

Liberia's Economic Stabilization & Recovery Plan

A Presentation by

Amara M. Konneh

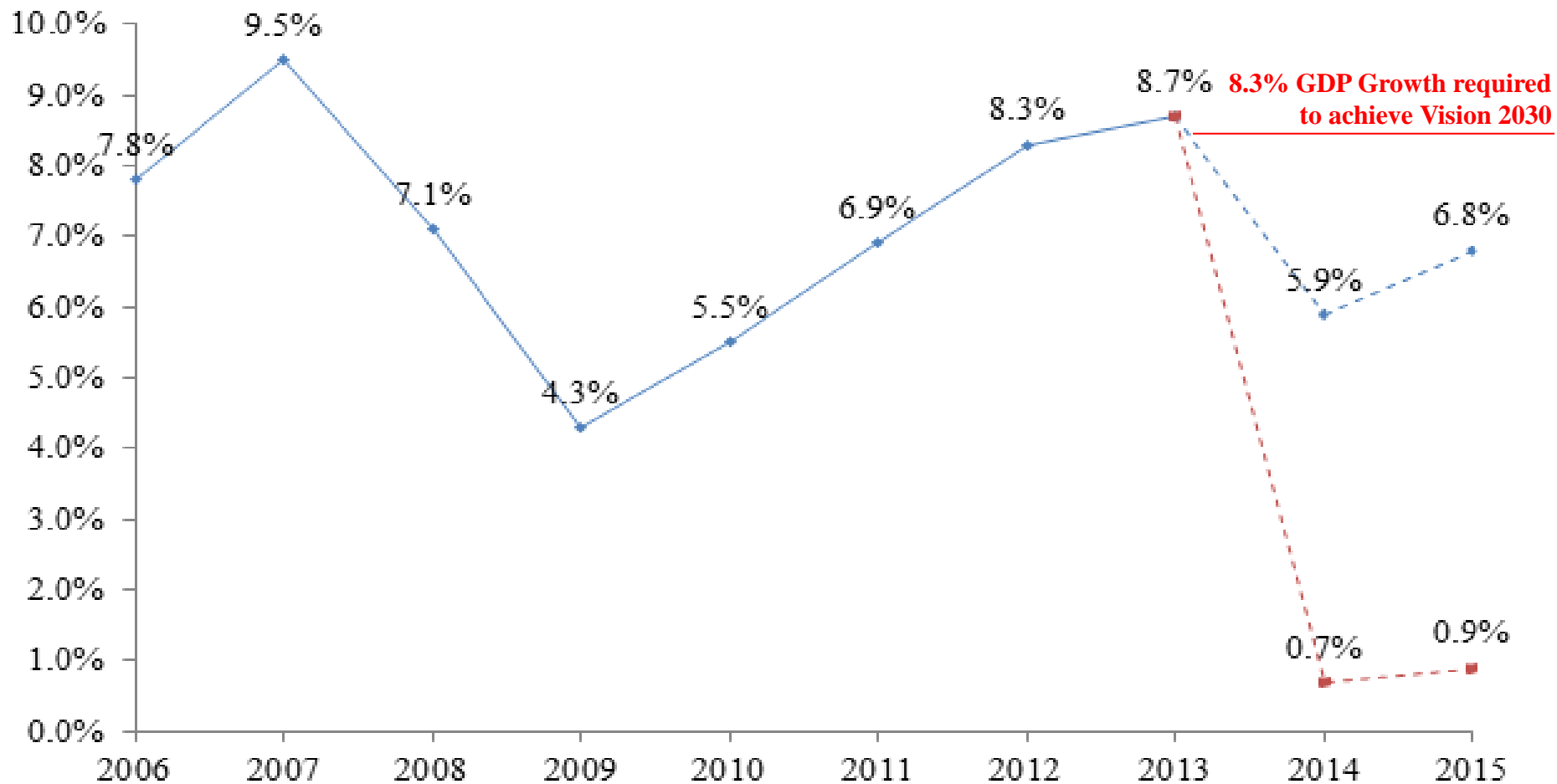
Minister of Finance & Development Planning

July 9, 2015

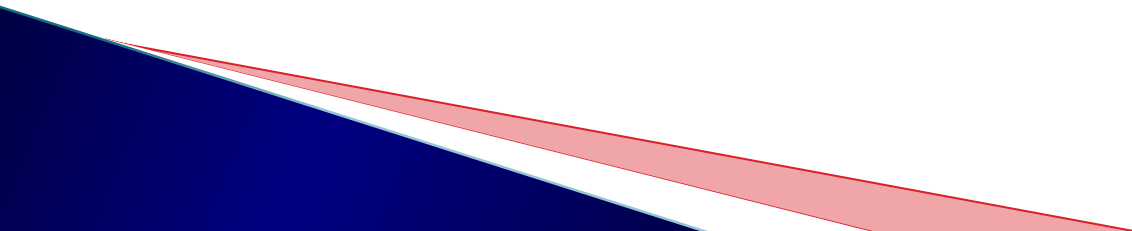


Ebola had a severe Socio-Economic Impact

Liberia Real GDP Growth
Rate (2006-2015)

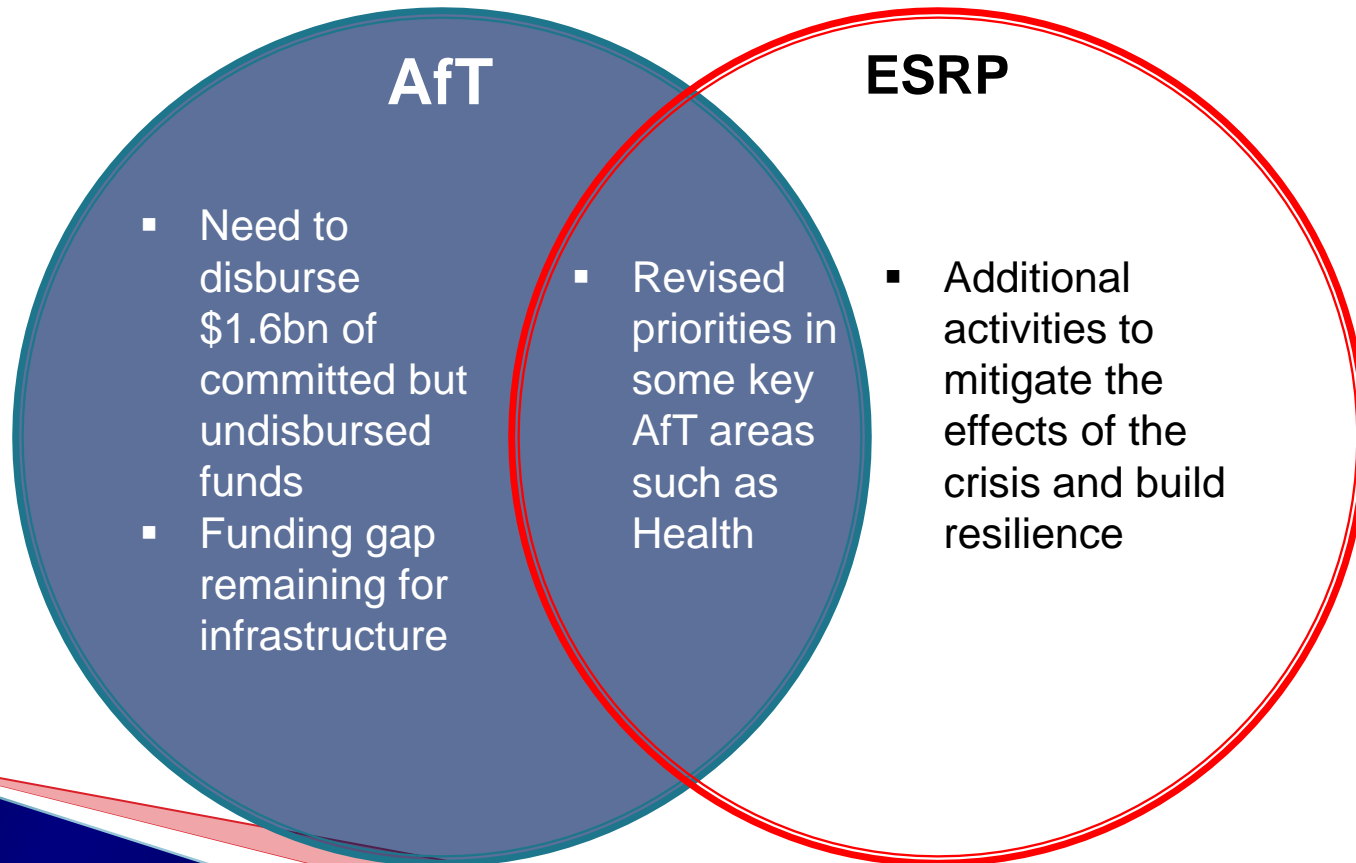


The Government has acted quickly and decisively to mitigate the immediate effects of the crisis

- ▶ **Fiscal restrictions imposed to manage impact of increased expenditure**
 - ▶ **Stabilized the exchange rate, enhanced banking sector liquidity**
 - ▶ **Paid civil servant salaries on time; accelerated goods & service spending**
 - ▶ **Avoid shortage of essential commodities**
 - ▶ **Over \$58 million disbursed to public investment and recovery this year**
 - ▶ **Reopening borders and lobby for return of flights**
 - ▶ **Immediate cash transfers with the support of our Development Partners**
- 

The ESRP comes in the context of an existing Development Agenda

- ❖ The existing Agenda for Transformation (AfT) covered period 2012 – 2017
- ❖ ESRP does NOT side-line or replace existing AfT
- ❖ ESRP interventions are required to enable faster recovery and address resilience gaps



ESRP: 3 Strategic Intervention Areas (2015-2017)

Strategy 1: Recovering Output & Growth

Revitalize and diversify growth, and address vulnerable employment

Enable delivery of critical infrastructure projects

- ▶ **Target Agro-processing in key sectors**
 - Increase private sector finance for agribusinesses and farmers
 - Value chain coordination (Cocoa, Rubber, Oil Palm, Fisheries) & target industrial investments in agro-processing
 - Labor and supplier skills aligned to growth sectors
- ▶ **Finance cost overruns from EVD on priority infrastructure (e.g. Mt Coffee)**
- ▶ **Road Maintenance Fund, Low-income housing**

ESRP: 3 Strategic Intervention Areas (2015-2017)

Strategy 1: Recovering Output & Growth

Strategy 2: Strengthening Resilience and Reducing Vulnerability

- ▶ **Health Investment Plan:** to improve and extend existing infrastructure and build fit for purpose Health workforce
- ▶ **Education:** train and recruit teachers, improve quality of vocational education, strengthen county management structures
- ▶ Increase **WASH** services for Ebola recovery and prevention including increased access to water in communities, health centres and schools, and a WASH regional centre
- ▶ Increase coverage of **social cash transfers** to at least 50,000 households, sustain foster care grant and develop National Emergency Response Capability
- ▶ **Security:** implement GoL Plan for UNMIL Transition

ESRP: 3 Strategic Intervention Areas (2015-2017)

Strategy 1: Recovering Output & Growth

Strategy 2: Strengthening Resilience and Reducing Vulnerability

Strategy 3: Strengthening Public Finances and Ensuring Service Delivery

- ▶ Government **revenues** are suffering twin shock of EVD crisis and global commodity prices
- ▶ Improving expenditure compliance processes and Budget execution
- ▶ **Civil service reform and Decentralization**

Support for public finances, improved finance execution and governance including de-concentration

ESRP: 3 Strategic Intervention Areas (2015-2017)

Strategy 1: Recovering Output & Growth

Revitalize and diversify growth, and address vulnerable employment

Enable delivery of critical infrastructure projects

\$225 M

Strategy 2: Strengthening Resilience and Reducing Vulnerability

- Major Health Investment Plan
- Education sector priorities
- WASH services
- Social protection
- GoL plan for UNMIL transition

\$298 M

Strategy 3: Strengthening Public Finances and Ensuring Service Delivery

Support for public finances, improved finance execution and governance including de-concentration

\$289 M

Total financing Gap

\$812 M

ESRP Implementation

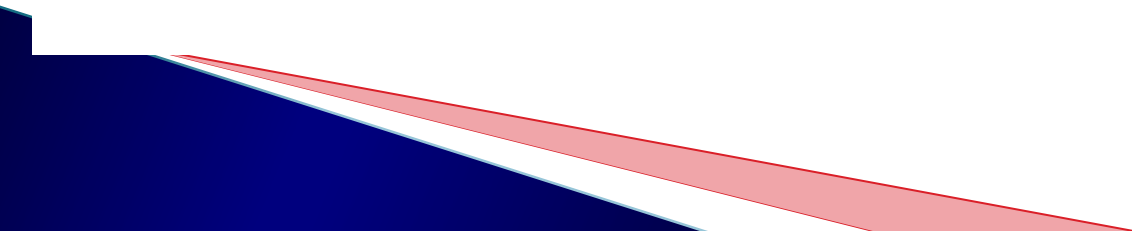
Key points of the approach:

Presidential Delivery Unit (PDU) in the lead for overall monitoring of ESRP delivery

1. Focus on small number of top priorities requiring regular and direct Presidential oversight

- Top priorities for completion in remaining 2 years
- Regular Presidential meetings with key stakeholders

2. Support sectors & line ministries to lead the remaining objectives of the plan

- Use governance structures in the sector to coordinate and follow progress
 - Regular reporting to PDU and President to monitor progress and address bottlenecks
- 

THANK YOU/QUESTIONS?