



Liberia ECOWAP / CAADP Compact

To Support

The Successful Implementation of the Liberia Agricultural Sector Investment Program/
National Agriculture Investment Program (LASIP/NAIP) Towards Accelerating
Economic Growth and Development Under
The Poverty Reduction Strategy of the Government of Liberia

A. Background for the Implementation of the ECOWAS Agricultural Policy and the Comprehensive Africa Agricultural Development Program (ECOWAP/CAADP) in Liberia

1. CAADP as an African Owned Agenda and a Shared Development Framework

The Comprehensive African Agricultural Development Program (CAADP) is an initiative by African Governments under the auspices of the African Union/New Partnership for African Development (AU/NEPAD) to accelerate economic growth and development of African countries. CAADP is an agriculture-led economic growth and development scheme which seeks to eliminate hunger, diminish food and nutrition insecurity, reduce poverty, and facilitate the expansion of exports. As a program of the African Union, it emanates from and is fully owned and led by African Governments. The Economic Community of West African States (ECOWAS) has been mandated to coordinate and harmonize implementation of the framework in the West African sub-region with national authorities. As part of the NEPAD Initiative, this authorization is within the broader context of the principles of dialogue, mutual review, accountability, and partnership for CAADP.

2. ECOWAS Agricultural Policy (ECOWAP)

The regional agricultural policy (ECOWAP) was adopted in January 2005 by heads of states and government of ECOWAS who insisted that national policy should be aligned with regional policy. The preparation of a plan of action for the implementation of ECOWAP in October 2005, took into account the Comprehensive Africa Agricultural Development Program (CAADP) for which ECOWAS was mandated to implement within the sub-region. These two initiatives were merged into one thereby giving a unique Action Plan developed at the national level call the national agricultural investment program and regional level as regional agricultural program. Thus the regional agricultural investment program was developed to add value to national agricultural investment programs in the West Africa region.

3. CAADP as a Value Addition Agenda at the Country Level

Although conceived and birthed on a continental platform, CAADP is an integral part of national efforts to promote agricultural sector growth and development. It provides a shared framework for strategy design, implementation planning, and partnership with the donor community. It is based upon the expert advice of Africa's professional communities and broad-based dialogues with all development stakeholders. Further, it offers technical and financial support for countries whose policies and strategies (plans) are aligned with the CAADP framework. In aligning with CAADP, countries adopt a common commitment to work towards achieving an annual growth rate of 6% in agriculture, the Maputo Pledge of allocating at least 10% of their national budgets to the agricultural sector, and to take account of and efficiently utilize the assistance commitments of the G8 Summit of Gleneagles.

In the case of Liberia, the thrust of the ECOWAP/CAADP process is to strengthen the National Food Security and Nutrition Strategy (FSNS) and the Food and Agriculture Policy and Strategy (FAPS), both developed within the broader context of the Poverty Reduction Strategy (PRS). The government has accentuated the need for improved research and effective planning in all sectors for the enhancement of policies and the development of strategic plans. The ultimate mission of the ECOWAP/CAADP process in Liberia is to fulfill this strategic thrust in the sector by: (i) developing a comprehensive, coherent, long-term framework to direct and guide planning and implementation of sector programs and projects; (ii) identifying strategic options and sources of poverty reducing growth for the agricultural sector between now and 2015; (iii) developing existing and new strategic analysis and knowledge support systems to facilitate mutual review, dialogue, and evidence based planning and implementation of agricultural sector policies and strategies; and (iv) providing the basis for and inputs into the formulation of a supporting regional compact.

B. Rationale for the Use of Liberia ECOWAP/CAADP Compact

Building on the Government's vision of and commitment to balanced socio-economic development of the nation-state, as well as the continuous commitment of the international community on development assistance to post-conflict Liberia, the Compact: (i) sets the contours for long-term partnership in the agricultural sector; (ii) specifies key commitments on the part of the government, development partners and other stakeholders and (iii) clarifies expectations with respect to agribusiness and farming communities in order to ensure successful implementation of the PRS agenda. Most important among these are sector policies, budgetary and investment commitments, as well as pledges to align and scale up long term development assistance to the sector.

The donor community has called on Liberia to articulate its development hopes and aspirations by formulating credible long-term plans. This Compact provides this plan for the agricultural sector by confirming the national consensus around goals and priority interventions that Liberia has set for the sector and the partnerships and assistance that are required to achieve these goals. The Compact will thus increase the effectiveness of planning and execution of government efforts as well as of the delivery of external assistance in the

agricultural sector. Resultantly, the Compact provides a concrete framework under which assistance can be scaled up to help meet the medium term investment needs in the sector.

C. Long Term Vision and Commitment of the Government of Liberia with Respect to Socio-Economic Development

The long term vision for social and economic development as contained in the PRS is *to build a new nation that is peaceful, secured and prosperous with democratic and accountable governance based on the rule of law, and with abundant employment and other economic opportunities*. The overall agricultural sector goal is *to revitalize the food and agricultural sector to contribute to shared, inclusive, and sustainable economic growth and development, provide food and nutrition security, increase employment and incomes, and measurable poverty reduction*. The strategic orientations guiding the pursuit of the above goal and related objectives in the agricultural sector are defined in the Food and Agricultural Policy and strategy (FAPS) as follows:

- Safe and nutritious foods available in sufficient quantity and quality at all times to satisfy the nutritional needs for optimal health of all Liberians throughout their life cycles;
- Enhanced, inclusive and pro-poor growth in agricultural production, productivity, competitiveness, value addition and diversification, and linkages to markets; and
- Effective and efficient human and institutional capacities of stakeholders (public sector, private sector, civil society organizations, especially grassroots community based organizations) to undertake planning, delivery of services, investments, and monitoring activities, while concurrently sustaining natural resources, mitigating risks to producers and mainstreaming gender and youth considerations in sector activities.

D. The Government's Agenda under the LASIP/NAIP

The LASIP/NAIP seeks to transform Liberian agriculture over the 2010 to 2020 period and in so doing maximize the sector's contributions to economic growth, employment and income generation, food and nutrition security, and poverty reduction. To overcome pervasive structural impediments and a poor policy environment that have undermined agricultural growth and development (i.e. low yields, depleted infrastructure, weak capacity and poor market linkages), LASIP/NAIP adopts a pro-poor approach to raising productivity, strengthening institutions, and making markets work for households and communities through commercialization and private sector initiatives such as out-grower schemes.

Under the LASIP/NAIP, the GOL has defined four major program thrusts for the period 2010-2015 which together represents Liberia's priorities under the CAADP framework as follows:

1. Land and Water Resources Development
2. Food and Nutrition Security
3. Competitive Value Chains and Market Linkages
4. Institutional Development

The detailed elaboration (objectives, sub-objectives, costing) of these programs are defined in the LASIP/NAIP.

E. Forging Partnerships for the Successful Implementation of the LASIP/NAIP

1. Purpose, Principles, and Modalities of the LASIP/NAIP Partnerships

This compact will support partnerships between the government of Liberia, agribusiness and farming communities, and development partners in the successful implementation of the programs and projects to be derived within the context of the LASIP/NAIP, in the medium term of five years, and of subsequent projects and projects to be identified in the long term in line with the principles, modalities and commitments herein specified and agreed.

2. Government Commitments under the LASIP/NAIP Agenda and Partnerships

The Government of Liberia confirms its commitment to promoting long term social and economic development to reduce poverty and achieve food and nutrition security as specified in the PRS and FAPS. These national policy and strategy frameworks seek to achieve agricultural sector objectives through the provision of an enabling environment, the development of the private sector supported by an active state, trade openness and continued maintenance of an enabling environment, particularly security and macroeconomic stability. It will endeavor to ensure effectiveness and efficiency in achieving the 6% CAADP growth target over the next 5 years. It commits to working towards fulfilling the Maputo Declaration of the Heads of State and Government of the African Union in 2003 of allocating at least 10% of their national budgets to the agricultural sector within this period, in order to contribute to the investment required to meet the outcomes in the LASIP/NAIP program framework.

While working to ensure maximum effectiveness and efficiency of utilization of resources in the sector in line with its broader efforts to strengthen public financial management, GOL is cognizant that increased budgetary support and improvement in the absorptive capacity of agricultural institutions will not be sufficient to achieve and sustain the required transformation of the agriculture sector. Additional demonstration of the government's will to utilize agriculture as the key entry point and vehicle for rural development and poverty reduction is therefore required.

A policy environment that has constrained agricultural growth and development in the past will be reformed; this includes formulation and implementation of food policies that balance the interests of consumers and producers, liberalization of tree crop marketing particularly for cocoa and coffee, and provision of fiscal incentives, such as the removal of tariffs on agricultural inputs, to facilitate private sector investment and the commercialization of agriculture.

Restructuring of key institutions such as the MOA, CARI and state-owned corporations will also be undertaken to focus limited public resources on policy development, coordination, regulation and provision of essential services, and to ensure maximum participation of rural communities and households in decisions that affect their lives. The government commits to the dialogue, coordination, mutual review, and accountability mechanisms and modalities of the ECOWAP/CAADP processes.

3. Development Partners' Commitments under the LASIP/NAIP/PRS

The development partners confirm that achieving the Millennium Development Goals requires increases in the volume and quality of development assistance. Therefore, they commit, collectively, to align assistance to the sector with the programs and priorities identified in the LASIP/NAIP and to scale up assistance over the next 5 years to help meet sector investment costs. In the same spirit, they commit themselves, in consultation with the government, to provide indications of future aid to the sector on a multi-year basis in order to improve predictability, planning, budgeting, and implementation. They also commit themselves to providing such aid and related technical assistance in line with the principles and modalities set out in the ECOWAP/CAADP framework, including mechanisms for dialogue, coordination, mutual review, and accountability.

4. African Union/NEPAD and Regional Partners' Commitment under the Maputo Declaration

The African Union/NEPAD, ECOWAS, Pillar Institutions and its regional partners commit through the Maputo Declaration to support Liberia in the endeavors to define priority programs that would allow the country to meet the objectives of ECOWAP/CAADP and be on the road to attaining MDG1. In this regard, the African Union/NEPAD, ECOWAS, Pillar Institutions and other regional partners will support Liberia's national strategies as defined in the PRS, FAPS, and LASIP/NAIP through mobilizing the required political, financial and technical support.

5. Commitment of the Private Sector and Civil Society

Given the need to work with all stakeholders to realize the goals set out in the Millennium Development Agenda, the private sector and civil society commit themselves to effectively partner with the government and people of Liberia in establishing enterprises and initiatives that will have measurable impacts in decreasing poverty levels in the country, reducing hunger, and increasing economic growth and development.

F. Implementation of the PRS/LASIP/NAIP Partnerships

1. Governance and Management

Oversight and coordination of the implementation of the above partnership will take place within the following institutional arrangements: Cabinet oversight; Stakeholders' Forum; Food Security and Nutrition Technical Committee; Agricultural Coordination Committee; Donor Working Group; and County Development Steering Committees.

2. Funding Mobilization

The GoL, development partners and other stakeholders will mobilize immediate funding to: (i) start implementation of the LASIP/NAIP components that are ready or ongoing and need

scaling up; and (ii) finalize, in 2009 GoL operational investment plans for the remaining components in order to start their implementation no later than 2010.

For the above purpose, the GoL and development partners will immediately following the round table, undertake consultations to commit funding aligned to the LASIP/NAIP. The support will be based on the comparative advantage of individual partners.

3. Implementation Capacities

The GoL will endeavor to strengthen capacities in order to meet the personnel, institutional, and logistical requirements for timely implementation of LASIP/NAIP. Development partners and other stakeholders will endeavor to provide financial and technical assistance, to meet the above capacity requirements.

G. Endorsement

By endorsing this Compact:

- (i) The GoL pledges to fulfill the commitments specified therein, in line with the goals, objectives, principles, and modalities laid out in the ECOWAP/CAADP document, LASIP/NAIP, and other relevant national policies.
- (ii) The development partners pledge, collectively, to fulfill the commitments specified therein, in line with the Addis Ababa Consensus made at the CAADP Donors and Partners meeting held in Addis Ababa, Ethiopia in September 2009.
- (iii) The African Union/NEPAD, ECOWAS, Pillar Institutions and other regional partners pledge, collectively, to fulfill the commitments specified therein, in line with the Maputo Declaration and the general principles of ECOWAP and CAADP.
- (iv) The Private Sector, Farmers' Organizations and Civil Society, collectively, pledge their support to realizing the aspirations of this Compact.

Monrovia, October 16, 2009

On behalf of the Government of Liberia:

Ministry of Finance



Hon. Tarnue Marwolo

Ministry of Commerce and Industry



Hon. Miatta Beyslow

Ministry of Planning and Economic Affairs



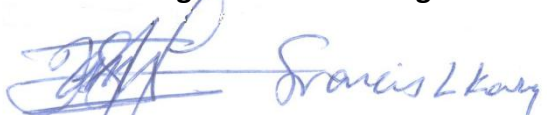
Hon. Amara Konneh

Ministry of Agriculture



Dr. Florence A. Chenoweth

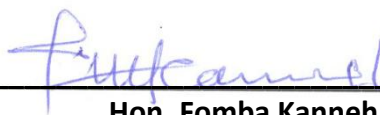
House Standing Committee on Agriculture



Hon. Francis L. Karly

SALIFOU OISSEINI

Senate Standing Committee on Agriculture



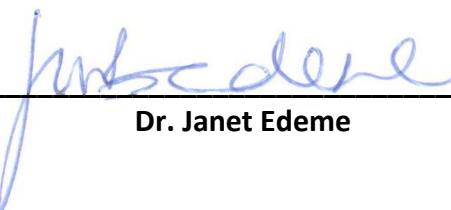
Hon. Fomba Kanneh

On behalf of the ECOWAS Commission



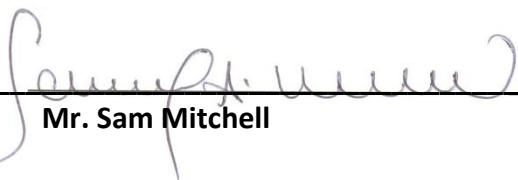
Hon. Salifou Oisseini

On behalf of AU-NEPAD



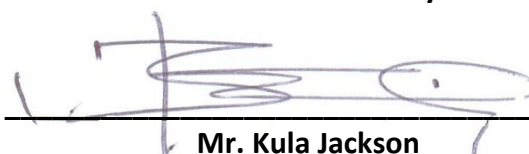
Dr. Janet Edeme

On behalf of the Private Sector



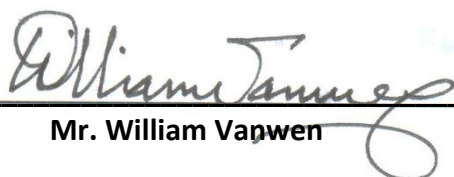
Mr. Sam Mitchell

On behalf of Civil Society



Mr. Kula Jackson

On behalf of Liberia National Farmer Organizations



Mr. William Vanwen

On behalf of the Donors



Ms. Pamela White