7 *Audit*: The Auditor General of Liberia (AGL) has primary responsibility for the external audit of all public projects. Under the project, the AGL shall approve of the selection of a private auditor, using the Bank's procurement guidelines, for the project audit. The appointment of private external auditor for the SAPEC project will be finalized within six months of effectiveness to ensure timely audit of project financial statements. The audit report shall be submitted to the Bank for review and approval, prior to payment of any associated audit fees, within six months after the project's financial year ends.

4.2 *Monitoring*

4.2.1 The basis for the overall project monitoring and evaluation system will be the Result Based Logical Framework and key performance indicators contained therein, and pertinent requirements of the appraisal report. This system comprises internal and external components. The M&E Specialist and M&E Officer will coordinate all internal monitoring and evaluation activities such as outcome assessment and output and activity monitoring, and ensure the production and publication of the necessary reports including Quarterly Progress Reports. The monitoring indicators compare project performance with the targets set in the AWPB. The pertinent outcome, outputs and activity data will be collected through the decentralized county level extension system and farmers' organisations. The external monitoring activities will be carried out by the MOA Monitoring Division in conjunction with the M&E department at the MOPEA which is nationally mandated to monitor progress towards achievement of MDG-based PRS deliverables.

4.2.2 In addition to the Bank's supervision missions, the Bank and the Executing Agency will carry out a MTR in the fourth quarter of PY3 to assess the progress, identify major problems and constraints, and possibly recommend modifications to project design.

4.2.3 The project has provided funds for the development of standards and guidelines for monitoring and evaluation including strengthening of the management information systems (MIS) being developed in the MOA. To improve basic data availability in the project area, the Project will fund focussed baseline studies in PY1 and an impact study in PY5. The content of these studies will also respond to gender issues where applicable.

<u>Timeframe</u>	<u>Milestone</u>	<u>Monitoring and Evaluation Process/ Feedback Loop</u>
Year 1	Baseline study	MOA/PMU and Counties
Year 1 – 5	Implementation	Beneficiaries, Counties, MOA/PMU, MPW
Year 1 – 5	Audit Reports	AGL, PMU, Bank
Year 3	Mid-Term Review	MOA/PMU, Bank
Year 5	Impact Study	Beneficiaries, MOA, MOPEA, MPW, MOGD
Year 5	PCR	MOA/PMU and Counties

4.3 *Governance*

4.3.1 Liberia has made significant progress in implementing critical structural reforms under its economic program, particularly in the area of Public Financial Management (PFM). These include modernizing information systems, adopting a chart of accounts, and budget preparation in accordance with a newly passed PFM Act (August 2009) to improve fiscal reporting, accounting, and internal audit operations. Reforms have been undertaken to increase

customs efficiency, key government ministries are undergoing external audits, and contracts are being regularly published.

4.3.2 The on-going reforms are commendable and will lead to better exploitation of the potential of the agriculture sector. With reference to sector-specific governance issues, policy, institutional and structural issues are also gradually being addressed. For example, the FAPS provides for the decentralization and restructuring of the MOA for greater operational efficiencies in the counties. This and other important reforms will be followed-up by the Bank during project implementation with a view to gauging their impact on performance.

4.4 Sustainability

4.4.1 SAPEC is primarily an agricultural project designed to empower the rural communities of Liberia to fully recover from the effects of the war era through support for poverty reduction. The PRS, initially covering the period April 2008 to June 2011 but since extended to December 2012, sets a medium-term macroeconomic and growth framework to reduce poverty in line with the MDGs. The PRS also emphasizes cross-cutting issues of gender equity and peace building.

4.4.2 Since this project responds directly to the key challenges identified in the PRS, it is expected to receive the necessary support from Government to continue its activities after the investment phase. As an empowerment project, beneficiaries will contribute significantly to the sustainability of project activities through their financing of farm input costs, maintenance of developed swamps including irrigation infrastructure (by Water User Associations) and, under the leadership of the LMA and local trader organizations, maintenance of marketplaces and agribusiness centres. The ability of farmers to sustain project activities will be enhanced by their increased incomes. Smallholder incomes are expected to rise by over 300% through adoption of new technologies, multiple cropping, better water resource utilization, value addition, and postharvest loss reduction. Adequate resources have been provided by the project to build the capacity needed to change farmer behaviour. This includes maintenance of the farm-to-market roads over the final two years of the project and farmer training on maintenance works. Thus, with farming families making profit, sustainability of activities is apt to be enhanced.

4.5 Risk Management

4.5.1 Based on experiences from the on-going ASRP and challenges identified during implementation, including weak performance by contractors and service providers as well procurement delays, four risks to SAPEC project implementation have been identified.

4.5.2 In anticipation of the probable occurrence of weak contractor performance and procurement delays, the SAPEC design provides for sound procurement planning and implementation including early initiation of procurement of works, and use of reputable consultants for work supervision.

4.5.3 The enhancement of production and productivity by the project assumes that some farmers in the project area may not readily adopt improved, integrated soil, crop and water management technologies. The project therefore provides resources for field demonstrations and awareness programs to overcome socio-cultural and other barriers to technology adoption by farmers.

4.5.4 In the absence of recent comprehensive investigations of the human resources needs of the agriculture sector, there is the likelihood that staff training planned by the project may not address the critical needs of the MOA and the sector. The project will mitigate this risk by undertaking a study that will assess sector capacity needs.

4.5.5 There may be risks resulting from the lack of in-country capacity to manage the project. This will be mitigated by providing adequate technical assistance and ensuring close support by the Bank's newly established Liberia Field Office.

4.6 Knowledge Building

4.6.1 The project will contribute to knowledge building from: i) baseline surveys that will be carried out after project take-off; ii) crop production and yield assessments; iii) soil fertility surveys for fertilizer application; iv) reports on market trends; and v) engineering data relating to road rehabilitation and land preparation machines. M&E mechanisms will also generate information on implementation achievements, project financing, disbursement trends, procurement achievements and contractor performance. It is expected that project experts will contribute to knowledge through technical studies that will provide basic data for planning similar projects, inform on outputs and outcomes of the project, and enable evidence-based decision making by the MOA and other entities regarding gender equality and other issues in the sector. Knowledge generated will further enhance the use of country systems in designing and managing Bank-financed projects in the future.

4.6.2 The project's M&E system will be integrated into the country's PRS M&E data warehouse which has robust space and web links. This will allow the Bank, implementing agencies and beneficiaries to access information and identify performance challenges. The PMU system will also provide access to all stakeholders for information on project implementation. To facilitate follow-up on emerging knowledge attributes, studies funded by the project including baseline and impact studies will inform the GOL and beneficiaries on pertinent knowledge issues that can be put into practical use for better result-oriented achievements. Other knowledge tracking processes include regular supervisions, MTR and Project Completion Report (PCR).

V – LEGAL INSTRUMENTS AND AUTHORITY

5.1 Legal Instrument

5.1.1 GAFSP Grant and ADF Loan to the Republic of Liberia.

5.2 Conditions Associated with Bank's Intervention

- Conditions Precedent to Entry into Force: The Grant Agreement shall enter into force on the date of signature by the Recipient and the Bank. The Loan Agreement's entry into force shall be subject to the fulfilment by the Borrower of the provisions of Section 12.01 of the General Conditions.
- Conditions Precedent to First Disbursement: The obligation of the Bank to make the first disbursement of the Loan/Grant shall be conditional upon entry into force of the Agreement and the following conditions, namely, the Borrower/Recipient shall have provided evidence in form and substance acceptable to the Bank:

- (i) of having opened two foreign currency Special Accounts (SA) in a bank acceptable to the Bank for the deposit of the proceeds of the grant and loan (paragraph 4.1.6);
- (ii) that it has submitted a Memorandum of Understanding signed by the Borrower/Recipient, International Institute of Tropical Agriculture, and Africa Rice Centre concerning the provision of technical assistance to the Ministry of Agriculture, farmer groups, private sector actors and Non-governmental Organisations (paragraphs 2.1.3 and 2.1.4); and
- (iii) of having recruited a Project Coordinator and a Project Accountant with skills and qualifications acceptable to the Bank (paragraph 4.1.1).

5.3 Compliance with Bank Policies

- This project complies with all applicable Bank policies.
- Non-standard conditions (if applicable): N/A

VI – RECOMMENDATION

Management recommends that the Boards of Directors approve the proposed GAFSP grant of UA29.08 million and ADF loan of UA4.00 million to the Government of Liberia for the purpose of implementing the project and subject to the conditions stipulated in this report.

A1

Appendix I: Comparative Socio-economic Indicators – ADB Statistics May 2011

Social Indicators	Liberia		Africa	Developing countries
	1990	2010 *		
Area ('000 Km ²)	111		30,323	80,976
Total Population (millions)	2.2	4.1	1,031.5	5,658.7
Population growth (annual %)	-2.0	3.6	2.3	1.3
Life expectancy at birth, total (years)	48.5	59.1	56.0	67.1
Mortality rate, infant (per 1,000 live births)	138.4	91.3	78.6	46.9
Physicians per 100,000 People	...	1.0	58.3	109.5
Births attended by skilled health staff (% of total)	...	46.3	50.2	64.1
Immunization, measles (% of children ages 12-23 months)	...	95.0	71.1	80.7
School enrolment, primary (% gross)	...	90.6	102.7	107.2
Ratio of girls to boys in primary education (%)	...	89.5	91.7	96.2
Literacy rate, adult total (% of people ages 15 and above)	...	58.1	64.8	80.3
Access to Safe Water (% of Population)	57.0	68.0	64.5	84.3
Access to Sanitation (% of Population)	40.0	17.0	41.0	53.6
Human Develop. (HDI) Rank (Over 169 Countries)	...	162	n.a	n.a
Human Poverty Index (% of Population)	...	35.2	...	...
	Liberia			
Economy	2000	2008	2009	2010
GNI per capita, Atlas method (current USD)	140	170	160	...
GDP (current Million USD)	661	851	879	1,295
GDP growth (annual %)	36.1	7.1	4.6	6.1
Per capita GDP growth (annual %)	27.9	2.5	0.4	2.4
Gross Domestic Investment (% of GDP)	23.5	71.7	66.9	76.1
Inflation (annual %)	5.3	17.5	7.6	7.7
Budget surplus/deficit (% of GDP)	0.3	1.2	-1.6	1.3
Trade, External Debt & Financial Flows	2000	2008	2009	2010
Export Growth, volume (%)	...	...	...	...
Import Growth, volume (%)	...	...	...	...
Terms of Trade (% change from previous year)	...	...	...	...
Trade Balance (mn USD)	-32	-455	-410	-651
Trade balance (% of GDP)	-4.8	-53.5	-46.6	-50.2
Current Account (mn USD)	-132	-488	-292	-530
Current Account (% of GDP)	-20.0	-57.4	-33.2	-40.9
Debt Service (% of Exports)	...	204.4	335.7	126.0
External Debt (% of GDP)	625.2	231.6	188.9	11.6
Net Total Inflows (mn USD)	631.6	1,636.6	1,663.2	...
Net Total Official Development Assistance (mn USD)	67.4	1,249.5	505.0	...
Foreign Direct Investment Inflows (mn USD)	20.8	200.0	378.0	...
External reserves (in month of imports)	0.0	0.6	1.7	1.7
Private Sector Development & Infrastructure	2000	2005	2009	2010
Time required to start a business (days)	...	...	31	20
Investor Protection Index (0-10)	...	...	3.7	3.7
Main Telephone Lines (per 1000 people)	2.4	...	0.5	0.5
Mobile Cellular Subscribers (per 1000 people)	0.5	48.0	193.0	193.0
Internet users (000)	0.2	...	5.3	5.3
Roads, paved (% of total roads)	6.2	...	...	...
Railways, goods transported (million ton-km)	...	...	...	...

Appendix II: Summary of Bank Portfolio in Liberia as at 29 February 2012

Project name	approval date	Signature Date	effective-ness	closing date	Net approved amount (UAm)	amount disbursed (UAm)	disb. (%)
Social sector							
Labor-based Public Works Project	18.12.2007	29.02.2008	03.04.2009	31.12.2013	15,240,000	10,101,649	66
Labor-based Public Works Project (suppl)	29.06.2011	11.08.2011	23.01.2012	31.12.2013	5,000,000	0	0
Water Supply/ Sanitation sector							
Urban Water & Sanitation Project	19.05.2010	28.05.2010	26.01.2012	30.06.2015	24,630,000	0	0
Water Sector Reform Study**	13.01.2009	28.05.2009	12.08.2009	30.4.2012	1,443,336	893,556	62
Multisector							
Economic Governance and competitiveness	21.06.2011	11.08.2011	12.12.2011	31.12.2013	30,000,000	14,000,000	47
Emergency Assistance for Humanitarian Relief*	25.04.2011	02.08.2011	13.09.2011	30.03.2012	395,778	395,778	100
Private Sector							
Liberia Bank for Development & Investment*	10.06.2009	30.12.2011	–	30.06.2012	3,141,098	0	0
Equity in Access Bank*	05.11.2008	05.11.2008	05.11.2008	n/a	971,232	971,232	100
Agriculture							
Agriculture Sector Rehabilitation Project	29.04.2009	14.05.2009	30.03.2010	30.04.2016	12,500,000	2,007,924	16
Multinational							
WAMZ-Payment System Development Project (The Gambia, Guinea, Sierra-Leone and Liberia)	09.11.2010	09.11.2010	02.02.2011	31.12.2012	5,000,000	0	0
TOTAL (only national)					93,321,444	28,370,139	30.4%
TOTAL (including multinational)					98,821,444	28,370,139	28.7%

*Amounts approved in USD. Exchange rate of 29 Feb.2012 applied

**Amounts approved in Euros. Exchange rate of 29.Feb.2012 applied

Appendix III: Table of Related Projects in Liberia as at June 2011

Donor/Agency	Project Title	Project Coverage	Budget (in USD)	Implementing Organisation	Project Status
WFP	Purchase of progress Program	Lofa, Nima and Bong Counties	6 million	WFP	On-going (Closing 2013)
	The Livelihood Asses Rehabilitation Program (LAR)	Lofa, Nima and Bong Counties	3.7 Million	WFP	Under review for finalization
USAID	Liberia Agriculture Upgrading, Nutrition and Child Health (LAUNCH)	Bong and Nimba Counties	40 Million	ACDI/VOCA	On-going (closing 2015)
	Health, Agriculture, Nutrition, Development for Sustainability (HANDS)	Grand Gedeh and River Gee Counties	35 Million	Opportunities Industrialization Centres (OIC)	On-going (closing 2015)
	Excellence in Higher Education for Liberia Development (E-HELD)	Universities in Montserrado and Bong Counties	18.5 Million	Research Triangle Institute (RTI)	On-going (closing 2016)
	Small Holder Oil Palm Support (SHOPS)	Bong, Nimba, Lofa, Grand Bassa Counties	3.75 Million	ACDI/VOCA	Ongoing (2011 – 2014)
	Leadership Training and Capacity Building (LEAD)	Country Wide	0.5 Million	DAI	Ongoing (2011 -
EU	Gbarpolu Agriculture, Infrastructure and Nutrition for Food Security (GAINS)	Gbarpolu	1.33 Million	Mercy Corps Scotland LBG	On going
	Enhancing Agricultural Capacities and Economy in South East Liberia	Maryland, Grand Kru and River Gee Counties	2.1 Million	Dansk Flytningehja ELP (DRC)	Ongoing (Closing Jan. 2012)
	Lofa Livelihood Security Program (LLSP)	Lofa	1.33	Concern Worldwide	On going
	Enhancing Urban/Peri Urban Agriculture Project in Liberia	Greater Monrovia and Bomi	2 Million	Deutsche Welthungerhilfe	Ongoing (Nov. 2012)
	Urban/Peri Urban Agriculture Project in Liberia	Greater Monrovia and Bong	2 Million	Stichting Care Nederland	Ongoing (Oct. 2012)
	Development of Sustainable Inland Fish farming to Achieve Food Security in Rural Liberia	Bong and Mimba Counties	1.52 Million	APDRA-F	Ongoing (Closing Dec. 2012)
	Building Agricultural Sector Capacities	Bong County	1.18 Million	Solidarites International Association	Ongoing (Closing Dec. 2011)
	Improved Food Security in Foya District	Lofa – Foya	2.6 Million	GIZ – GMBH	On-going
	Promoting Food Security in South East Liberia	Grand Gedeh	0.83 Million	OXFAM GB LBG	On going
World Bank	Agriculture and Infrastructure Development Project	Lofa, Bong and Nimba Counties	8 Million	FAO, IITA, AfricaRice, MoA/PMU	Ongoing (2007 – 2011)
Multi Donor	Government & UN Joint Program on Food Security and Nutrition	Country Wide	140.24 Million	FAO, WFP, UNDP, UNICEF	On going
World Bank/IFAD (Parallel Funding)	Smallholder Tree Crop Revitalization Support Project	8 Counties	31.6 Million	MoA/PMU	Under preparation
World Bank/Japan PHRD	West Africa Agric. Productivity Program 1C (WAAPP 1C)		14 Million	MoA/PMU	Under preparation
EU/World Bank	Liberia Agriculture and Infrastructure Project	Bong, Nimba Lofa Counties	13 Million	World Bank	Closing Dec. 2011
EU/World Bank	Liberia Community Empowerment Program	15 Counties	11.4	World Bank	Closing Dec. 2011

LIBERIA SAPEC PROPOSAL AREA

