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DYNAMICS OF SOCIO-ECONOMIC PERFORMANCE, FOOD SECURITY, AND THE CHALLENGES OF REGIONAL INTEGRATION IN ECOWAS

COUNTRY REPORT



Liberia



EDNA G. JOHNNY & EDWIN PUWOGAR

MARCH 2026



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ABSTRACT

This Liberia country report contributes to the ECOWAS 2025 Regional Economic Outlook by analysing Liberia's socio-economic dynamics, with focus on food security challenges amid ECOWAS regional integration. Key objectives include evaluating 2024 performance; projecting macroeconomic trends for 2025-2027, risks, prospects and impacts of shocks (USAID halt, US tariff hikes, Burkina Faso/Mali/Niger exits from ECOWAS) on projected values, the economy and regional integration; analysing food security since the Maputo declaration; conducting a SWOT analysis of food security architecture; and offering policy recommendations. Data were provided by government agencies responsible for fiscal and monetary policies, statistics and agriculture. Analysis indicated that the actual GDP growth rate of 4.0 percent in 2024 fell short of the projected value by 1.3 percentage points due to sharp deceleration in the mining sector. The country's economic outlook, however, remains positive. With reforms, GDP growth is expected to accelerate via mining/agriculture expansion, aggressive domestic revenue mobilisation, fiscal surpluses and ARREST Agenda for Inclusive Development (AAID) investments. External shocks such as USAID termination gaps and US tariffs are risks to Liberia's development outlook, affecting health/education/agriculture and eroding AGOA benefits on rubber exports. The withdrawals of Burkina Faso, Mali, and Niger risk ECOWAS stability/trade despite modest bilateral volumes. Liberia's food security remains precarious amid post-conflict recovery and external shocks. The country's agriculture budget of 2 percent falls far below Maputo's 10 percent declaration, which threatens national and regional food security. It is recommended that the government enforce fiscal rules via independent monitors, balance tax hikes with SME relief, and reduce aid dependency through self-reliance to maintain sustainable economic growth. The government should also allocate 10 percent or more to agricultural sector development and shift to value-added processing (of rubber/palm oil), and boost domestic food production to enhance food security.



KEY MESSAGES

- Liberia's Economic growth outlook is promising; GDP growth accelerates via mining/agriculture expansion, fiscal surpluses, and domestic revenue boosts (e.g., presumptive CIT, digital taxes).
- The government's enforcement of fiscal rules via independent monitors, balancing tax hikes with SME relief, will improve fiscal sustainability.
- Reduced aid dependency, through self-reliance and domestic resource mobilisation, local production and value addition, reduces stress on foreign reserves for development and promotes sustainable economic growth for Liberia.
- USAID termination gaps of US\$265.6M (2025-2029) affect social sectors and development; US tariffs erode AGOA benefits on rubber exports; and exit of Burkina Faso, Mali and Niger from ECOWAS risks ECOWAS stability/trade despite modest bilateral volumes.
- Liberia's agriculture budget (2 percent average) is far below Maputo's 10 percent; negative growth (-8.1 percent, 2016-2018).
- The 2025 Comprehensive Food Security and Nutrition Survey (2025) shows 20.7percent food insecurity down from 47 percent, with 4-5.7 percent of households severely affected, rural areas being twice as vulnerable, and undernourishment at 38.4 percent (2 million affected).
- The National Agriculture Development Plan targets value chains (rice, livestock) for food security and self-sufficiency.
- SWOT Highlights: Strengths (agro-land, youth 74.6 percent <35); weaknesses (infrastructure, finance); opportunities (technology advancement, partnerships); threats (climate change, high imports).

1. INTRODUCTION

The Liberia country report presents analysis of the socio-economic sphere. As a member state of the Economic Community of West African States (ECOWAS); the report informs a broader analysis of the ECOWAS 2025 Regional Economic Outlook which aims to enhance the production of high-quality applied socio-economic research and policy analyses. The analysis provides anchorage for addressing the pillars of the ECOWAS Vision 2050 with a view to informing policymakers on the region's economic development as well as global events and developments that may have implications on the region.

The 2025 Edition is a follow-up analysis of the 2024 edition which provided in-depth analysis of Transport and Communication Infrastructure as enablers of regional economic integration in ECOWAS. The Theme for this edition of focuses on “Food Security and the Challenges of Regional Integration in the ECOWAS region”. The theme is devoted to addressing critical issues of food security in Liberia and other member states and how the challenges of food insecurity can affect ECOWAS' integration efforts.

The objective of the country note is to provide analysis on the socio-economic outlook of recent developments in the economy, key drivers underpinning them and potential risks factors.

The specific objectives are to:

- i. analyse the divergence or/and convergence of projected values of socioeconomic indicators in the 2024 Edition of EREO and actual values in 2024; the policy dimension and macroeconomic justification of the divergence and convergence.
- ii. analyse the possible implications of three major developments of 2025 on socioeconomic prospects of Liberia in the period of 2025 to 2027: (a) Temporary suspension of USAID activities; (b) Global Tariff War ignited by USA tariff hikes; and (c) official withdrawal of Burkina Faso, Mali and Niger.
- iii. propose recommendations for managing the implications of these developments.



- iv. analyse the state of food security in Liberia (since the Maputo Declaration), and the challenges food insecurity could pose not only to your country but to the ECOWAS regional integration efforts at large.
- v. To identify the key factors (structural and cyclical) hindering the achievement of food security in your country (if food security is a challenge).
- vi. Conduct a SWOT analysis of the food security architecture in your country

This country report is divided into five sections. Section 1 provides an analysis of recent economic developments in Liberia in the real, fiscal, monetary, external, social and governance sectors. Section 2 discusses the divergence and/or convergence of the projected value of socioeconomic indicators of the 2024 Edition of EREO and the actual value in 2024. It further provides an analysis of the policy dimension and macroeconomic justification of the divergence and convergence in 2024. Section 3 analyses Macroeconomic performance and Outlook for 2025 to 2027 with focus on key socio-economic development drivers. It provides discussions of the key risk factors and proffers possible recommendations for managing them. Section 4 assesses the state of food insecurity in Liberia from 2015 to 2025, considering the Maputo, Malabo and Kampala Declarations with regard to the level of implementation of these international treaties as well as challenges hindering their implementation. Section 5 presents an analysis of the strengths, weaknesses, opportunities and threats (SWOT) of the food security policy and institutional architecture in Liberia. The final section presents the conclusion and recommendations.

1.2 Brief background of Liberia's Profile

Liberia is a low-income country with a population of 5.6 million out of which nearly 70 percent are younger than 35, with about 36 percent within the 10–24 age range. This segmentation makes youth a significant demographic group to harness demographic dividend for socioeconomic transformation and sustainable development¹. The population has a diverse cultural heritage which presents excellent opportunities for eco-tourism, job

¹ Liberia Institute of Statistics (2022 National Population and Housing Census)

creation and income. The country is endowed with natural resources like iron ore, gold rubber and timber as well as diverse agro-ecological zones hosting more than 40 percent of the Upper Guinea forest and 350-km-long coastline facing the Atlantic Ocean. Liberia also has immense forest reserves, making it a carbon sink for the world. The country's natural capital is worth \$24.7 billion, including \$1,035 per capita in forest capital².

Agriculture plays a crucial role in Liberia's economy, accounting for over 40 percent of total employment in the country as of 2021 (Government of Liberia, 2011). The country experiences a half-year-long rainy season, which provides ample water resources and an attractive agricultural environment that offers opportunities for national food self-sufficiency and wealth. Despite these opportunities, a significant portion of the population, 52.3 percent, is classified as multidimensionally poor, with an additional 23.3 percent vulnerable to such poverty; more than 81 percent of the population experiences moderate or severe food insecurity, and 93 percent cannot afford a healthy diet (UNDP, 2023). World Food Programme (2024) estimates indicate that roughly 416 000 people in Liberia require urgent food assistance. These estimates support recent Rapid Food Security, Livelihoods, Nutrition and Market Assessment (WFP, 2022) analysis, which shows that the nutrition status in Liberia is at the "Alert/Stress" level, implying that the country is vulnerable to further shocks. Presently, the incidence of stunting among children under 5 stands at 26.6 percent (FAO et. al., 2023).

To address these situations, the government of Liberia developed a policy initiative, the Liberians Feed Yourselves Agenda, dubbed the National Agriculture Development Plan (NADP) 2024-2030, that leverages technology and a cooperative approach to empowering farmers and increasing agricultural productivity as an accelerator of growth to provide the nutritional needs of the people, create jobs, and generate foreign revenue from exports. While efforts are underway to improve the livelihood of citizens, the temporary suspension of USAID activities and the Global Tariff War ignited by USA tariff hikes have created a setback for rapid socio-economic development prospects of the country. This comes from the backdrop that United States aid had been a major support to

² Liberians Feed Yourselves Agenda-National Agriculture Development Plan (2024-2030)



essential sectors such as healthcare, education, agriculture, and governance, among others. Withdrawal of support in these areas leaves a significant gap in the government's ability to maintain vital services.

In the area of trade, the newly implemented 10 percent tariff on Liberia's exports to the USA represents a sharp increase from the previous 3.3 percent average tariff rate. Under the African Growth and Opportunity Act (AGOA), Liberia enjoyed preferential treatment with duty-free access for rubber, diamonds, palm oil, and other key products. The latest tariff move by the US President threatens to undermine these benefits, potentially shifting trade patterns and affecting Liberia's already modest exports to the US, which in 2024 were valued at \$72.5 million, primarily driven by rubber³. The new tariffs could make Liberian goods less competitive in the global market, while also undermining existing trade agreements that have fostered cooperation between Liberia and the United States.

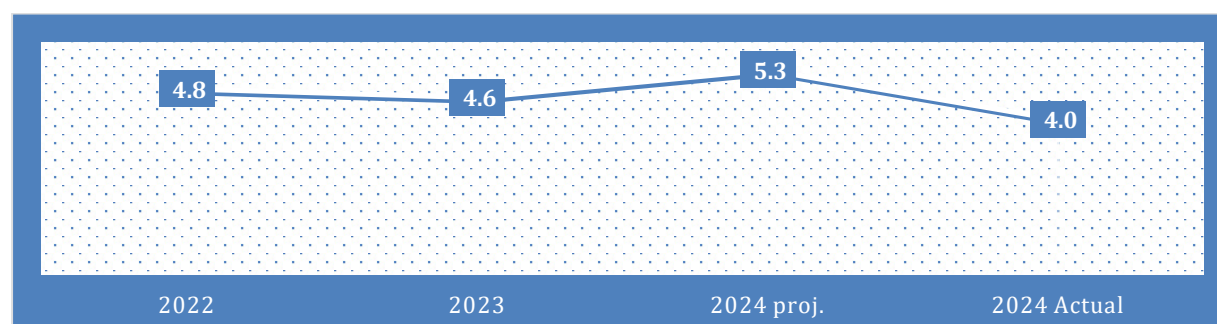
³ United Nations COMTRADE database on international trade.

2. REVIEW OF RECENT SOCIO-ECONOMIC INDICATORS

2.1 Real Sector Performance

Figure 1 presents real GDP growth from 2022 to 2024 with targeted projections and actual growth for 2024. Real GDP grew by 4.0 percent in 2024, down from 4.6 percent in 2023, but fell short of the more optimistic 5.3 percent projection for the year by 1.3 percentage points. The earlier 5.3 percentage growth was premised on growth in the primary, secondary and tertiary sectors, boosted by both improved foreign demand and domestic absorption on the demand side, particularly rubber and palm oil, forestry and fisheries as well as mining outputs (gold and iron ore) which were supposed to drive the growth on the supply side. This growth scenario was to be complemented by the government's implementation of key initiatives (road, agriculture, energy, etc.) under the Development agenda (Agriculture, Roads, Rule of Law, Education, Sanitation and Tourism ARREST)) which was also expected to accelerate growth. GDP growth, however, did not perform as expected. The underperformance was driven by a sharp deceleration in the mining sector coupled with structural inefficiencies and significant external pressures.

Figure 1: GDP growth Rate



Data Source: CBL; LISGIS; MFDP & IMF

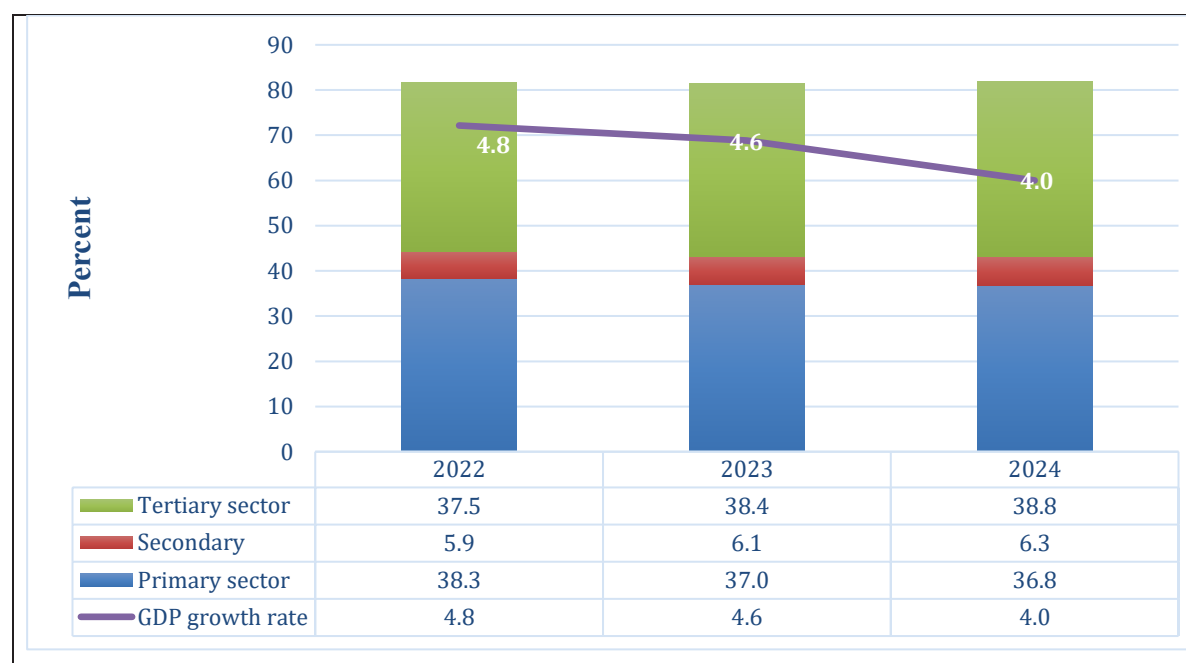
Figure 2 presents sectoral contributions to GDP and key drivers of growth. The primary sector underpins the economy, comprising agriculture and fisheries, forestry and mining and pawning. The secondary sector, which comprises manufacturing and construction, is relatively small but growing, focusing on processing local raw materials and light industry. Key activities include rubber processing, palm oil production, cement manufacturing,



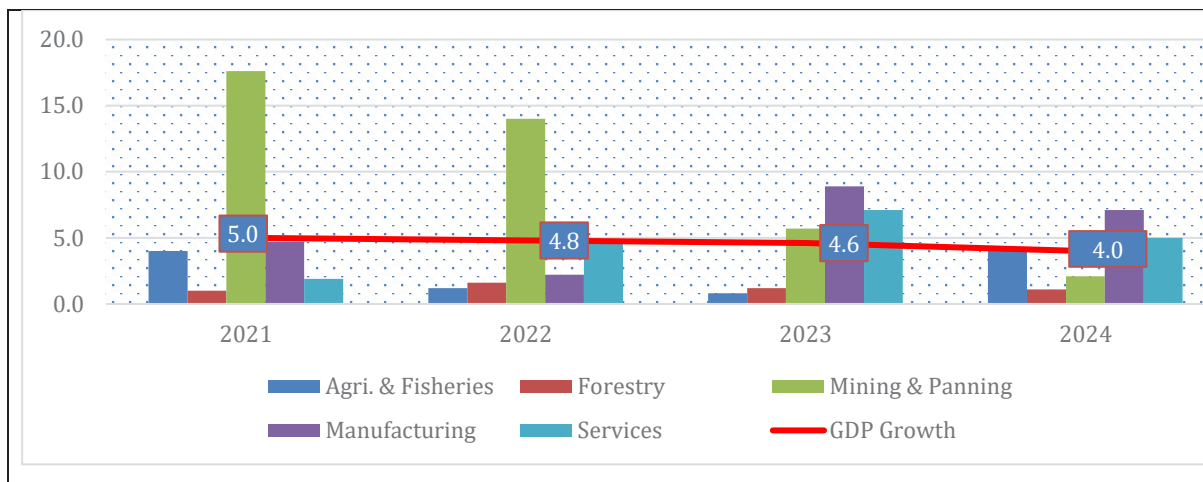
block making, and food/beverage processing. The secondary sector is essential for diversifying the economy beyond mining. The tertiary sector is primarily driven by services.

Sectoral distribution of growth shows a decline in 2024 in the primary sector by 0.2 percentage points, from 37.0 percent to 36.8 percent. The drop is attributed to moderating growth in the mining and pawning sub-sector owing to weaker diamond output. This decline in diamond production is linked to weak operational capacity, weak regulatory enforcement against illegal diamond trading, and reduced foreign interest in Liberia's artisanal mining zones. Agriculture and fisheries sub-sectors, however, grew by 4.1 percent in 2024 from 2.5 percent in 2023, while the forestry subsector grew at a modest 1.2 percent, from 1.1 percent in 2024. The modest growth reflects structural bottlenecks and environmental sustainability constraints. The secondary sector expanded to 6.3 percent from 6.1 percent, driven by higher cement and beverage output. The tertiary sector grew to 38.8 percent from 38.4 percent, supported by wider electricity and water distribution.

Figure 2: Sectoral share of GDP (2022-2024)

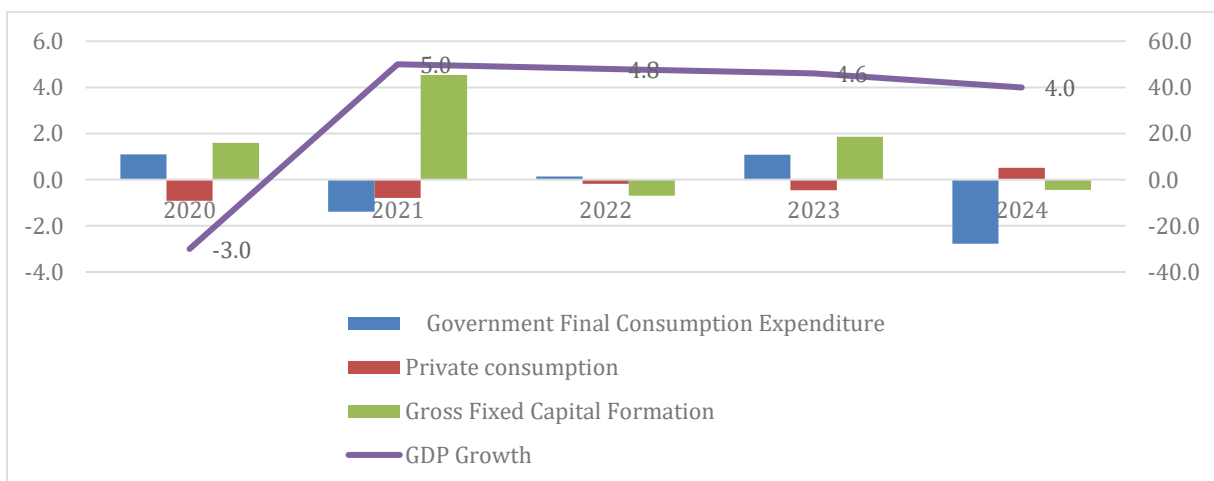


Data Source: CBL; LISGIS; MFDP & IMF

Figure 3: Drivers of Sectoral Growth Rates (2021-2024)

Data Source: CBL; LISGIS; MFDP & IMF

GDP growth is also analysed from the expenditure side. Government and private consumption expenditures and fixed capital formation (comprising investments in infrastructure, machinery, and equipment) often play an expansionary role in driving growth. Investments have largely been focused on infrastructural development (roads and electricity), and other concentrations in mining (iron ore), agriculture (rubber, palm oil), and forestry, which are primary drivers of growth. Figure 4 shows that while public spending has been significant to GDP growth, its effect on increasing growth in 2024 was limited, mostly due to high recurrent costs, especially wages and salaries, coupled with inefficiencies and heavy reliance on external donor funding. Private consumption, however, remained a positive driver.

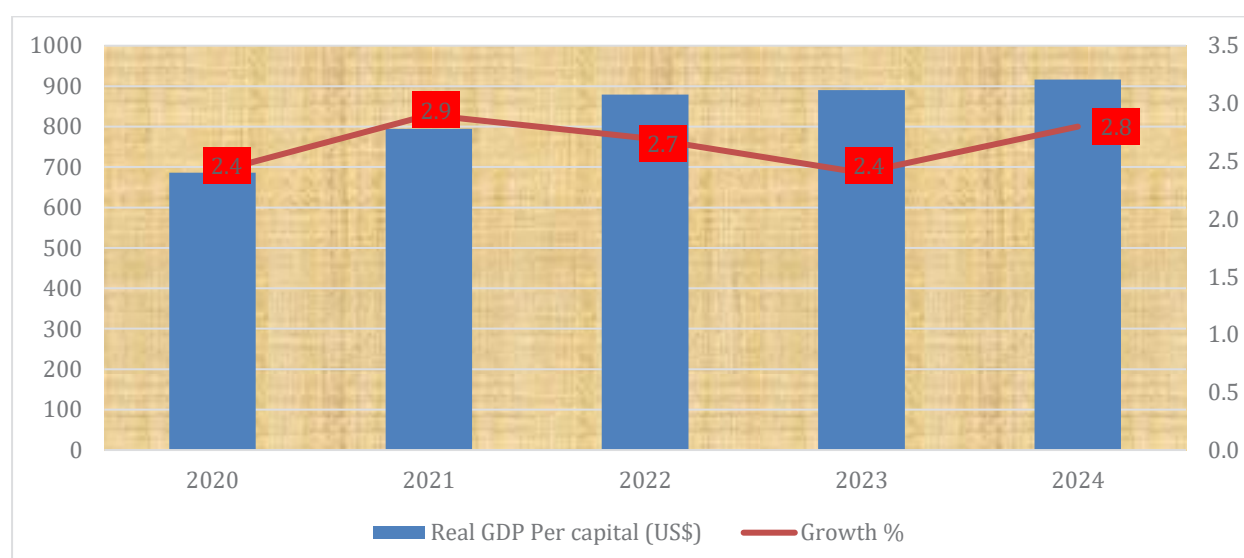
Figure 4: Expenditure Contribution to Real GDP Growth (2020-2024)

Data source: LISGIS



GDP growth is further dissected on an individual basis from the Real GDP per capita perspective, which provides an indication of changes in living standards. Figure 5 shows that real per capita GDP has been growing over time from 2020 to 2024. The percentage growth rate, however, shows an irregular trend, with an increase from 2020 to 2021 and a decline in 2022 and 2023 and then an increase in 2024. This pattern of growth signifies that the country has a high potential for increasing standards of living, but productivity gains are occurring slowly. This may be due to the country's low human capital development and adoption of advanced technology, as well as sluggish job creation in the formal sector, given the level of highly vulnerable employment in the country.

Figure 5: Real GDP Per Capita (2020-2024)



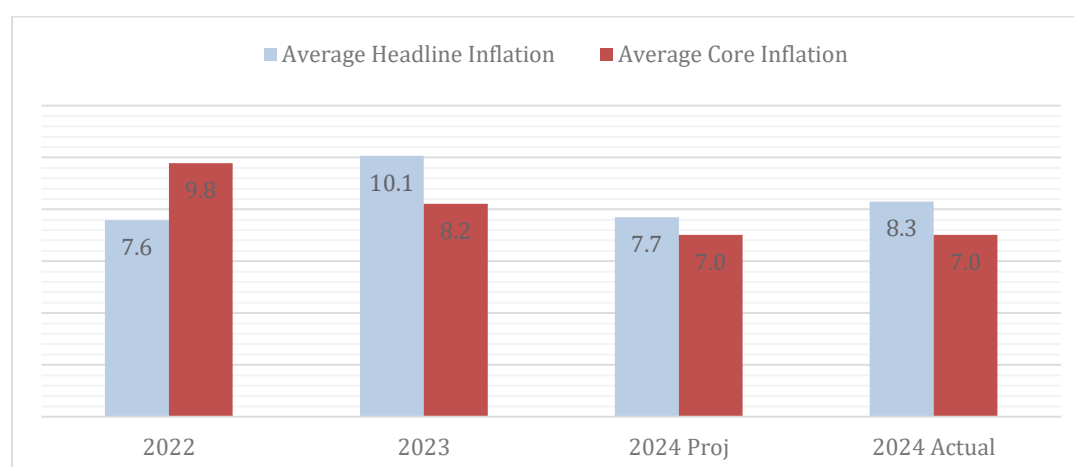
Data source: LISGIS

2.1.1. Inflation, Exchange Rate and Monetary Growth

Figure 6 provides headline inflation and core inflation (which includes all items, apart from food and transport major groups). The average headline inflation for 2024 was 8.3 percent while the end-of-period level was 10.7 percent, compared to 10.1 percent and 10.0 percent, respectively, in 2023. The end-of-period headline inflation exceeded the targeted value of 7.7 percent; there was, however, a reduction relative to 2023. The moderation in average headline inflation was largely driven by relative stability in the foreign exchange market for most of 2024. Additionally, other factors that contributed to the single-digit inflation in

2024 included furnishings; household equipment and routine maintenance of houses; transport services; clothing and footwear; and housing, water, electricity, gas and other fuels major groups. Core inflation fell by 1.2 percentage points to 7.0 percent in 2024 from 8.2 percent in 2023. The increase in the end-of-period inflation rate was mainly triggered by a rise in the prices of health, restaurant and hotel services. The decline in average headline inflation and core inflation reflects improved fiscal discipline and effective liquidity management.

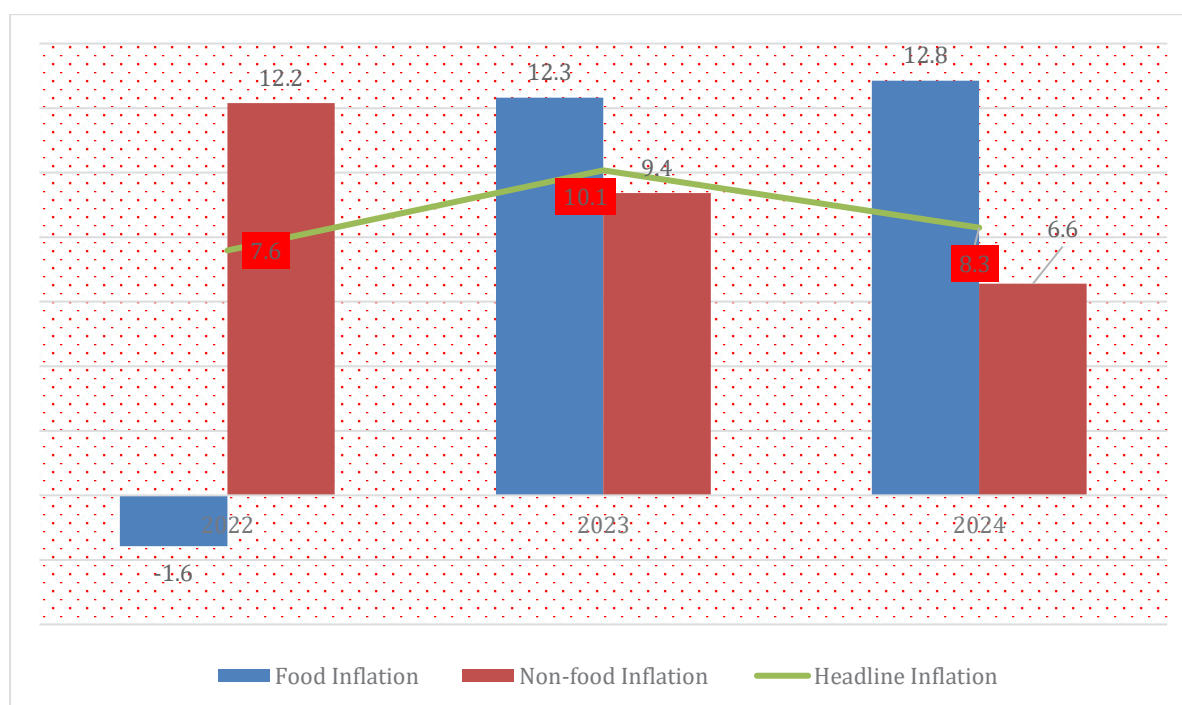
Figure 6: Headline and Core Inflation (2022-2024)



Data Source: CBL; LISGIS; MFDP & IMF

Inflation by major groups of the consumer basket showed mixed movements in 2024 compared to 2023. Food inflation rose by 0.5 percent to 12.8 percent in 2024, from 12.3 percent recorded in 2023 (Figure 7). The slight increase in inflation was mainly driven by domestic food prices. However, at end-2024, food inflation moderated significantly to 9.7 percent, compared to 26.9 percent reported at-end 2023. The year-on-year appreciation of the Liberian dollar, especially towards the end of 2024, partly explained the significant reduction in imported food prices and overall moderation in food inflation. On the other hand, non-food inflation on average declined by 2.8 percentage points to 6.6 percent, compared to 9.4 percent in 2023. This was precipitated by broad stability in the domestic currency, which resulted in declines in all other major groups in the consumer basket, except education and health. Additionally, favourable global energy prices in 2024 contributed to a reduction in transportation and production costs, thereby moderating non-food inflation.

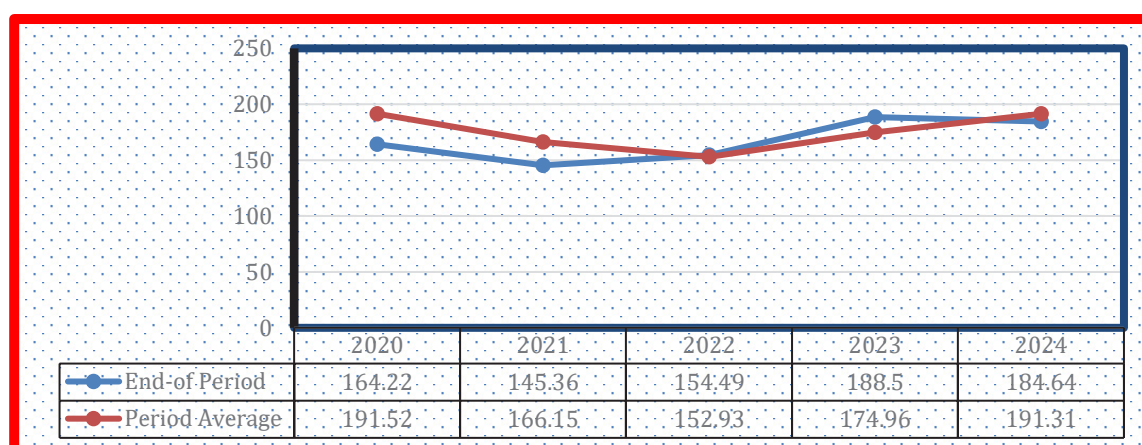


Figure 7: Food, Non-food and Headline Inflation (2022-2024)

Data Source: CBL; LISGIS; MFDP & IMF; *Projections

2.1.2. Exchange Rate

The exchange rate of the Liberian dollar against the US dollar experienced moderate depreciation in 2023 but depreciated sharply in 2024, weakening by 9.5 percent in 2024 compared to a 1.14 percent decline in 2023 (Figure 8). The devaluation resulted from increased demand for foreign exchange to service imports, off-bank transactions, and a shift in the Liberian dollar component of public servant salaries from 20 percent to 30 percent in compliance with gradual de-dollarisation policy. The devaluation, however, worsened the dollarisation, which decreased the amount of money the Central Bank could directly control, limiting its capacity to control inflation by tightening domestic monetary policy. This played a major role in driving up the cost of both imported and local food, which in turn caused food inflation, deteriorating terms of trade and informality of business activities in the economy. To moderate the inflationary pressure and stimulate economic activity, the Central Bank reduced the policy interest rate to 17.5 percent.

Figure 8: Real Effective Exchange Rate (2020-2024)

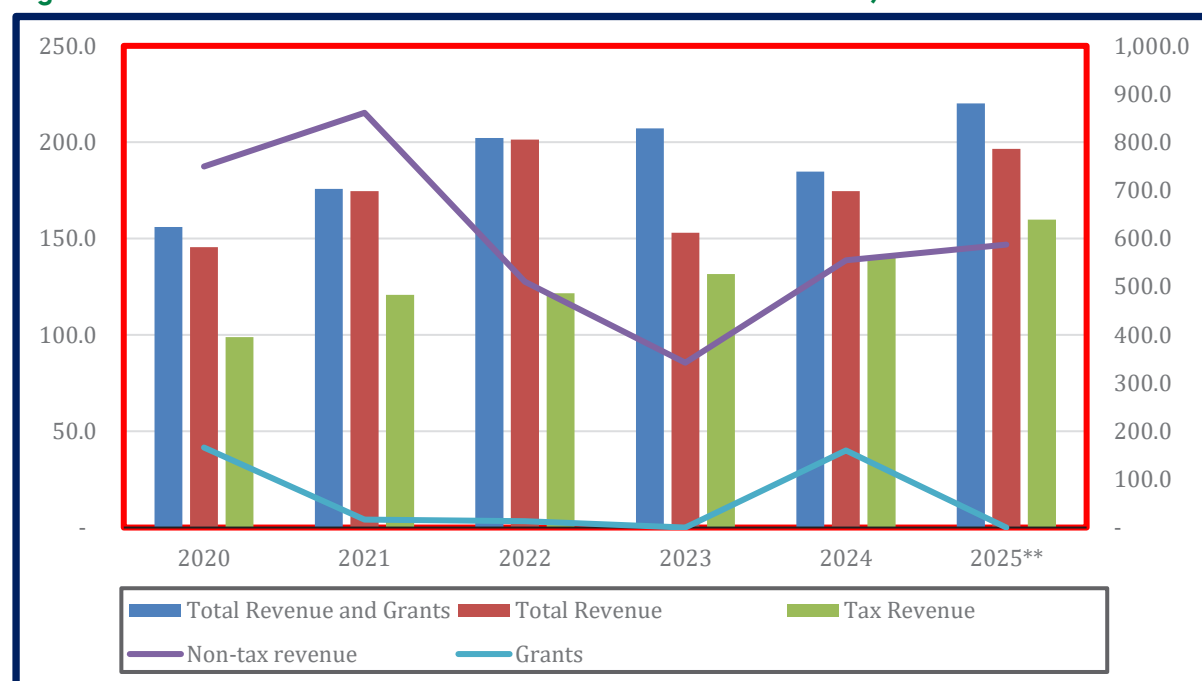
Source: Central Bank of Liberia

2.2 Fiscal Sector Performance

Government fiscal operations in 2024 recorded an overall surplus of US\$3.3 million (0.09 percent of GDP), slightly lower than the US\$4.0 million (0.1 percent of GDP) in 2023. The surplus was driven by strong domestic revenue mobilisation, which exceeded its target by 0.3 percent (US\$698.7 million), from US\$696.4 million, alongside moderate expenditure.

Total revenue and grants amounted to US\$738.7 million (19.8 percent of GDP), down 10.8percent from US\$828.5 million (23.3 percent of GDP) in 2023, reflecting lower-than-expected grant receipts. Tax revenue rose to US\$560.0 million (15.0percent of GDP) from US\$526.4 million (14.8 percent of GDP) in 2023. Income, profits & capital gains amount to US\$256.0 million, up 13.9 percent from US\$224.9 million. Taxes on imports increased to US\$219.3 million (5.9 percent of GDP), up 16.9 percent from US\$187.6 million (5.3 percent of GDP). Non-Tax Revenue increased sharply by 62.0 percent to US\$138.7 million (3.7 percent of GDP), driven by a 95.9 percent rise in income from enterprises and asset sales (US\$127.5 million vs. US\$65.1 million in 2023). Receipts from grants in 2024 amounted to US\$40.0 million (5.4 percent of total revenue and grants); no data recorded for 2023 (Figure 9).



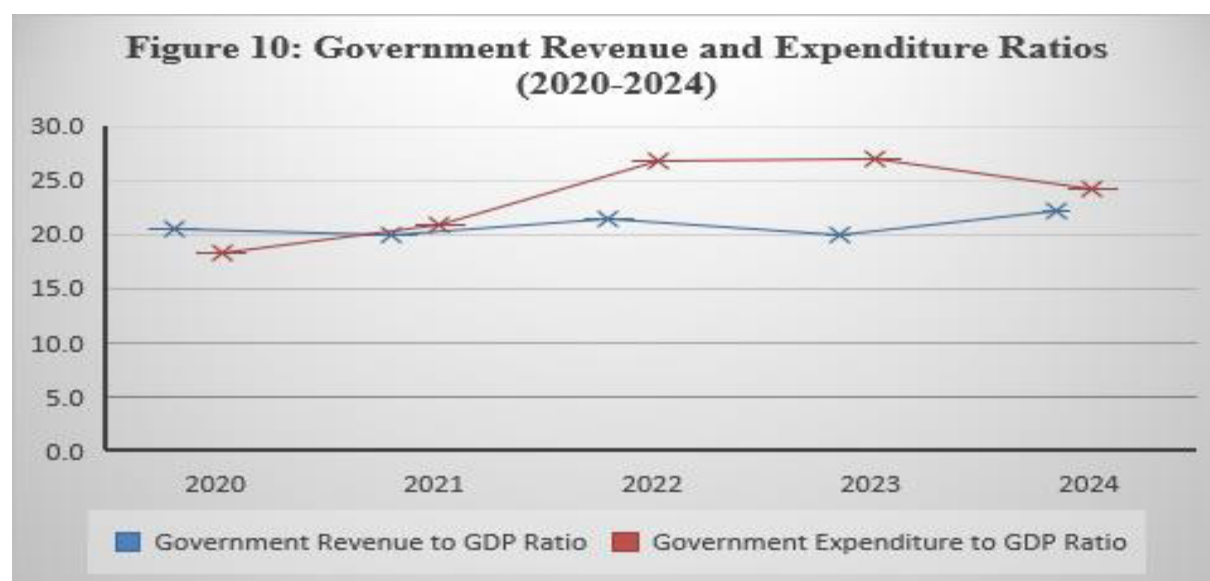
Figure 9: Trends in Government Revenue 2020 – June 2025)**

Source: Ministry of Finance and Development Planning, MFDP

2.2.1. Government Revenue and Expenditure

Over the years, the government of Liberia has made several efforts to achieve economic stability through fiscal discipline. However, there have been persistent budgetary imbalances, with government revenue to GDP ratio being on a non-linear dynamic path. The year 2024, however, showed positive fiscal consolidation with stronger domestic revenue mobilisation and sharp spending cuts, thus gravitating towards revenue and expenditure convergence to GDP ratios (Figure 10). This reflects the government's ability to generate revenue to fund most of its obligations and activities. The Liberia Revenue Authority⁴ indicated that the total forgone revenue from tax expenditures is estimated at US\$270.68 million for 2023 and US\$240.34 million for 2024 due to the non-implementation of an increase in the GST rate from 10 to 12 percent, which was to take effect in 2024 but was only implemented in April 2025. Also, the shift from GST to the value-added tax (VAT) is expected to come into effect in 2026 despite the passage of the Law in 2024. With these changes, the government hopes to raise more revenue, and with prudential fiscal discipline, the budget deficit will be reduced over time.

⁴ Liberia Annual Tax Expenditure Report (An Analysis of Revenue Forgone from Tax and Fiscal Incentives) FY 2023-2024 August 15, 2025

Figure 10: Government Revenue and Expenditure Ratios (2020-2024)

Source: Ministry of Finance and Development Planning, MFDP

2.2.2. Public Debt

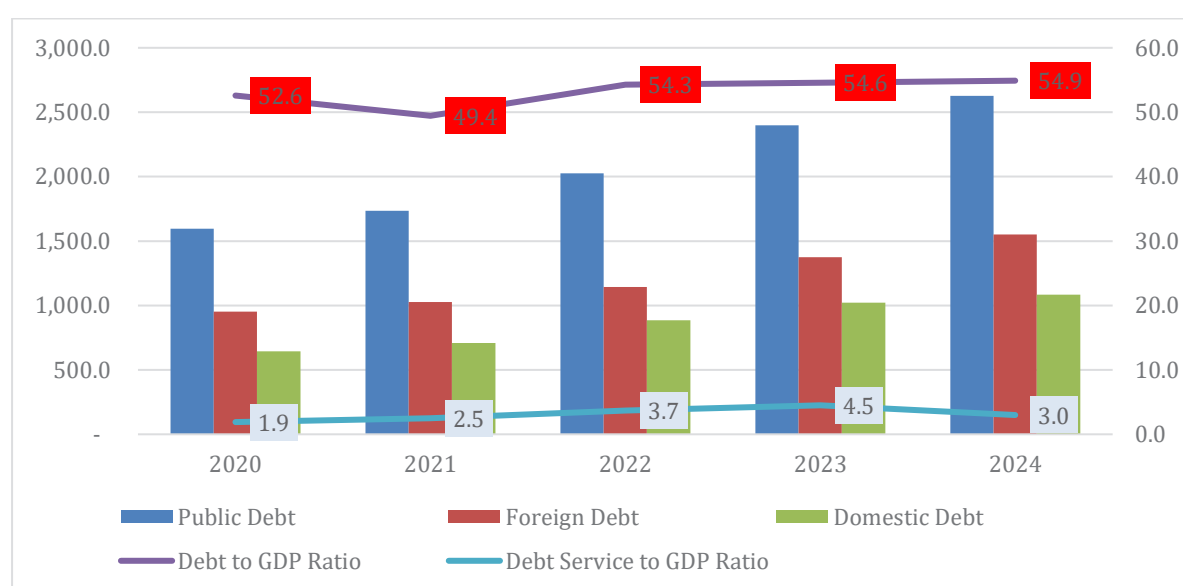
Liberia's debt profile presented in Figure 11 shows that public debt levels have risen significantly from US\$2,627.1 million (54.9 percent of GDP) at end-December 2024 from US\$2,397.3 million (54.6 percent of GDP) in 2023. The increase was driven by both domestic and external borrowing, attributable to domestic borrowing, including financing from the Central Bank of Liberia. Domestic debt stood at US\$1,074.9 million (22.5 percent of GDP), while external debt reached US\$1,552.2 million (32.4 percent of GDP) in 2024. This compares with US\$1,021.7 million (23.3 percent of GDP) and US\$1,375.6 million (31.3 percent of GDP), respectively, in 2023. Major external creditors include the World Bank (33.5 percent) and the IMF (15.4 percent), respectively. The primary causes of the recent significant increase in state debt have been the decline in commodity prices early in the decade and low levels of domestic resource mobilisation. Although Liberia's debt burden is increasing, it is, however, below the ECOWAS threshold of 70 percent and below the 60 percent of GDP threshold indicated in the Public Financial Management Regulations signed in 2023.

The government debt servicing-to-GDP ratio shows a decline in overall debt servicing of US\$111.4 million (3.0 percent of GDP) in 2024, from US\$158.2 million (4.5 percent of GDP) in



2023, reflecting reduced repayment obligations. The cost and risk analysis indicators showed that the most significant risk in the debt portfolio was the percentage of the domestic debt maturing in one year, coupled with several multilateral loans that were due during this period. With the high debt portfolio, the government developed the second Medium-Term Debt Management Strategy (MTDS) (2024–2026), which addresses the rising total public debt by prioritising concessional external financing and managing domestic debt arrears to local banks and contractors⁵.

Figure 11: Public Debt Portfolio (2020-2024)

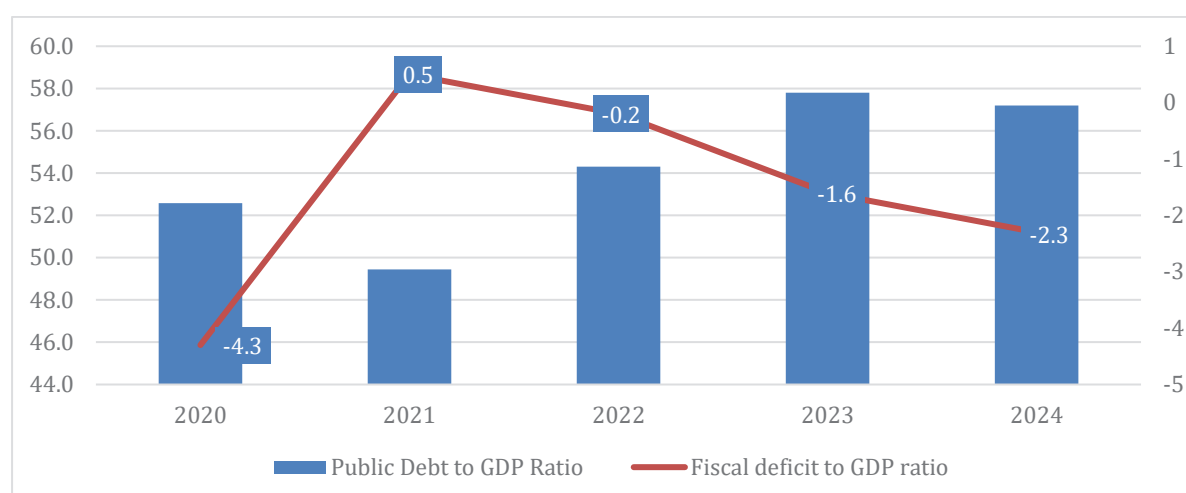


Source: Ministry of Finance and Development Planning, MFDP

2.2.3. Fiscal Deficit

Liberia's commitment to strict fiscal discipline under the Extended Credit Facility (ECF) arrangement from 2019 has continued over the last five years, with the country keeping fiscal deficit below 5 percent of GDP despite growing debt vulnerabilities, economic pressures and development challenges. In 2023, the deficit narrowed to 1.6 percent then rose modestly to 2.3 percent in 2024 (Figure 12) because of drops in revenue and grants, as well as increases in consumption spending. This shows that in the face of a reduction in foreign grants, the fiscal deficit is mainly financed by increasing the debt burden.

⁵ Medium-Term Debt Management Strategy (MTDS) 2024- 2026

Figure 12: Trends in Fiscal Deficit and Public Debt in Liberia (2020-2024)

Source: Ministry of Finance and Development Planning, MFDP

2.3. Monetary and Financial Sector Performance

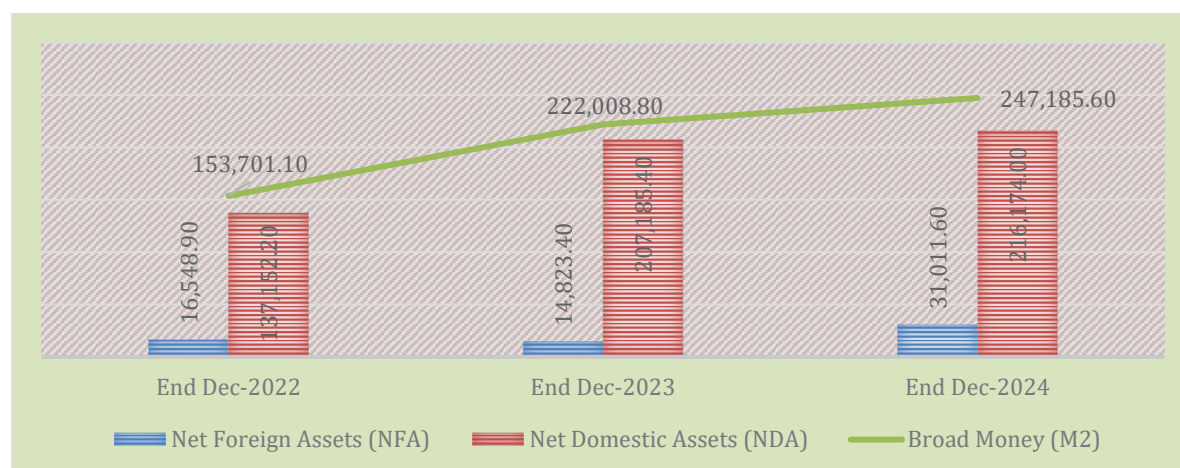
The Central Bank of Liberia (CBL) adopted a monetary policy stance centred on targeting reserve money to promote growth and preserve price stability, using CBL bills and other policy instruments to manage liquidity. The CBL maintained a tight monetary policy stance in 2023, raising the policy rate by 500 basis points to 20.0 percent until August 2024, before reducing it to 17.5 percent and later 17.0 percent in October to curtail inflationary pressure and support exchange rate stability.

Developments in monetary aggregates revealed that broad money supply (M2), which was L\$153,701.1 million, increased by 11.3 percent to L\$247,185.6 million at end-December 2024 from L\$222,008.8 million at end-December 2023, as shown in Figure 13. The growth in broad money supply was mainly traced to net domestic assets (NDA), which also increased by 4.3 percent at the end of the year. The development in NDA emanated largely from a contraction of 4.9 percent in net claims on government. Claims (net) on the private sector slowed to 6.3 percent in 2024 from 63.7 percent in 2023. However, Net foreign assets (NFA) of the banking system posted a huge growth of 109.2 percent at end-December 2024, underpinned by a 25.3 percent increase in NFA of commercial banks and a 38.5 percent improvement in the NFA position of the CBL, indicating growth in assets of the CBL held abroad. The rise in Other Depository Corporations (ODCs) foreign assets was



largely attributed to higher transferable deposits held with foreign banks and institutions, reflecting stronger external positions and prudent liquidity management practices within the sector.

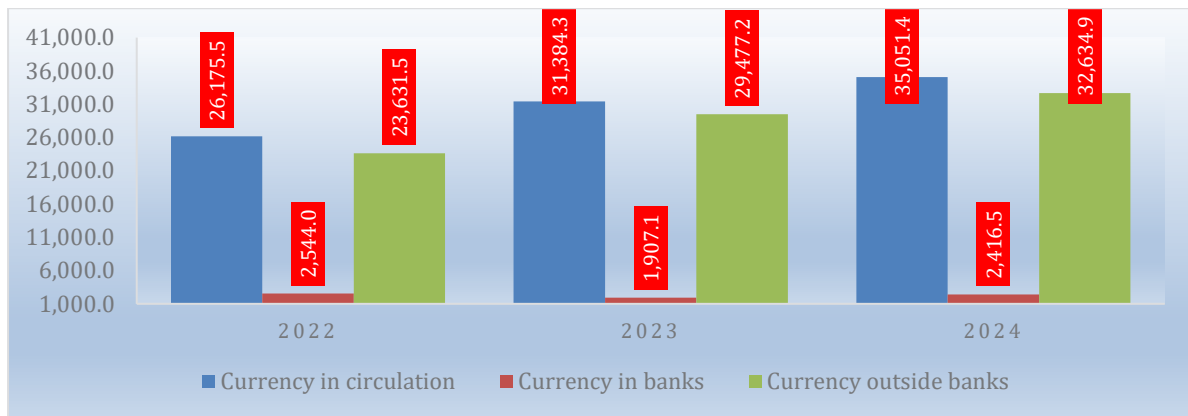
Figure 13: Trend in Broad Money Supply and Sources (In Millions of L\$) (2022-2024)



Source: Central Bank of Liberia

2.3.1. Management of Reserve Money

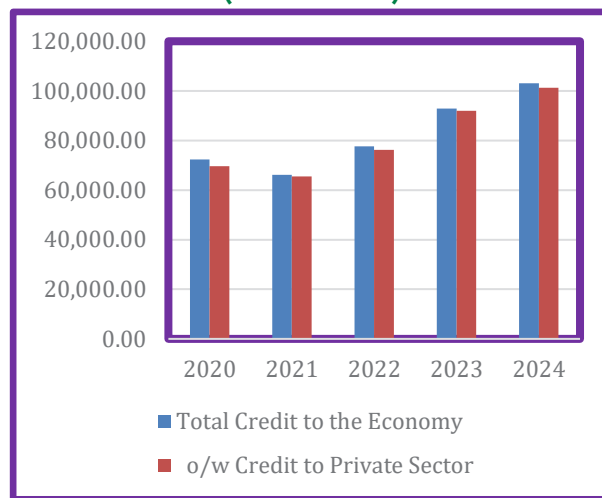
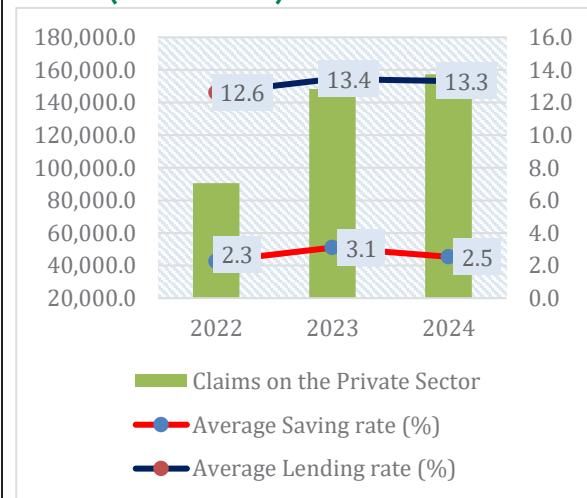
Liberia's strategy for managing currency outside banks has been a broader part of the gradual de-dollarisation process aimed at strengthening the use of the domestic currency by increasing public confidence in the domestic currency, deepening the domestic money market by encouraging pricing and other transactions, and contracts in Liberian dollars, as well as strengthening monetary policy effectiveness. Ensuring Liberian dollar availability and integrity, and managing exchange rate volatility and inflation through prudent reserve and liquidity management is considered a key macroeconomic stability measure. The CBL, during the period 2022 to 2024, instituted and continued promoting measures aimed at improving banking sector confidence, digital payments and settlement systems, currency replacement and clean note policy, as well as other awareness campaigns to encourage the use of banking services. Despite these efforts to deepen financial intermediation and promote the use of the Liberian dollar, persistent structural challenges remained in channelling cash holdings into the banking system. This is evidenced by the high currency outside banks to currency in circulation ratio of around 92.5 percent. This continues to constrain monetary policy effectiveness and slow down the de-dollarisation process.

Figure 14: Trend of Currency in Circulation (2022-2024)

Source: Central Bank of Liberia

2.3.2. Credit Development

Over the period (2022-2024), CBL has been boosting economic growth by easing liquidity constraints for private sector investment. Figure 15 shows that the banking sector's claims on the private sector have increased sharply during the review period, largely reflecting an expansion in loans, trade credit, and advances to non-financial corporations. Average lending and savings rates in Figure 16 declined to 13.4 percent and 2.5 percent in 2024 (from 13.4 percent and 3.10 percent in 2023). This crucial economic stimulant acts as a catalyst for industrial expansion, particularly aiding Small and Medium Enterprises (SMEs). It supports consumption through household loans, which drives financial deepening.

Figure 15: Credit to the Economy and Private Sector (2020-2024)**Figure 16: Average Lending and Saving Rates (2022-2024)**

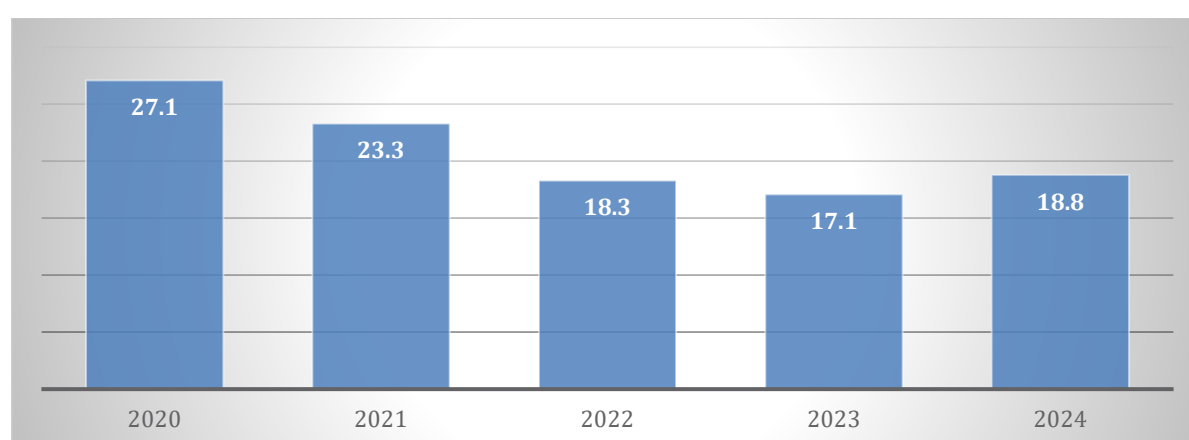
Data Source: Central Bank of Liberia



2.3.3. Monetary Policy Rate (MPR)

The MPR is the benchmark interest rate at which the CBL sells its bills to commercial banks and retail investors, influencing loan interest rates and savings rates throughout the economy. Figure 17 shows that the average MPR in 2020 stood at 27.1 percent. This high rate reflects a period of tightened monetary policy to control inflation during the Covid 19 period. The trend has, however, been generally declining until 2023 to a rate of 17.1 percent. The average rate for 2024 slightly increased to 18.8 percent. The MPR remains a tight stance to stabilise the economy and the Liberian dollar.

Figure 17: Average Money Policy Rate (2020-2024)



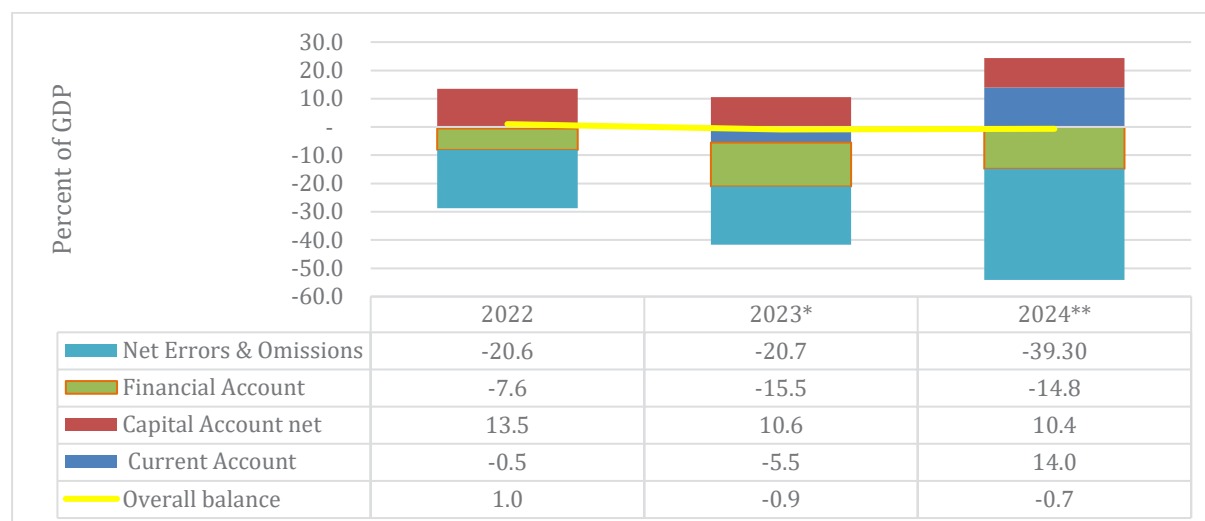
Data Source: Central Bank of Liberia

2.4 External Sector Performance

Provisional statistics of the external sector in Figure 18 reveal broad improvements in 2024. The current account balance records a surplus of 14.2 percent of GDP in 2024 compared to the deficit of 5.5 percent of GDP recorded in 2023. This development largely reflects a substantial decline in the trade deficit coupled with growth in secondary income transfers (net). Capital account inflows (net) rose by 6.8 percent relative to the inflows recorded in the preceding year, driven mainly by an increase in capital transfers. Similarly, net financial account inflows grew by 3.1 percent to US\$707.0 million (14.8 percent of GDP) in 2024, from US\$685.7 million (15.5 percent of GDP) in the preceding year. This development was explained mainly by the rise in direct investment inflows. Accordingly, the overall Balance

of Payments (BoP) deficit narrowed to 0.7 percent of GDP, from 0.9 percent of GDP reported in 2023.

Figure 18: Balance of Payments (2022-2024)

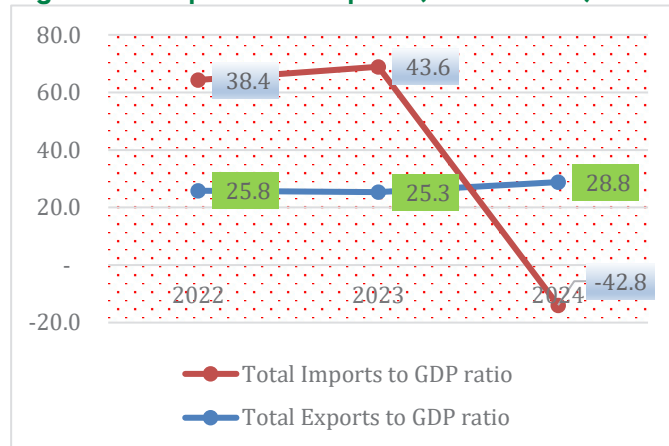
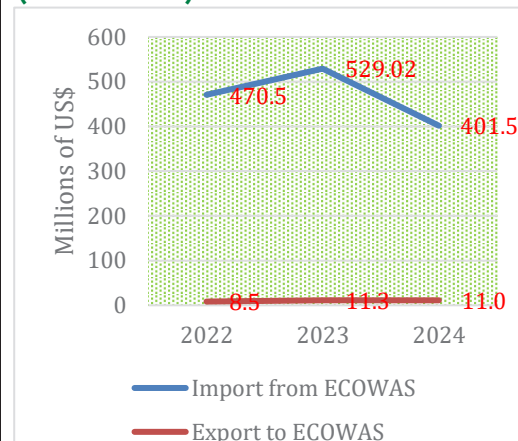


Data Source: Central Bank of Liberia * - revised; ** - provisional

2.4.1. International Trade

Liberia's trade with other trading partners, including other ECOWAS member states, is presented in Figures 19 and 20. Liberia's trade statistics show that export receipts grew to US\$1,380 million (28.8 percent of GDP) in 2024, from US\$1,112.5 million (25.3 percent of GDP) in 2023. This development was mostly driven by increases in export proceeds from key export commodities, including gold and rubber. On the other hand, imports rose to 43.6 percent of GDP in 2023, falling to a deficit of 24.8 percent of GDP in 2024. The decrease was primarily due to declines in payments for minerals, fuel & lubricants (mostly petroleum products). Liberia's trade with other ECOWAS countries shows that although the country has significant trade relationships with Ivory Coast, Ghana, and Nigeria as well as its neighbour, Sierra Leone, the level of imports grew minimally by 2.8 percentage points from 8.5 percent in 2022 to 11.3 percent in 2023 and then reduced by 3 percentage points in 2024. Exports also reduced in 2024. With Liberia's launch of the SIGMAT in October 2025, it is now able to streamline customs, secure revenue, and reduce cargo delays, which will help enhance trade with neighbours. The construction of the Cavalla River Bridge with Côte d'Ivoire may also improve transport links and trade.

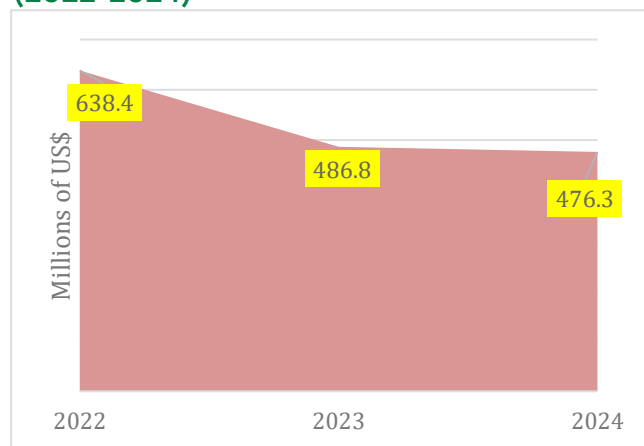
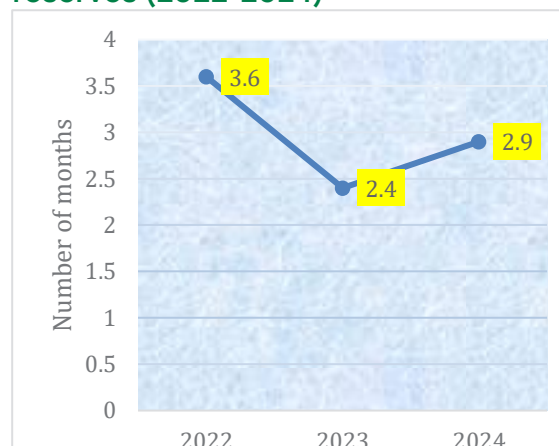


Figure 19: Import and Export (2022-2024)**Figure 20: Trade with ECOWAS (2022-2024)**

Data Source: Central Bank of Liberia

2.4.2. Gross International Reserves

The gross international reserves (GIR) presented in Figure 21 fell by 2.1 percent to US\$476.3 million in 2024, from US\$486.8 million in 2023, driven mainly by a reduction in SDR holdings & reserves. However, the months of import cover relative to the GIR increased to 2.9 months, from 2.3 months in 2023, largely explained by the decrease in payments for imports. Although there was an increase in the months of import cover, it slightly fell short of the 3.0 months ECOWAS macroeconomic convergence benchmark (Figure 22).

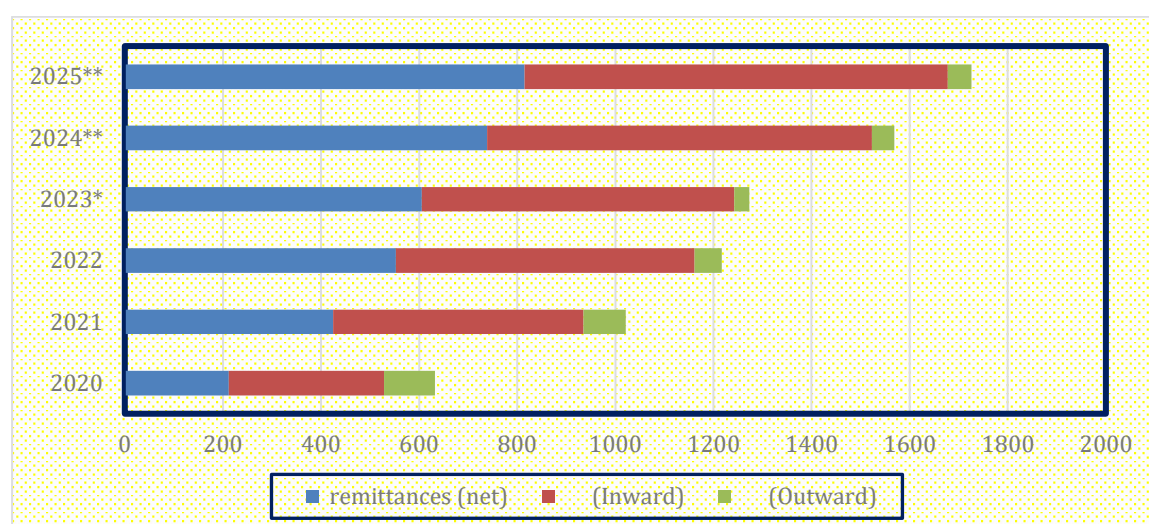
Figure 21: Gross International Reserves (2022-2024)**Figure 22: Import cover of foreign reserves (2022-2024)**

Data Source: Central Bank of Liberia

2.4.3. Remittances

Figure 23 shows the trend of remittance flow in Liberia. The data indicates that the country receives significant personal remittance inflows, with a high of approximately US\$738.6 million (15.4 percent of GDP) in 2024, from US\$605.7 million (13.8 percent of GDP) in 2023. This development was led mainly by a 23.3 percent increase in inward remittances, as outward personal/worker remittances also rose by 49.4 percent. Inward and outward remittances amounted to US\$784.5 million and US\$45.9 million in 2024 compared to US\$636.5 million and US\$30.7 million in 2023, respectively. The upward trend in remittance flows from 2020 to 2024 played a crucial role in household and economic financial stability.

Figure 23: Net Personal Inward Remittances (2020 - 2024, millions of US)



Data Source: Central Bank of Liberia

2.5 Social Sector Performance

The social sector presents analysis on the population demography, literacy, poverty and social services.

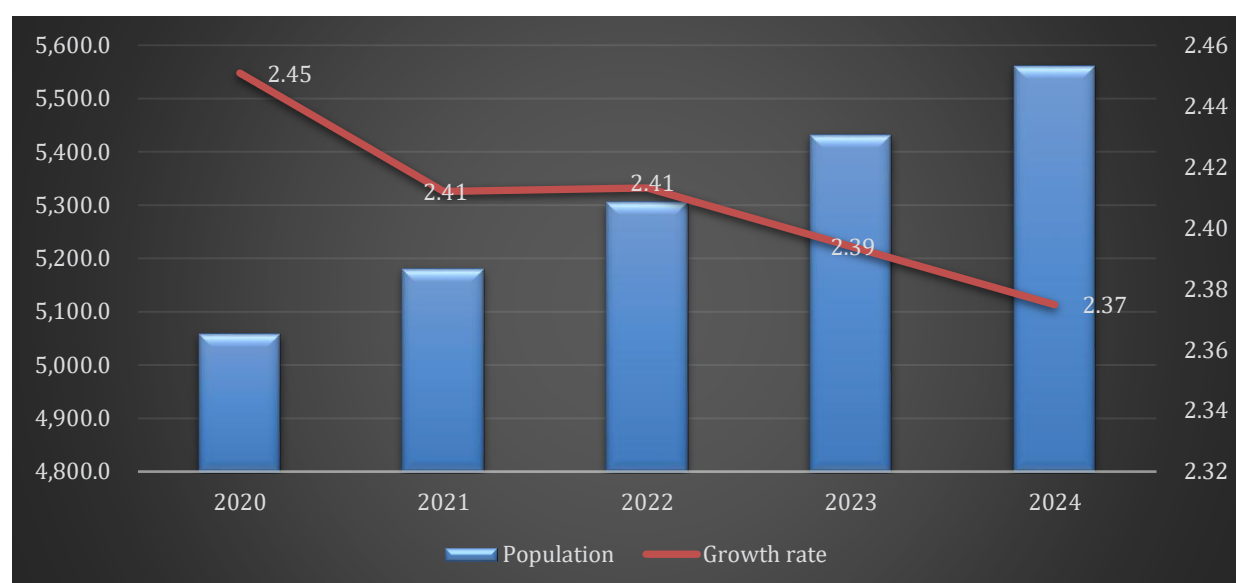
2.5.1. Population Growth and Trends

Liberia's population and growth are presented in Figure 24. The data shows that the population has been increasing steadily over the years. According to Liberia 2022 Population and Housing Census (LPHC), the population as of 2022 was 5,250,187, with an



annual growth rate of 3 percent. The census analysis revealed an almost evenly distributed population by sex with males constituting (50.4 percent) and females (49.6 percent). A little over half (54.5 percent) of the population resides in urban communities, while the remaining (45.5 percent) resides in rural areas. The graph shows a yearly growth rate of approximately 3 percent but at a decreasing rate. The marginal decline can primarily be attributed to a demographic transition away from consistently high population growth rates which involves declining birth and death rates over a longer period consistent with other sub-Saharan African Countries.

Figure 24: Population Growth and Trends



Data Source: LISGIS

2.5.2. Life Expectancy

Life expectancy is a vital indicator of a nation's overall health and living conditions, reflecting the quality of healthcare, nutrition, and socioeconomic factors and economic development. Figure 25 shows that the overall life expectancy in Liberia has increased from 61 to 56 years within the last five years. This improvement can be attributed to progress in controlling infectious diseases like measles and Lassa fever, reducing mortality and improvement in socio-economic and environmental factors. Sex distribution in figure 26 shows women are more likely to live longer compared to their male counterparts in conformity to global trend.

Figure 25: Trends in Life Expectancy (2020-2024)

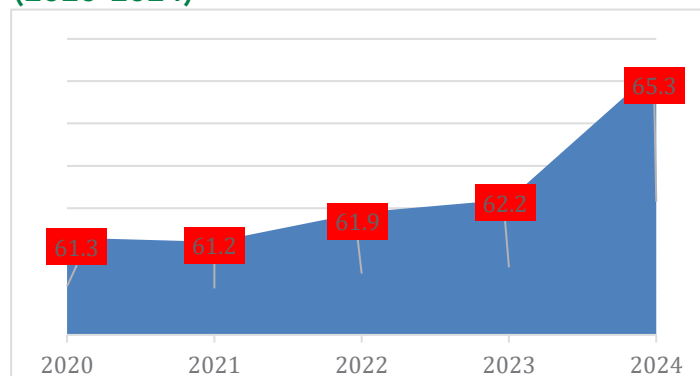
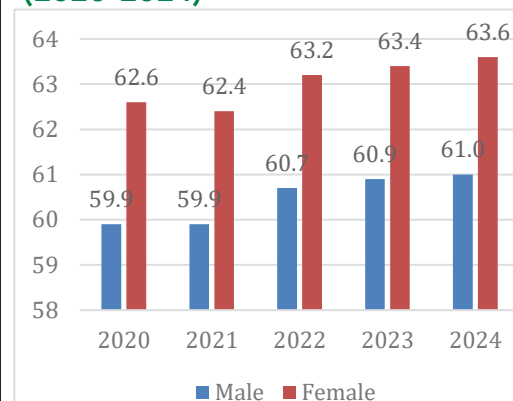


Figure 26: Life Expectancy by Sex (2020-2024)

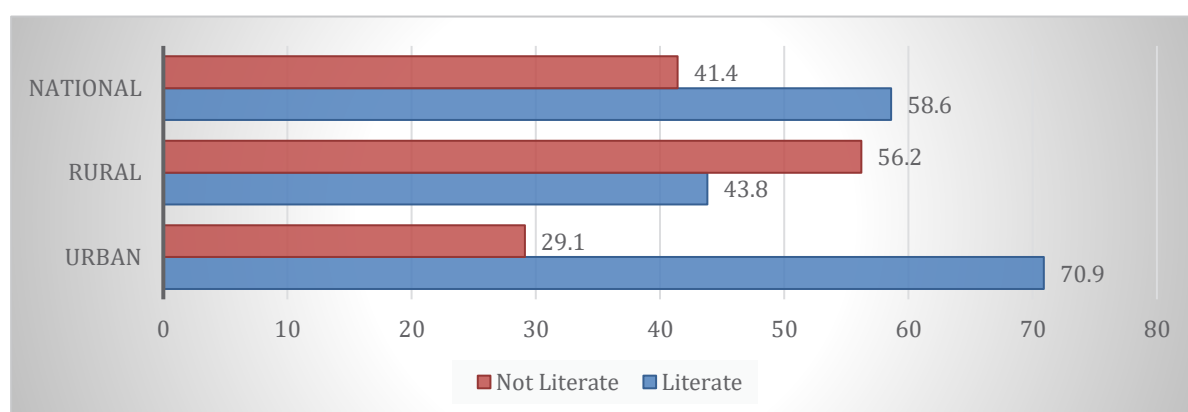
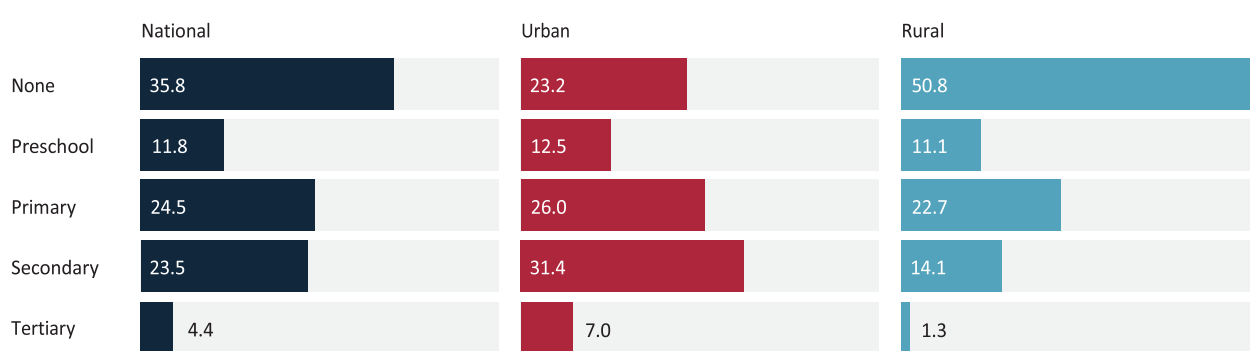


Source LISGIS

2.5.3. Literacy and Educational Attainment

Literacy and educational attainment are key measures of education. While literacy is the fundamental cornerstone which enables individuals to read and write for the acquisition of knowledge for all future educational and personal development, educational attainment serves as a tangible realisation of education. The 2022 NPHC data presented in Figure 27 shows that the national literacy rate was 58.6 percent. There is, however, a clear distinction between the rural and urban population, as more than half of the rural population were not literate (cannot read and write, with understanding, a short, simple statement on his or her everyday life). This also extends to educational attainment in Figure 28, which shows that 50.8 percent of the rural population had no educational attainment. The low literacy level of the rural population has implications for information delivery, creating barriers to stable employment, and trapping individuals and communities in cycles of poverty.



Figure 27: Literate population 15 years and older by locality**Figure 28: Educational attainment of the population 5 years and older by locality**

Data Source LISGIS (LPHC 2022)

2.5.4. Health

Acute respiratory infections (ARIs) remain leading causes of morbidity and mortality in children. About 42 million cases of ARIs in children under five were reported, resulting in an estimated 630 000 deaths. Studies done by Owusu et. al. (2023) on the prevalence and determinants of diarrhoea and acute respiratory infections among children under five years in West Africa showed an overall prevalence of ARIs for West Africa at 15.9 percent. Cross-country analysis showed that Togo had the highest burden of ARIs in children 2 weeks before the survey (27.9 percent), followed by Liberia (25.3 percent). Common symptoms reported in children include rapid or difficult breathing, cough, and fever.

Despite initiatives like the Liberia Respiratory Care Institute, the health system faces significant challenges including shortages of essential medicines, weak infrastructure, and high out-of-pocket expenses for patients. Based on the seriousness of ARI, the comprehensive food security and nutrition survey collected data from selected households. The data (Table 1) indicated a slightly higher figure of male children than

females in children between the ages of 12 and 35 months mostly affected by ARI. Distribution by residence showed a wide disparity in prevalence, with 71.5 percent of children in the rural areas affected compared to 28.5 percent in the urban area. This differential in infection rate is due to increasing vulnerability, such as household air pollution from cooking, poor maternal education, inadequate nutrition, and limited access to care, which are more observed in the rural areas.

Table 1: Prevalence and Treatment of ARI among Children Aged 0-59 (CFSNS 2025)

Characteristic	Percentage of children with symptoms of ARI		Among children with symptoms of ARI			
			Advice or treatment was sought		Medicine was given for treatment	
	percent	n	percent	n	percent	n
Child sex						
Male	52.1	3,148	53.7	620	52.9	620
Female	47.9	3,119	46.3	596	47.1	598
Child age						
0-5 months	5.3	493	5.0	57	5.5	57
6-11 months	13.5	532	16.3	127	14.3	127
12-23 months	27.4	1,280	28.2	321	28.1	322
24-35 months	23.5	1,299	21.0	280	22.4	280
36-47 months	15.5	1,351	15.4	238	15.6	239
48-59 months	14.8	1,312	14.1	193	14.1	193
Residence						
Rural	28.5	3,970	29.9	661	28.2	661
Urban	71.5	2,297	70.1	555	71.8	557

Source: Ministry of Agriculture (CFSNS 2025)

2.5.5. Access to Electricity and Safe drinking Water

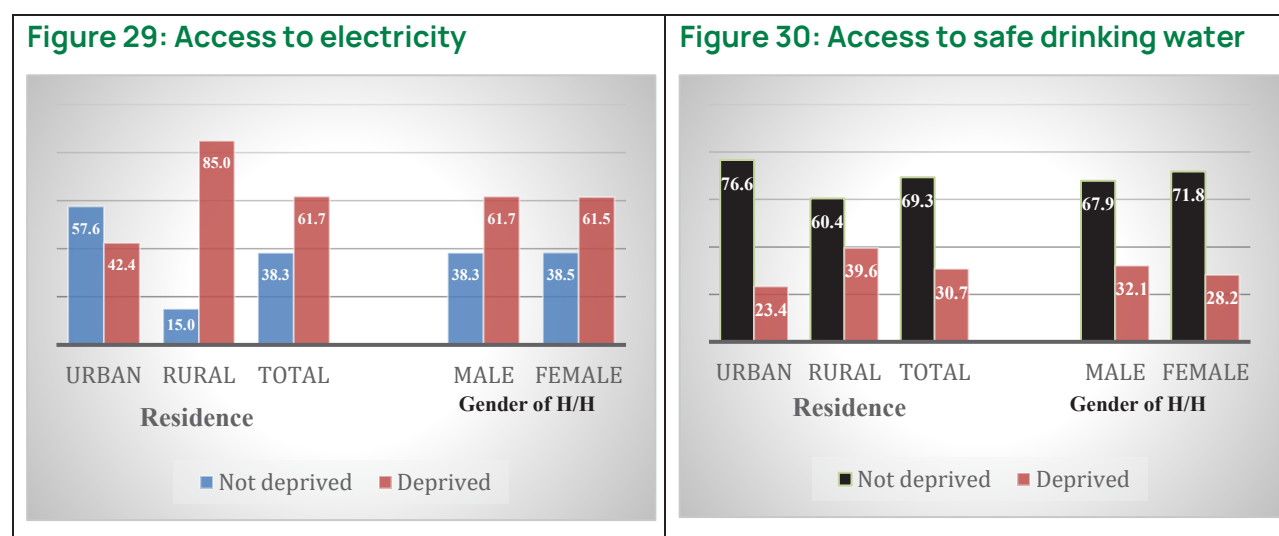
Electricity and safe drinking water are crucial necessities for human health, economic prosperity, and functioning of modern societies. The two are deeply interdependent, forming the water-energy nexus. Thus, household access to these services is recognised by the UN as part of the Sustainable Development Goals that directly address the



multidimensional aspects of poverty and the improvement in the quality of life essential for economic growth. Figures 29 and 30, which present household deprivation status in terms of electricity and safe drinking water, show that household access to electricity is extremely limited, with only 38.3 percent having access to electricity nationally. This situation is mainly attributed to the civil war, which destroyed basic infrastructure. Currently, the country relies heavily on privately owned fossil fuel-powered generators and biomass. The government is working with development partners to expand access to electricity by rehabilitating existing infrastructure like the Mount Coffee Hydropower Project and developing a decentralised energy model using mini-grids and renewable energy potential.

Improved drinking water sources, according to the World Health Organisation (WHO), include piped water, public taps, standpipes, tube wells, boreholes, hand pumps, protected dug wells and springs, rainwater, water delivered via a tanker truck or a cart with a small tank, and bottled water. About seven in 10 households nationwide have access to safe drinking water, indicating a deprived proportion of about three in 10 households. Access by residence shows nearly two in five (39.6 percent) rural households are deprived compared to about a quarter of urban households (23.4 percent). Female-headed households (28.2 percent) are deprived by 4 percentage points in access to safe drinking water compared to their male-headed counterparts (32.1 percent).

Household Deprivation Status in Access to Electricity and Safe Drinking Water



Data Source LISGIS (LPHC 2022)

3. MACROECONOMIC PERFORMANCE AND OUTLOOK FOR 2025 TO 2027

3.1 Selected Macroeconomic Indicators

3.1.1 Real GDP growth

Liberia's macroeconomic outlook remains broadly positive, underpinned by continued expansion in the mining and agriculture sectors. Real GDP growth is estimated at 5.1 percent in 2025, about 5.8 percent in 2026 and 5.9 percent on average over the medium term (2025 – 2027).

The outlook is supported by continued recovery and expansion in agriculture & fisheries, projected to grow by 6.0 percent, benefiting from cumulative investments in rural infrastructure, input distribution, and market access. Mining and panning are expected to grow further by 8.9 percent, supported by sustained global demand, operational upgrades, and exploration activities.

The AAID plan, costed at roughly US\$8.4 billion, is expected to drive this outlook through scaled up investment in roads, energy, water, digital connectivity, and human capital, financed by stronger domestic revenues, tax reforms (GST–VAT transition, presumptive CIT, digital taxation), and the IMF Extended Credit Facility intervention and high impact Public and Private Partnerships that crowd in private investment and deepen regional integration. The Government has developed the Domestic Resource Mobilisation Strategy II (DRMS II) geared towards strengthening and growing domestic revenue and the Revenue Sharing Law and Regulations.

Key risks include delays in reforms. The main downside risk is a failure to lift currently low productivity growth back toward the post-conflict average, which could occur if AAID-related reforms stall. Also, persistent high inflation, climate shocks, withdrawal or reprioritisation of external aid, and weaker global demand could constrain fiscal and external buffers if not mitigated through sustained policy discipline and structural change. Limited electricity is also a key risk factor to economic growth.



3.1.2 Fiscal Sector Outlook

Liberia's fiscal position is projected to strengthen steadily from 2025 to 2027, with higher domestic revenue, contained spending, small but sustained overall surpluses, and a gradual decline in public debt ratios. Domestic revenue is projected to rise by 42 percent – from US\$804.6 million in FY2025 to US\$1.14 billion in FY2026, driven by tighter tax administration, stronger regulatory fees, better enforcement, and anticipated external support. Tax revenues are expected to hit US\$727 million, while non-tax revenues are projected at US\$183.9 million.

Core macro-fiscal measures to finance include enhanced domestic revenue mobilisation (e.g., GST increase toward VAT, presumptive 2 percent CIT on concessions, digital economy taxation), expenditure reprioritisation toward infrastructure and social investments, better Public Finance Management (PFM) and Medium Term Expenditure Framework (MTEF) budgeting, and scaled-up use of Private Public Partnerships such as the US\$363.9 million Pavifort road concession linking Monrovia to the borders of Sierra Leone and Guinea. These investments in roads, energy, water, digital connectivity, education, health, and climate-resilient infrastructure are expected to raise capital formation from a low base, unlock high productivity gains, and crowd in private investment (especially in mining, agribusiness, logistics, and services).

On the expenditure side, total spending for the budgetary central government stays broadly flat at about 13.7 to 14.2 percent of GDP over 2026-2027, with the wage bill anchored at 6.1 to 6.2 percent of GDP and use of goods and services around 3.1 to 3.5 percent of GDP.

Fiscal Deficit (including grants)/GDP ratio: The fiscal deficit is projected to widen to 3.5 percent of GDP in 2025 before narrowing to 2.6 percent in 2026 and further narrowing to 2.0 in 2027 due to increased domestic revenue mobilisation. Preliminary estimates showed that due to prudent fiscal management, Liberia's fiscal position strengthens in 2025, from a balance of (0.0 percent of GDP) to sizeable surpluses of 2.5 to 2.7 percent of GDP in 2026-2027.

Total public debt is projected to decline steadily from 57.2 percent of GDP in 2024 to 55.9 percent, 54.9 percent and 54.1 percent of GDP in 2025, 2026 and 2027 respectively, with domestic debt falling more quickly (from 17.8 to 8.7 percent of GDP) while external debt edges up in nominal terms but remains broadly stable as a share of GDP (from 37 to 40 percent). In U.S. dollar terms, total public debt is projected to rise moderately from about US\$2.9 billion in 2026 to US\$3.5 billion in 2027, but the debt-to-GDP ratio falls due to higher nominal GDP growth and primary surpluses averaging to 1.7 to 2.3 percent of GDP over 2026-2029. This downward trajectory is supported by fiscal surpluses and rising debt servicing obligations.

Key risks include challenges in maintaining fiscal consolidation. Liberia is at high risk of total public debt distress, limiting fiscal space to support the financial sector. Low competitiveness and corruption are other downside risks.

3.1.3 Monetary and Sector Outlook

The growth outlook in the monetary sector appears positive. Inflationary pressures are projected to slightly reduce to 8.2 percent in 2025 and further moderately reduce to around 8.0 percent in 2026 and 6.1 percent in 2027 in the medium term (2025-2027), on account of tight monetary and fiscal policy measures, lower global fuel and food prices, and a more stable exchange rate. Broad money supply (M2) is projected to grow in 2025 and in the medium term, mainly triggered by the Line of Credit (LOC) component of the Liberia Investment, Finance and Trade (LIFT) project supported by the World Bank. This growth is expected to boost credit to the private sector.

Growth in money supply is expected to be supported by financing anticipated from the IMF 40-month Extended Credit Facility programme in Liberia, which is expected to prop up Liberia's foreign assets. Credit to the private sector is expected to expand robustly, with annual growth of 8.5 to 10.5 percent, lifting its share of GDP from about 17.8 percent in 2026 to 20.7 percent by 2027, while net credit to government contracts steadily declines, reducing fiscal dominance and freeing space for private-sector lending.



3.1.4 External Sector Outlook

Current account balance (percent GDP) is expected to record a deficit of 13.0 percent in 2025 with the deficit narrowing to 11.4 percent in 2026 and 10.3 percent in 2027. Gross reserves are expected to hover around or above the 3-month threshold (about 3.1 months in 2025, 2.9 months in 2026, then 3.1 to 3.3 months in 2027), averaging around 3.16 months over 2026-2027, modest but adequate buffers. Remittances and other transfers are projected at US\$420-435 million annually, which will continue to cushion the current account, improving it from a deficit of 20 percent of GDP in 2026 to 12.5 percent by 2027 and beyond. Gaps in the balance of payments are also expected to be fully financed by strong capital and financial inflows. Foreign direct investment (FDI) is expected to increase from US\$460 million to US\$550 million annually, complemented by steady project grants, official loans, and modest private financing.

These projections are based on CBL's monetary policy stance, which remains tight but gradually easing over the period 2026 to 2027, with 2025 serving as the baseline year in which broad money stabilises around 28 percent of GDP, net credit to government starts to decline, and reserves and NIR begin to rebuild. The Bank continues to use the CBL bills as its policy instrument to manage liquidity in an endeavour to achieve its price stability mandate. The Central Bank, with support from the IMF, has built a granular non-performing loan (NPL) database and is implementing an action plan aimed at drastically reducing high NPLs. Reserve requirements and timely penalties have been tightened, and a dedicated bank-resolution framework and unit are being established by end-2025. These reforms, together with efforts to build reserves to at least 3.1 months of imports and prohibit unconventional bailouts, enhance confidence in the financial system and anchor macro-financial stability.

Key risks include high levels of dollarisation (dual currency system), which limit the Central Bank's ability to implement effective monetary policy. This makes it difficult to control inflation, the high dependency on imports (food/fuel) and the volatile commodity exports (iron ore, rubber, gold). A dip in global prices reduces export earnings and foreign exchange availability.

3.2 Temporary Suspension of USAID Activities

Over the years, Liberia has relied heavily on aid for its social and economic development. According to data published on the Liberia Project Dashboard, Liberia has received, on average US\$548.2 million in aid annually between 2014 and 2024 from its donor partners. This accounts for approximately 10 to 20 percent of its GDP over the period.

The United States of America, which shares historical ties with Liberia with roots in the American Colonisation Society's founding of Liberia in the 19th century, is the largest bilateral donor to Liberia through the United States Agency for International Development (USAID). USAID's development partnership with Liberia dates to the very founding of the Agency in 1961. As the largest bilateral donor in Liberia, the United States plays an influential and vital role in many aspects of Liberia's development. Between 2014 and 2024, the US Government, through USAID, heavily contributed to Liberia's development with a disbursement of US\$991.0 million in various sectors, especially health, education, transparency and agriculture⁶. According to the Dashboard data, USAID had an overall portfolio of 106 projects at the start of the 90-day freeze, making it a crucial partner in Liberia's development. About 85 percent of USAID projects focused on addressing health, education, agriculture and governance challenges.

Out of the 106 USAID project portfolio, a total of 29 were active projects with secured funding totalling US\$443.69 million. On top of projects that were already active, the United States, through USAID, signed in 2024 and 2025 to provide additional support of US\$120.4 million (US\$114.4 million signed in 2024 and US\$6.0 million signed in 2025) for Liberia's development initiatives aimed at enhancing economic growth in 2025 and 2026. This made USAID the second-largest donor after the International Development Association (IDA).

Following the 90-day freeze, the US government terminated 28 out of the 29 projects funded by USAID, creating a funding gap of US\$64.4 million in 2025 across various sectors. Over the period 2025 to 2029, the funding gap will amount to US\$265.6 million

⁶ <https://www.highergov.com/agency/u-s-mission-to-liberia-1545/>



Summary of both Direct and Indirect US aid termination impacts:

Direct Impact

- **Disease Control and Prevention:** According to the Liberia Projects Dashboard, in 2023, USAID spent US\$ 5.8 million and US\$ 18.2 million on HIV and malaria treatment and prevention, respectively; US\$ 1.2 million on health infrastructure projects; US\$ 3.7 million on maternal and child health programmes; and US\$ 5.5 million on healthcare workers training programmes.
- **Education:** As of January 2025, a USAID report states that a total of US\$59.8 million had already been disbursed to the education sector. USAID had seven (7) active projects, some of which have been active since August 2020. All these projects have been terminated. The termination of these projects will lead to a US\$29.0 million loss in the education sector until 2029 and US\$9.3 million in 2025 only.
- **Agriculture and Food Security:** A report from USAID states that a total of US\$20.5 million has already been disbursed to the agriculture sector since their initiation. Some of these projects include agribusiness development, school feeding programmes and food security and nutrition activities. The Liberia Projects Dashboard reveals that the termination of USAID commitments will lead to a US\$6.4 million loss in the agriculture sector until 2028, and US\$2.7 million in 2025 only.
- **Economic Growth:** USAID has been a key partner in the implementation of Value Added Tax (VAT) through the Local Empowerment for Accountability and Decentralisation (LEAD) project, committing US\$17 million to the programme, which is now cancelled. The Liberia Projects Dashboard reveals that the termination of USAID commitments will lead to a US\$4.5 million loss in economic growth until 2028, and US\$1.9 million in 2025 only. Aafricappractice⁷ Impact analysis indicated that with the USAID cuts representing a whopping 2.59 percent of its GNI, Liberia experienced the greatest loss in proportional terms – particularly galling on account of the country's historical ties with the US.

⁷ <https://africappractice.com/insights/usaids-cuts-six-months-on/>

- Democracy, Human Rights and Governance (DRG): A report from USAID states that, as of January 2025, a total of US\$40.3 million has been disbursed to strengthen democracy, human rights and governance since inception. Some of these projects have been active since May 2021. They are now all terminated. The Liberia Projects Dashboard reveals that the termination of USAID commitments will lead to a US\$7.8 million loss in the DRG sector until 2026, and US\$4.5 million in 2025 only

Indirect Impacts

At the start of the 90-day freeze, USAID was funding five ongoing projects in Liberia through four UN agencies. Of these activities, four were being implemented through large multi-country mechanisms out of the Washington, D.C.-based Bureau for Global Health.

Table 2: Activities funded by USAID through UN Agencies in Liberia

Agency, Activity Title	Start	End	2024 Disbursed	2025 Estimated
World Health Organisation				
World Health Organisation Consolidated Grant ⁸	2021	2026	80,842	660,099
Polio Immunisation Funding ⁹	2022	2031	1,280,251	2,956,925
World Food Program				
Central Medical Stores of Liberia ¹⁰	2023	2025	2,445,613	2,206,354
Food and Agriculture Organisation				
Emergency Centre for Transboundary Animal Diseases (ECTAD) ¹¹	2022	2027	650,000	1,279,320
United Nations Children's Fund				
UNICEF Polio and Immunisation ¹²	2022	2031	2,323,904	786,053
TOTAL			6,780,610	7,888,750

Source: USAID Data

⁸ US-GOV-1-7200GH21IO00005 – unclear what is covered under this very broad grant to WHO

⁹ US-GOV-1-7200GH22IO00003

¹⁰ US-GOV-1-72066923IO00001 – NB this activity is funded from USAID/Liberia. The total amount disbursed for 2024 has been updated according to data provided by USAID/Liberia.

¹¹ US-GOV-1-7200GH22IO00005 – appears to be a technical assistance project.

¹² US-GOV-1-7200GH22IO00001



3.3 Effect of Official Withdrawal of Burkina Faso, Mali and Niger on Liberia.

Liberia, Mali, Niger and Burkina Faso were all members of ECOWAS who all shared the vision of regional integration. Liberia maintained strong, cooperative bilateral relations with these countries within the ECOWAS framework, focused on regional security, stability, and mutual diplomatic support. In relation to these diplomatic relations and regional cooperation, the three countries had their embassies in Monrovia, which fostered bilateral cooperation, dialogue, trade and the welfare of their nationals.

Liberia and Mali had maintained strong standing ties since 1958. During the Liberian civil war in the early 1990s, Mali was part of the initial West African intervention force (ECOMOG) that contributed troops to ensure peace in Liberia. The country also recently backed Liberia's bid for a UN Security Council seat. In furtherance of the bilateral and regional collaboration, Liberia sent troops to Mali, embedded with the Nigerian contingent under the Africa International Support Mission to Mali (AFISMA) from 2013 to 2023 to help maintain security in the region. In the area of trade, Liberia exports a modest amount of goods to Mali, with exports totalling approximately US\$4.6 million from 2020 to 2025, with key exports being agricultural products and machinery. Liberia also imports from Mali, products like sheep and goats, with imports totalling US\$702,595.49 (Table 3).

Liberia's association with Niger centred within the ECOWAS framework, wrapped around the AGRHYMET Centre of Excellence located in Niamey. This centre, designated by ECOWAS as the Regional Climate Centre for West Africa and the Sahel, facilitated climate data, disaster risk reduction, and information exchange. The centre has played an important role in training Liberian officials, specifically in climate change and sustainable development. Liberia's bilateral diplomacy with Niger is highlighted by the Liberian embassy located in the capital, Niamey. The embassy serves as the primary channel for promoting bilateral relations, enhancing cooperation, and ensuring the welfare of Liberian citizens in the nation. Trade relations between the two countries have been relatively on a small scale, with trade volumes primarily characterised by the exchange of refined petroleum from Niger and, historically, agricultural or raw products from Liberia. Total exports from Liberia to Niger from 2020 to 2025 are around US\$166, 711.92 while imports are valued at US\$276, 489.23 (Table 3).

Liberia and Burkina Faso shared formal diplomatic relations before the Liberian civil war, but the relationship strained during the civil crisis when Burkina Faso was known to have supported rebel forces. Today, the relationship between the two countries has entered a new phase of bilateral cooperation, which maintains a formal, constructive relationship with the military-led government in Burkina Faso, focusing on regional stability, partnership, and investment in areas like agriculture and manufacturing despite Burkina Faso's withdrawal from ECOWAS. Trade relationship between the two nations (Table 3) shows that Liberia's total exports to Burkina Faso from 2020 to 2025 are valued at US\$ 430,765.00, while imports account for US\$ 212,195.27. These figures are an indication that while the two countries are trading, it is comparatively minimal compared to other ECOWAS countries.

Liberia had maintained economic and security collaboration with Mali, Burkina Faso, and Niger at the level of ECOWAS and bilaterally. Their withdrawal from ECOWAS in 2024 poses risks to Liberia by undermining regional stability, disrupting economic integration, and weakening collective security protocols. Liberia faces potential security spillovers from Sahelian terrorism and reduced regional trade cohesion, despite not being a direct neighbour.

Table 3: Trade Between Liberia and Mali, Niger and Burkina Faso

Export (FOB)							
Countries	2020	2021	2022	2023	2024	2025	Grand Total
Mali					155,534.37		4,661,599.63
Niger		56,400.00	56,400.00	28,200.00	25,711.92		166,711.92
Burkinafaso	500.00	39,500.00		390,765.00			430,765.00
Import (CIF)							
Mali	4,149.91	875.00	4,149.91			633,528.25	702,595.49
Niger					11,025.08		276,489.23
Burkinafaso	9,403.13	55,074.99	17,455.08		93,161.25		212,195.27

Source: LISGIS



4. ANALYSIS OF THE STATE OF FOOD (IN) SECURITY IN LIBERIA FROM 2015 TO 2025

4.1 Introduction

Food security is of critical national and global concern because lack of food or food insecurity has health and economic consequences and serve as a destabilizing force that triggers political unrest, mass migration, and, when exacerbated by climate change and conflict, can lead to severe food price spikes. Analysis of the state of food security in Liberia highlights bottlenecks in the food system that allows the government and partners to identify vulnerable populations, track progress, and design targeted interventions that is geared towards food achieving the four dimensions of food security which is food availability, access, utilization, and stability.

This chapter assesses food security in Liberia in relation to various commitments and regional integration. Section 2.2 reviews the Maputo, Malabo and Kampala Declarations and 2.3 analyses Liberia's implementation of these commitments. Section 2.4 assesses challenges of food security to socio-economic development in Liberia, and 2.5 assesses challenges of food security to the ECOWAS regional integration efforts. Section 2.6 identifies key factors (structural and cyclical) hindering the achievement of food security in Liberia.

4.2 Review of Maputo, Malabo and Kampala Declaration and Commitments

Food insecurity has been a major issue on the African continent, where the majority of the population are farmers who, over the years, have been unable to feed themselves and improve their livelihoods. The Comprehensive Africa Agriculture Development Programme (CAADP) was prepared from extensive and thorough consultations with a wide range of stakeholders within the New Partnership for Africa's Development (NEPAD) framework to promote interventions that best respond to the widely recognised crisis of African agriculture. It has been cast to deliberately focus on investment in the following three mutually reinforcing "pillars" that can make the earliest difference to Africa's dire situation: (a) extending the area under sustainable land management and reliable water control

systems; (b) improving rural infrastructure and trade-related capacities for improved market access; and (c) increasing food supply and reducing hunger.

In 2003, the African Union (AU) Assembly of Heads of State and Government adopted the Maputo Declaration on CAADP, setting broad targets of 6 percent annual growth in agricultural GDP and allocating at least 10 percent of public expenditures to the agricultural sector. The leaders committed to achieve these targets through collective action across the continent, focused on improving agricultural planning and policies, scaling up investment to implement these plans and policies and harmonising external support for African-owned plans.

About ten years after Maputo, in June 2014, AU Heads of State gathered in Malabo (Equatorial Guinea), and adopted seven Commitments in the Declaration on Accelerated Agricultural Growth and Transformation. These Commitments which were designed to achieve transformation by 2025, comprised of: (i) recommitment to CAADP principles and values; (ii) enhancing investment finance in agriculture; (iii) ending hunger by 2025; (iv) reducing poverty by half by 2025 through inclusive agricultural growth and transformation; (v) boosting intra-Africa trade in agricultural commodities and services; (vi) enhancing resilience of livelihoods and production systems to climate variability and other related risks; and (vii) mutual accountability to actions and results.

The most recent Kampala Declaration of 2025 is the AU action geared towards renewing commitment to the CAADP goals. The Declaration aimed at transforming Africa's agri-food systems from 2026 to 2035. The 10-year vision is focused on building more resilient and sustainable agri-food systems through increased investment in agriculture, improved food and nutrition security, and greater inclusivity for youth and women. The declaration emphasises the role of technology. Innovation and climate-smart practices to achieve its goals, which include boosting output, expanding trade and broadening them to include climate change, nutrition, and youth employment.



4.3 Assessment of Liberia's level of Implementation of Maputo Declaration and Commitments

4.3.1 Liberia National Government Policy Landscape for Food Security

Since the Maputo Declaration in 2003, Liberia has developed several policies to enhance food availability and access, and to improve the agriculture sector. In compliance with the CAADP framework, Liberia developed its first agricultural investment policy, the Liberia Agriculture Sector Investment Programme (LASIP I) 2010-2015, to actualise the alignment of national, continental, and global objectives through its implementation. The LASIP programmes and sub-programmes were aligned with Pillar 2 of the country's post-conflict development agenda, the Poverty Reduction Strategy, which aimed to reduce hunger and poverty.

The second generation of the Liberia Agriculture Sector Investment Plan (LASIP II, 2018-2023) was aligned with the Pro-Poor Agenda for Prosperity and Development (PAPD, 2018-2023), which aimed to develop value chains through investment in flagship projects such as mechanised and irrigated agriculture, livestock feed and organic fertiliser production. The latest National Agriculture Development Policy (NADP), known as "Liberians Feed Yourselves Agenda", is anchored on the agricultural development pillar of the ARREST (Agriculture, Roads, Rule of Law, Education, Sanitation, Tourism) development policy. The NADP is designed to make agriculture robust and attractive, using it as an accelerator of growth to provide the nutritional needs of the Liberian people, create jobs, and generate foreign revenue from exports. It focuses on developing the value chains of targeted agricultural commodities, including food crops, cash crops, fruits, livestock, and fisheries and aquaculture. Table 4 presents these policies.

Table 4: Major Policies and Strategies to Enhance Food Security

Name of Document		Year Prepared
1	Statement of Policy Intent for Agriculture	2006
2	Comprehensive Assessment of the Agriculture Sector in Liberia (CAAS-Lib)	2007
3	Liberia Poverty Reduction Strategy	2007
4	Food Security and Nutrition Strategy (FSNS)	2008
5	Food and Agriculture Policy and Strategy (FAPS)	2008
6	Liberia Agriculture Sector Investment Plan (LASIP I) (2010-2015)	2010
7	Strategy for Mainstreaming Gender Issues in Agricultural Programs and Projects	2010
8	A Nutrition Country Paper-Liberia	2011
9	Liberia's Agenda for Transformation 2012-2017 - Steps Toward Liberia Rising 2030	2013
10	Fisheries and Aquaculture Policy and Strategy, Bureau of National Fisheries	2014
11	Food Security and Nutrition Strategy (FSNS) (Revised)	2015
12	Liberia Agriculture Transformation Agenda (LATA)	2016
13	Liberian Agricultural Sector Investment Plan (LASIP II) (2018-2022)	2018
14	Liberia National Rice Development Strategy II 2018 - 2030	2018
15	National Agriculture Development Plan (NADP) (2024-2030)	2024
16	Liberia Multi- Sectoral Nutrition Costed Strategic Plan (2024-2028)	2024

4.3.2 Liberia Implementation Status

Liberia is a signatory to the Maputo Declaration (2003) and its successor, the Malabo Declaration (2014), committing to boost agriculture investment (targeting 10percent of the budget) for food security. Table 5 shows Circle 4 of Liberia Biennial Report 2020/2021 submitted to the African Union through the ECOWAS Commission. The report shows that Liberia developed the first- and second-generation National Agriculture Investment Plans



(NAIPs), known as the Liberia Agriculture Sector Investment Programme (LASIP) plan, which underwent technical reviews.

A report from the Independent Technical Review of the Liberian Agricultural Investment Plan (LASIP II) 2018-2022 indicated that although the government committed in principle that agriculture was regarded as a key driver for growth and poverty reduction, in practice, the commitment appeared not to be strong. For example, CAADP targets agriculture sector growth of 6percent per annum and obliges African governments to commit at least 10percent of their annual national budgets to agriculture in pursuit of this target.

For Liberia, the share of agriculture expenditure in total expenditure in the last 3 years (2016 to 2018) was below the 10percent Maputo Declaration target at a value of 2percent. The share was equally low compared to the West Africa average of 7percent (ReSAKSS WA, 2019). In addition, the country's performance in a second major strategy element in CAADP – the 6percent agricultural growth target – was equally not encouraging. In the 2016-2018 period, the country recorded negative growth of -8.1 percent compared to the growth for the whole of West Africa of 2.7 percent. As regards the expenditure plan, less than 43percent of the LASIP I budget was mobilised, with core funding obtained mainly through multilateral and bilateral partners. LASIP II also relied on donors' funding, including for its implementation, as the government's contribution to the total expenditure was not clearly indicated. As a result, the sustainability of the plan was not well¹³.

¹³ CAADP, Independent Technical Review of the Liberian Agricultural Investment Plan (LASIP II) 2018-2022

Table 5: Evaluation of the implementation of the Maputo Declaration

Yes or No If Yes, upload the document as proof		
1. Existence of communication on the internalisation or domestication of the Malabo Declaration, p1	Yes	
2. Existence of a national roadmap on the implementation of the Malabo Declaration, p2	Yes	
3. Existence of Malabo-compliant NAIP Appraisal Report, p3	Yes	
4. Existence of a Malabo-compliant NAIP, p4	Yes	
5. Malabo-compliant NAIP priorities reflected in national budget, p5	Yes	
6. Existence of Malabo-compliant NAIP M&E system, p6	Yes	Even though the NAIP/LASIP has an M&E mechanism, it is not being informed
7. Existence of Malabo-compliant NAIP implementation progress report, p7	Yes	There is no centralised reporting system that compiles and collates progress reports for the sector

Source: Republic of Liberia's 4th Cycle Biennial Report (2020 and 2021)

4.3.3 Status of Food Security in Liberia

Liberia's economic context is characterised by its reliance on agriculture and natural resources. Successive national development plans have prioritised food security as one of the nation's strategic development objectives. Hence, revitalisation of the agriculture sector tailored towards productivity has been the major focus. Unfortunately, lingering binding constraints have resulted in low production of essential food commodities, which do not meet the consumption needs of the population. To complement the shortfall in supply, about 70 percent of rice, which is the nation's staple food, is imported, diverting scarce foreign exchange resources away from essential infrastructure and human development projects¹⁴.

According to The State of Food Security and Nutrition in the World Report (FAO et. al., 2023), the prevalence of undernourishment among the Liberian population remains

¹⁴ National Agriculture Development Plan (NADP) 2024-2030, or the "Liberians Feed Yourselves Agenda".



alarmingly high, at 38.4 percent (2020–2022). This figure signifies that approximately 2 million individuals in the country suffer from undernourishment, illustrating a considerable gap in achieving SDG 2, which aims to eradicate hunger by 2030. This situation was also flagged by the World Food Programme (2024) report, which indicated that about 416, 000 people in Liberia require urgent food assistance.

Report from the Cadre Harmonisé (CH) survey, which is a unified tool for consensual analysis of acute food and nutrition insecurity in the Sahel and West African region, indicated that, from 15 counties surveyed in Liberia in 2025, about 70.2percent of the analysed population are classified under Phase 1 (Households that are able to meet their essential food and non-food needs without engaging in atypical coping strategies); 22.3percent are in Phase 2 (Stressed: households having food consumption gaps that are barely met, or that are able to meet their minimum food needs only by engaging in accelerated coping strategies, such as selling assets); and 7.4 percent are in Phase 3 (Classified under crisis: households that have food consumption gaps with high or above-usual acute malnutrition, or are only able to meet their minimum food needs by engaging in severe coping strategies such as selling last productive assets)¹⁵.

The food insecurity situation has exacerbated the poverty situation of the population. Currently, 52.3 percent of the population is classified as multidimensionally poor, with an additional 23.3 percent vulnerable to such poverty (UNDP, 2023). To address these issues and improve the appalling statistics, the government has developed a new food security strategy which centers on the National Agriculture Development Plan (NADP) 2024-2030, or the "Liberians Feed Yourselves Agenda," a six-year plan focused on transforming agriculture through technology, empowering farmers, developing value chains (rice, livestock, fisheries), and boosting local production to achieve self-sufficiency, alongside launching a national food security survey and promoting Home-Grown School Feeding. Key pillars and initiatives revolve around empowering farmers and promoting modern farming, improving access to technology, attracting investment, and strengthening food

¹⁵ Ministry of Agriculture: Cadre Harmonisé: Identification of Risk Areas and Vulnerable Population in the Sahel and West Africa (CH3.0)

safety for key crops like rice, cassava, cocoa, and coffee, all aiming to reduce imports and combat malnutrition.

The government of Liberia and partners use the Comprehensive Food Security and Nutrition Survey (CFSNS) as a national assessment tool to inform the food security, health and nutrition status of the population. The survey, which is undertaken periodically, provides data for major food security and nutrition indicators for both the government and its partners. The CFSNS, which started in 2006, is conducted every two years, with the latest being 2025. According to the report from CFSNS, national food insecurity stands at 20.7 percent in 2025, declining from 47 percent in 2022. The Ministry estimates that 33,755 people transitioned to food-secure conditions over the three years. Table 6 provides data in the 2025 CFSNS on the degree or severity of food insecurity based on various food security measurements and indicators. From a survey of 11,821 households, the Household Dietary Diversity Score (HDDS) indicated that 4.0 percent of households were severely food insecure; the Food Consumption Score (FCS) indicated that 5.7 percent of households had a poor food consumption score; and the Household Food Insecurity Access Scale indicated that 4.9 percent of households were severely food insecure. All these measures show that there are more food-insecure households in rural areas than in urban areas.

Table 6: Household Food Security from Using Various Measures (CFSNS, 2025)

Characteristics	Household Dietary Diversity Score (HDDS)				
	Mean score	Severely food insecure (HDDS 0–3)	Moderately food insecure (HDDS 4–6)	Food secure/ mildly food insecure (HDDS 7–12)	Total Households
		%	%	%	
All H/Hs	6.8	4	44	52	11,821 (100%)
Rural	7.2	44.6	51.7	33.9	7,478 (42.2%)
Urban	6.4	55.4	48.3	66.1	4,343 (57.8%)
	Food Consumption Score (FCS)				



	Mean score	Poor (FCS 0-21)	Borderline (FCS 21.5-35)	Acceptable (FCS > 35)	
Characteristics		%	%	%	
All H/Hs	50.4	5.7	13.0	81.2	
Rural	45.5	55.8	60.2	38.3	
Urban	54.0	44.2	39.8	61.7	
Characteristics	Household Food Insecurity Access Scale (HFIAS)				
	Mean score	H/Hs food secure	H/Hs mildly food insecure	H/Hs moderately food insecure	H/Hs severely food insecure
		%	%	%	%
All H/Hs	5.04	39.2	31.8	24.1	4.9
Rural	6.21	25.6	51.1	56.4	46.6
Urban	4.19	74.4	48.9	43.6	53.4

Data Source Ministry of Agriculture (CFSNS 2025)

4.3.4 Food Security Indicators

Analysis of the food security situation in Liberia using indicators of investment in agriculture and agricultural value added is presented in Figures 31 and 32. Data from Liberia's report on the CAADP indicators to the African Union indicated that domestic private sector investment in agriculture, which peaked around \$350 million between 2015 and 2018, came to a halt between 2019 and 2020 and started slowly again from 2021. This drop is attributed to the Covid19 pandemic. On the other hand, agricultural value added was low between 2015 and 2018, ranging around 309.1 million and took a nosedive between 2019 and 2020 and later picked up in 2021, reaching 1.6 billion in 2023. The low value added in monetary terms that corresponds to the high investment in the earlier period from 2015 to 2018 may have resulted from a focus on capital-intensive, low-margin primary production rather than processed, high-value goods, coupled with inefficiencies in the supply chain. This disparity is commonly driven by high input costs, market volatility, and a lack of local processing capabilities.

Investment in Agriculture and Value Added in Millions of US\$ (2015-2022)

Figure 31: Domestic private sector investment in agriculture in current US\$

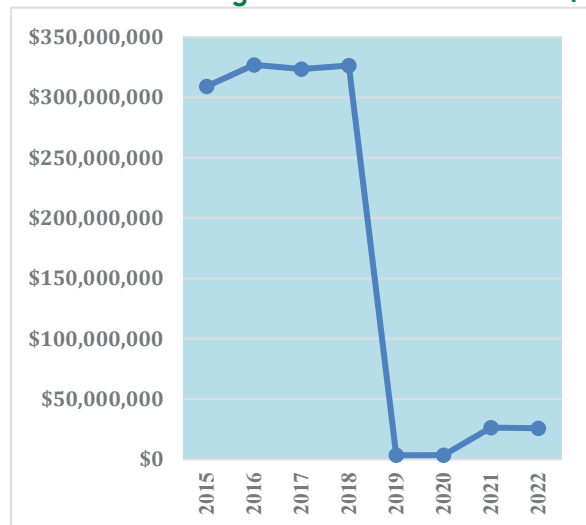
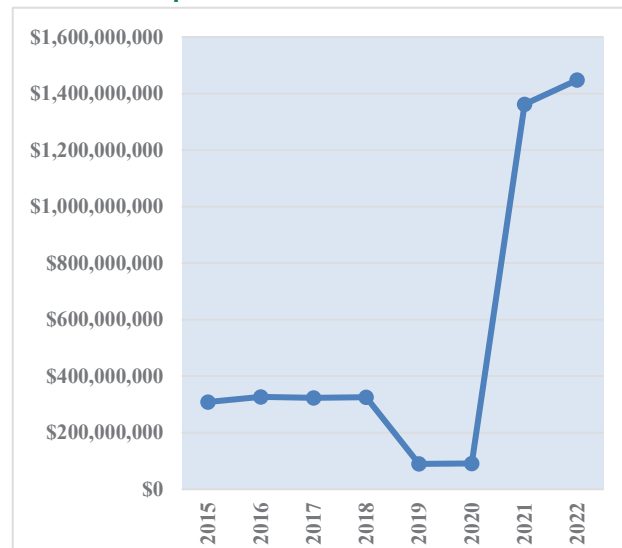


Figure 32: Agricultural value added in current US\$



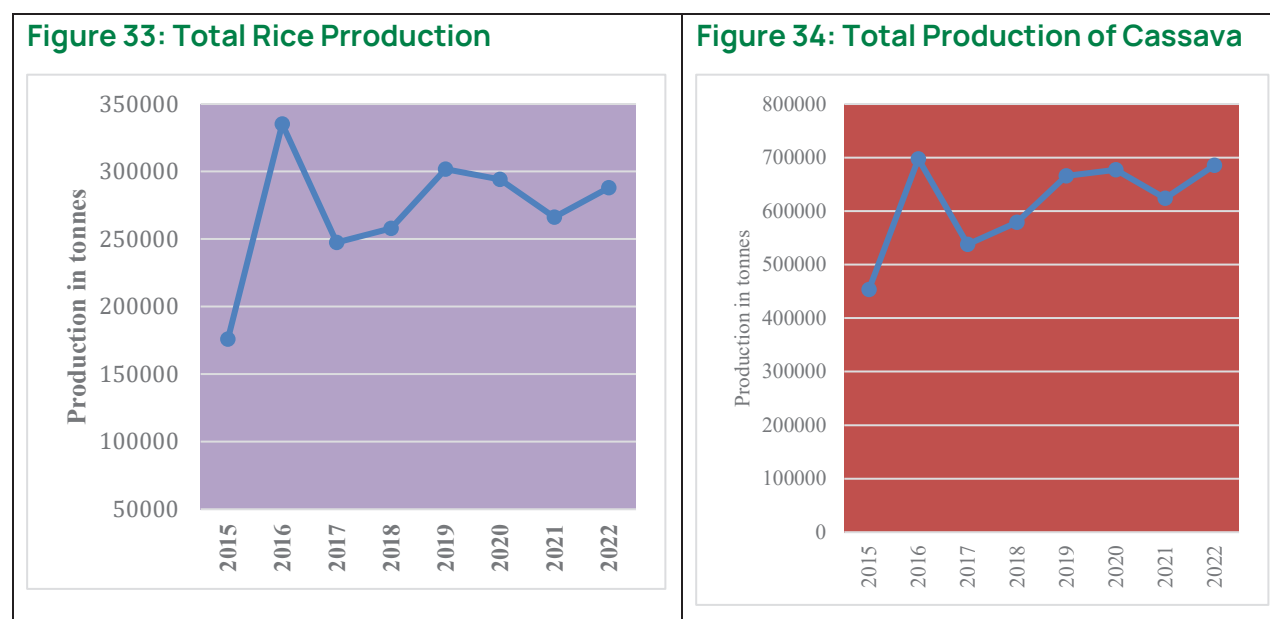
Data Source: Liberia 2023 Malabo Progress Report to the January 2024 AU Assembly

4.3.5 Food Production

Figures 33 and 34 present trends in local staple food production of rice and cassava, which are key to food security. Rice is Liberia's primary staple crop and thus represents tremendous political and social importance, while cassava is the second most consumed food crop. Rice, as a staple food, is eaten several times a day, and 69 percent of Liberia's farmers are engaged in rice farming (LISGIS 2018b). Due to the importance of rice in food security, Liberia National Rice Development Strategy II (2018-2030) was developed to increase production by addressing production and supply chain challenges. Trends in production of these crops show patterns of volatility in production, with rising production in 2015, reaching a high peak in 2016 and then declining in 2017. Production of cassava was, however, gradually reaching previous high production levels of 2016, while rice production was still struggling to reach that level as of 2022. The fluctuations in rice production could be attributed to climate change (erratic rainfall, longer dry seasons, heat), limited technology (poor mechanisation, inadequate irrigation, weak extension), low investment and soil issues like iron toxicity, creating low yields and high reliance on imports despite strong demand.



Total Production of Staple Food (Rice and Cassava) (2015-2022)



Data Source: Liberia 2023 Malabo Progress Report to the January 2024 AU Assembly

4.4 Challenges of Food Insecurity to Socio-economic Development in Liberia

While achieving food security remains a major priority goal for inclusive socio-economic development, there are several challenges that act as constraints to achieving this goal. Among the several challenges is the high household expenditure on food. High household spending on food often signals poverty and food insecurity, forcing households to make difficult choices between nutrition and other essentials like health/education. Table 7 shows the food expenditure score from the CFSNS 2025, which measures households' economic vulnerability by showing the percentage of a household's total spending dedicated to food. The data shows, from a sample of 11,766 households, that over 40 percent have very high expenditures on food. High reliance on food importation, which most often translates into high food prices, may be a determining factor. High expenditure on food makes households vulnerable to shocks.

The food insecurity situation of households makes them vulnerable to price and other shocks, thus locking them into a vicious cycle of poverty, vulnerability and inequality, which undermines their capability and productivity to contribute to economic growth and development. Among key challenges that constrain food security, which in turn hinders socio-economic development, are climate impacts, supply chain inefficiencies, lack of

investment, conflict (disrupting production), and persistent poverty (limiting access), which altogether create a vicious loop that stunts development.

Table 7: Food Expenditure Score (FES) and Minimum Expenditure Basket (MEB) CFSNS 2025

	Food Expenditure Score (FES), Percentages:						
Characteristics	Mean FES	Low (FES < 50%)	Medium (FES 50–65%)	High (FES 65–75%)	Very High (FES 65–75%)	Total %	N
All H/Hs	6.84	15.2	23.5	20.6	40.8	100.0	11,766
Rural	7.20	17.5	19.8	36.1	67.2	42.1	7,436
Urban	6.35	82.5	80.2	63.9	32.8	57.9	4,330

Source Ministry of Agriculture CFSNS 2025

4.5 Challenges of Food Security to the ECOWAS Regional Integration Efforts

Many countries in West Africa have struggled with high levels of food insecurity over time. Thus, achieving food security within the ECOWAS region through regional integration is one of the strategic goals of the organisation. Towards this endeavour, a Common Agricultural Policy (ECOWAP) has been developed, along with other initiatives like the ECOWAS Agricultural Trade (EAT) Programme, all aiming at achieving regional food and nutrition security through the modernisation of agriculture, boosting intra-regional trade, strengthening food systems, reducing vulnerability to crises, and improving access to nutritious food for all.

Although the region has a common agricultural policy framework, each country is unique in terms of its level of investment and development in agriculture, agricultural practices, infrastructure, as well as challenges and constraints. While this diversity is well acknowledged, there are some common trends and challenges that affect food security, overall agricultural productivity and competitiveness of the region. For instance, smallholder farming is the dominant agricultural practice in the region, which is characterised by low innovation, mechanisation and productivity. These farmers face various challenges in crop production, such as erratic rainfall patterns, soil degradation,



pests, diseases and prolonged droughts. These challenges can significantly reduce crop yields and overall agricultural productivity¹⁶.

Moreover, West African agricultural products often face competitiveness issues in regional and international markets. These issues include limited processing and value addition, poor quality control, inadequate infrastructure for transportation and storage, and trade barriers. Also, inconsistent policies, inadequate land tenure systems, and limited access to credit hinder agricultural productivity and the competitiveness of agricultural produce. Lack of coordination among government agencies and institutions further exacerbates these issues. Gender disparities in access to resources, technology, and education are prevalent in West African agriculture.

4.6 Key Factors (structural and cyclical) Hindering the Achievement of Food Security in Liberia

Various policy documents have outlined several structural and cyclical factors that hinder the achievement of food security. These include: Liberia National Rice Development Strategy II 2018-2030; National Agriculture Development Plan (NADP) (2024-2030); and Liberian Agricultural Sector Investment Plan (LASIP II) (2018-2022).

Structural and Cyclical Hindrances

- **The Poverty Trap:** Low agricultural productivity forces farmers to prioritize subsistence, limiting their ability to invest in better techniques, which perpetuates the cycle of low yields and malnutrition.
- **Weak Infrastructure:** Inadequate and poor roads networks make it difficult to move produce from rural areas to urban markets, leading to high post-harvest losses and further reinforcing accessibility challenges faced by citizens
- **Agricultural productivity supply gaps:** Cassava and rice are the primary staple food crops. Food production has increased in recent years, but yields remain low. Production is at subsistence level, which constrains overall agricultural

¹⁶ ECOWAP Web Based Monitoring and Evaluation System

productivity. Farm sizes are small, and farmers cultivate an average of 0.7 hectares (ha) under rainfed conditions.

- High dependence on imported staples (especially rice): Seventy percent of rice consumed in Liberia is imported, making the Liberian table vulnerable to global market price shocks.
- Weak private sector: Liberia's private sector comprises micro, small and medium-scale enterprises. Given infrastructure and other high transaction costs, private sector actors lack the incentives to increase investment and production.
- Limited human and technical capacity: Among actors in the agricultural value chain and in cooperating with government and research bodies, human and technical capacity is constrained.
- Weak extension system: Around 3.4 percent of all farmers have access to extension services (LISGIS 2018). The public extension system is weak in quantity and quality. NGOs have been establishing their own extension system.
- Inadequate access to finance: Access to finance for farmers and SMEs along the value chain is very limited, constraining their ability to purchase inputs or expand production.
- Inadequate inputs and processing system: Liberia lacks a certified seed system to ensure the production and availability of appropriate seeds and delivery to farmers during the planting season. Fertiliser is expensive compared to neighbouring countries, and agrochemicals in general are difficult to access. Availability and access to machinery for production and processing is limited as it must be imported, causing delays and high prices for machinery.
- Weak land rights system: Access to land and secured titles has been a challenge, with a relatively stronger disadvantage to women. In 2018, however, the new Land Rights Act (GOL 2018b) was passed to define different categories of land (private, customary, public and government land) and their acquisition and access to increase the security of land rights



- Climate change and environmental degradation: Increased, unpredictable rainfall, flooding, and deforestation threaten agricultural productivity, causing crop losses and reduced fishing stocks.
- Poor market access and value chain: Limited processing facilities and weak, fragmented market structures prevent local products from competing with imports.
- Climate-related shocks: Repeated cycles of heavy rainfall cause flooding, which destroys crops and damages infrastructure (roads) needed to transport food, thereby restricting access. Farmers' limited capacity to absorb or overcome climate-related damages, or to proactively plan to reduce climate-related risks, is particularly low.
- Agricultural seasonality: The lack of modern irrigation and storage systems means farming is heavily dependent on rain, resulting in poor production during off-seasons.



5. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT) ANALYSIS OF FOOD SECURITY IN LIBERIA

The SWOT Table below captures the main issues in food security in Liberia; listing and linking strengths, weaknesses and threats reveals immediate opportunities to be gained by building upon and using strengths to turn weaknesses and threats into opportunities.

Table 8: SWOT Analysis of Food Security in Liberia

Strengths	Weaknesses
• Rich Agricultural Potential: Availability of land for agriculture, abundant sources of surface and underground water and the existence of several agro-ecological zones. • Policy Frameworks: Initiatives like the NADP (National Agriculture Development Plan) and the Liberia Food Safety Initiative (LiFSI) show commitment to improvement. • Leveraging Youth Population: Liberia has a large, young population. Close to three-quarters (74.6percent) of the population is below the age of 35 (0-34), which provides a potential labour force for modernising the agricultural sector. • Potential for Private Sector Investment: Entities such as agribusinesses can invest in the agricultural value chain, technology, and investment, which will reduce imports and increase local incomes.	• Funding Gap: Limitations in terms of funding by the government for agriculture, capacity building, and research and innovation. • Governance Gaps: Challenges in policy coordination, planning, and execution and bureaucratic inefficiencies. • Poor Infrastructure: Inadequate roads, storage, and processing facilities limit productivity. • Low Productivity: Limited access to modern farming techniques and low soil fertility. • Access to finance: Limited access to finance for small-scale farmers. • Poverty & Inequality: High poverty levels and income disparities make food unaffordable for many. • Debt and financial stability: High debt burdens limit the fiscal capacity of government to make the requisite investment in agriculture.



• Strong Community Livelihoods: A large percentage of the population is engaged in farming (rice, cassava, vegetables).	• Health Issues: Micronutrient deficiencies and lack of dietary diversity.
Opportunities	Threats
• Regional and international partnerships: Collaboration with ECOWAS, CAADP, FAO, EU, WFP, etc., provides potential for technical and financial support and investment in infrastructure and agriculture. • Technological change and innovation: Globally, technological advancements, particularly in Artificial Intelligence (AI), automation, and digital economies, can be tapped and adopted to improve productivity in food production. • Indigenous technical knowledge (ITK): Several ITKs can be modernised and packaged • Increasing domestic market: There is a high national demand for crops and livestock products with a high-income elasticity of demand.	• Climate change: Impacts on agricultural production and food stability. • Import dependency: High reliance on imported rice (around 70percent), straining foreign exchange. • Global supply chain disruption: Global trade dynamics, leading to shortages, delays, and increased costs. • Input cost: High input prices relative to output prices could discourage the uptake of new technologies. • Pandemic: An unforeseen or unpredictable national or global pandemic could negatively impact food production. • Energy markets: Fluctuations in energy prices, especially oil and gas, affect global inflation and production costs. • Financial markets and capital flows: Financial market volatility, triggered by crises and geopolitical tensions, limits foreign direct investment (FDI).



6. CONCLUSION AND RECOMMENDATIONS

6.1 Conclusion

Liberia's macroeconomic outlook in 2025 to 2027 is positive, marked by higher growth, contingent on moderating inflation, improved international demand for major exports, and improved fiscal and external balances due to aggressive domestic resource mobilisation. The IMF Extended Credit Facility program has also played a crucial role in easing the country's liquidity constraint and in ensuring Liberia's adherence to prudent fiscal and monetary management. Risks to this outlook include fiscal slippage, which may increase the fiscal deficit and debt burden. The uncertainty in global developments, price volatility and contracted global demand are realities to grapple with.

The outlook is also pegged to the implementation of the national development agenda "The ARREST Agenda for Inclusive Development (AAID)", which has a budget of US\$8.4 billion with 70 percent financing expected from development partners, investors, and other non-state actors. While AAID has an elaborate and positive outlook on infrastructure development, employment growth and development, the dependence on 70 percent of the budget for implementation is troubling, given that donor funding is fickle, subject to changing geopolitical realities, economic downturns in donor nations, and shifting priorities. A sudden withdrawal of support can leave projects unfinished and render programmes unsustainable.

Domestic resource mobilisation through tax increment is expected to raise the necessary funding for public sector investment and economic growth. While tax increment is proposed as a strategic way of funding public investments and reducing deficits, there is a risk that an increase in the GST/ VAT may dampen consumer demand, decrease private savings, and reduce business investment, which may have a negative effect on growth.

Recent developments in terms of suspension of USAID activities, tariff hikes and withdrawal of Mali, Niger and Burkina Faso from ECOWAS pose potential risks to the socio-economic outlook of Liberia. While the government has increased domestic revenue mobilisation to cover the gap created by the withdrawal of aid, difficulties remain, given the competing development priorities with limited resources. The gap in access to



essential services previously funded by USAID has fueled hardship in an economy with highly vulnerable employment. The withdrawal of the three countries has security and trade implications.

Achieving food security at both the individual country and the regional level to contribute to sustainable employment and livelihoods has been the strategic objective of the Maputo Declaration and the subsequent accords of the African Union and the subregional grouping ECOWAS. Based on this focus, targets were set for countries to achieve 6 percent annual growth in agricultural GDP and allocate at least 10 percent of public expenditures to the agricultural sector. Liberia has not achieved any of those targets. For Liberia, the share of agriculture expenditure in total expenditure in the last 3 years (2016 to 2018) was below the 10 percent Maputo declaration at a value of 2 percent. The share was equally low compared to the West Africa average of 7 percent. In addition, the country's performance in a second major strategy element in CAADP – the 6percent agricultural growth target – was equally not encouraging. In the 2016- 2018 period, the country recorded a negative growth of -8.1 percent compared to a growth for the whole of West Africa of 2.7 percent.

Liberia has developed several agricultural strategies since signing up for the Maputo, Malabo and Kampala Declarations; however, food insecurity continues to be a challenge, as 20.7 percent of the population is food insecure. Both structural and cyclical factors have contributed to the food insecurity situation. These factors have contributed to high household spending on food and thus served as a binding constraint on household food consumption. This situation signals poverty and food insecurity, forcing households to make difficult choices between nutrition and other essentials. To address the food insecurity situation, the government has crafted the National Agriculture Development Plan (2024-2028) – “Liberia Feed Yourself” – policy. The national development agent, ARREST, is also tailored towards improving agricultural production and food security. The SWOT analysis shows that, although there are several factors constraining food security, such as infrastructure and funding gaps, there are opportunities such as regional integration with ECOWAS and other partners that Liberia can tap into to accelerate food

security. The country's rich agricultural potential and youthful population are strengths that can be harnessed to achieve food security.

6.2 Recommendations

Overall, Liberia should adopt a coordinated and strategic policy approach across monetary, fiscal, and structural domains to support sustained economic growth and structural transformation.

The following policy options are recommended to help address weaknesses and strengthen the outlook.

- Given the risk associated with raw material export, Liberia should concentrate on shifting from raw material export to processing raw materials within the country – such as transforming iron ore into steel, refining oil and gold, processing rubber and palm oil. This is critical to sustain growth, drive economic diversification, and reduce vulnerability to global price shocks.
- Food inflation, especially imports, has been a major source of inflation; to reduce exposure to external risks, the government should prioritise the expansion of domestic food and energy production.
- Now that the government has embarked on domestic resource mobilisation, care should be taken to avoid fiscal slippage and high levels of debt burden. In this regard, the government should empower independent, non-partisan bodies to monitor compliance with fiscal rules, forecast revenue, and evaluate the sustainability of government policies.
- While resource mobilisation is imperative for growth, taxation and an increase in taxes should be implemented with an approach that balances revenue generation with cash flow management for small businesses to avoid abrupt shocks to businesses. This could include rationalising tax exemptions to reduce revenue losses.



- The withdrawal of USAID from Liberia posed challenging moments for the government and the country at large, but it created a turning point for Liberia to shift from aid dependency to a self-reliant economic model through domestic resource mobilisation and prioritising these activities in the budget. Promoting public-private partnerships (PPPs) is also recommended to foster business growth and reduce reliance on aid-driven economic activities.
- The government of Liberia should endeavour to implement the provisions of the Malabo and all subsequent declarations.
- The government should invest in mechanised farming and provide smallholder farmers with tractors, power tillers, and processing machinery (e.g., rice mills) to increase productivity, particularly in high-potential areas like Bong, Lofa, and Nimba counties.
- Liberia should move beyond reliance on rice and promote the production of diverse nutritious foods, including cassava, vegetables, and fish, to build economic and nutritional resilience.
- Government, through the Ministry of Agriculture, should help farmers integrate climate-smart agricultural techniques to manage risks from floods and environmental changes.



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