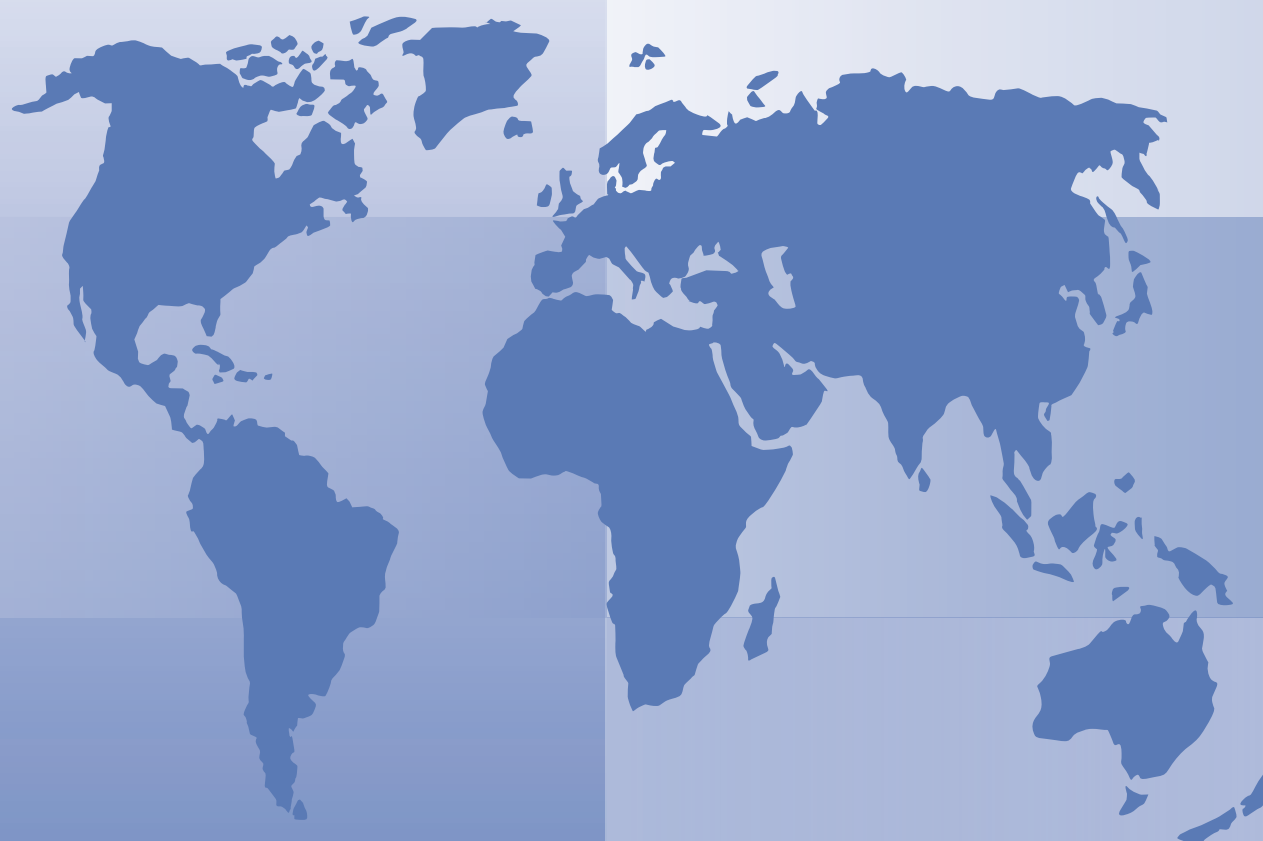


Strategy for development cooperation with

Liberia

July 2008 – June 2013



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Ministry for Foreign Affairs
Sweden

STRATEGY FOR SWEDISH DEVELOPMENT COOPERATION IN LIBERIA UNTIL JUNE 2013

SUMMARY

After 14 years of armed conflict Liberia's peace agreement was signed in 2003. The agreement laid the foundation for democratic elections in 2005. The government is facing major challenges in the coming years as the fragile peace has to be strengthened, the country rebuilt and the country's poverty reduction strategy put into effect.

To avoid reverting to conflict Liberia needs speedy and effective support to establish a more inclusive and democratic political administration and to stimulate growth, thereby increasing the opportunities of earning a livelihood available to a young population suffering from shortages in most areas. A population whose rights, capacity and energy must be mobilised, developed and channelled into the peaceful and democratic development of the country. Sweden will therefore provide support to the cooperation areas of democratic governance and human rights and agricultural development and business, including regional and international trade.

Within the context of these two areas support will be targeted on capacity development in national government public administration and the justice system as well as the decentralisation process. In the justice system Sweden will also examine the possibilities of providing support for a process to clarify ownership and user rights in the country (including land rights). Sweden will work for greater access to and quality in education for poor people, especially linked to education and training in agriculture. Sweden will also work for the development of agriculture. Swedish support is intended to improve the conditions for growth and poor peoples' livelihoods, in part through support for higher productivity in agriculture and support to enable products to

reach the market and give a return. The support will create conditions for more regional and international trade.

Swedish development cooperation with Liberia will contribute to equitable and sustainable global development, in line with the objective of Sweden's policy for global development, and will also to help to create the conditions that will enable poor women and men to improve their living conditions, in line with the objective of Swedish development cooperation. The Swedish Government's three thematic priorities in development cooperation are to be taken into account along with the rights perspective and the perspective of poor people on development.

Sweden's contributions are primarily intended to strengthen peace, respect for human rights, democratic governance and the effective implementation of Liberia's poverty reduction strategy.

Sweden's support will be based on Liberia's poverty reduction strategy. This means that all support will be based on the principle of strengthening peace and promoting security and will be guided by an awareness of conflict risks and be conflict-sensitive. The regional perspective will be taken into account in this context. The rights perspective and the perspective of poor people on development will characterise the cooperation. Sweden will work for the principles of the Paris Declaration. The OECD/DAC Principles for Good International Engagement in Fragile States and Situations are another starting point, as is the internationally agreed Good Humanitarian Donorship initiative.

The total volume of development cooperation is SEK 100 million for 2009, SEK 150 million for 2010, SEK 200 million for 2011, SEK 200 million for 2012 and SEK 200 million for 2013.

Continued humanitarian assistance is envisaged in addition to this.

Part 1. Objectives and direction of cooperation

1.Objectives and priorities

1.1. Overall Swedish objective

The overall objective of Swedish development cooperation with Liberia is to strengthen peace, respect for human rights, democratic governance

and the effective implementation of Liberia's poverty reduction strategy.

The cooperation will thus help to achieve the objective of Swedish development cooperation – to create the conditions for poor women and men to improve their living conditions – and it will help to achieve the objective of Sweden's policy for global development – to contribute to equitable and sustainable global development. The cooperation is based on the two perspectives in the policy for global development – the perspective of poor people on development and the rights perspective. The Government's three thematic priorities – gender equality and the role of women in development, democracy and human rights, and environment and climate – will be reflected in the cooperation.

1.2. Dialogue areas

The objectives of the dialogue are:

Effective implementation of the poverty reduction strategy in Liberia emphasising the rights perspective and local participation

Sweden will continually analyse and conduct dialogue on the implementation of the poverty reduction strategy. The need for results-oriented monitoring will be given particular emphasis in this work.

Greater compliance with human rights in Liberia, focusing particularly on the rights of women and girls

The dialogue will focus on gender-related violence and women's economic and political rights. This includes better opportunities for women to earn their own livelihoods, thus reducing their vulnerability. The cooperation areas selected create openings for dialogue in this area. One important starting point is implementation of UN Security Council resolution 1325, on women, peace and security. The dialogue can draw support from Sweden's action plan for the implementation of this resolution.

Better systems for accountability and transparency to help reduce corruption in Liberia

Corruption has a negative impact on the successful development both of reform work and of the ability of the state to provide the population with social services. Sweden's support for the development of the capacity of the government public administration includes anti-corruption measures, creating conditions for dialogue.

The dialogue will interact with and complement financial support in the areas selected for cooperation.

1.4. Process objectives

Sweden's process objectives are:

Greater donor cooperation in Liberia, which includes greater capacity and ownership for coordination on the part of the Liberian government and better coordination modalities among donors.

Application in the donor community of the principles of the Paris Declaration, the OECD/DAC Principles for Good International Engagement in Fragile States and Situations and the internationally agreed Good Humanitarian Donorship initiative.

1.5 Guiding priorities

Cooperation with Liberia will be guided by the realisation that a resumption of the conflict is one of the greatest threats to poverty reduction. Consequently, the following priorities will apply to the implementation of all parts of the strategy – so they will not be repeated for each cooperation area below.

Support will be based on Liberia's poverty reduction strategy. The possibility will be available of giving support to processes that are justified from a conflict-prevention perspective, especially in the areas of mediation, dialogue or reconciliation and in the light of power and actors analyses.

All support will be based on the principle of strengthening peace and promoting security and will be guided by an awareness of conflict risks and be conflict-sensitive. Regional aspects will therefore be taken into account.

The safeguarding of human rights – political and civic rights as well as economic, social and cultural rights – will be given attention in all parts

of the cooperation. Support will be designed on the basis of a rights perspective.

The promotion of gender equality between women and men and boys and girls will run through the cooperation. The support is to play a strategic role in promoting women's and girls' rights, focusing on women's and girls' security, and will work in an integrated manner for implementation of UN Security Council resolution 1325 on women, peace and security. The support will create conditions for women to participate in decision-making processes on the same basis as men.

The Liberian economy is strongly dependent on natural resources and Swedish support will pay particular attention to environmental aspects, irrespective of the cooperation area concerned. The link between environment and security and the importance of climate change for the design of Swedish support will be given attention, as will people's vulnerability and the risk of natural disasters.

HIV/AIDS issues will be integrated in contributions where deemed relevant.

2. Direction and scope

2.1 Cooperation areas

The cooperation areas have been selected in the light of the country analysis and are based on experience of earlier cooperation and the weight of the areas in a conflict-prevention perspective as well as the commitments of other donors and Sweden's comparative advantages. The choices have been made in consensus with the Liberian government.

The two areas to be covered by the cooperation are (i) democratic governance and human rights and (ii) agricultural development and business, including regional and international trade. As far as possible contributions in these areas will be mutually reinforcing. The guiding priorities (1.5) will always be taken into account, irrespective of the cooperation area concerned.

The present development support in infrastructure, good governance and education through multilateral organisations and independent organisations can continue during a transitional period in the first part of the strategy period.

i) Democratic governance and human rights

Objectives of the cooperation area:

(i) Democratic governance and human rights

Stronger, more effective, democratically governed and more transparent institutions in national government public administration, including the police.

A stronger decentralisation process, including greater local participation and influence in political processes.

Greater participation of women in political processes and structures

Implementation of a process for ownership and user rights.

Sweden will work for greater popular participation in Liberian society by giving support for the development of national government institutions and the country's decentralisation efforts. This support is intended to improve the conditions for human rights compliance.

Attention will be given to the role of civil society in democratic development.

Capacity development and education will be a central part of this work. Advisory contributions for authorities and institutions, including support for SSR, will continue and may be developed. The training of lawyers, police officers and legal experts supplements all contributions in the area of justice and should be supported, taking account of programmes and institutions that already function. Human rights, including sexual and reproductive rights, are important parts of all contributions to education and training. A geographical perspective will be taken into account in the delivery of various contributions to education and training and synergies will be sought with similar contributions in other parts of the region.

Support for better financial control of the national budget as well as the overarching audit function has been provided, partly through contacts between Liberia and the Swedish National Audit Office. Further support for anti-corruption work should primarily be linked to these contributions.

Support for the justice system will work with the process for ownership and user rights. Liberia intends to start an ownership rights process and establish a land commission. The support will be designed in the light of the balance between the traditional and the formal system, as well as the inadequate capacity of the justice system.

Sweden's support for other parts of the justice system, such as the provision of Swedish police officers for UNMIL's police cooperation, is likely to continue. Supplementary support through Sida will be based on the poverty reduction strategy and mainly focus on the police service and the prison service, chiefly by linking support to the advisory contributions that Sweden and Swedish police, prison officers have provided and are providing in Liberia.

ii) Agricultural development and business, including regional and international trade

Objectives of the cooperation area:

More productive and income-generating employment levels for poor women and men, mainly in agriculture

Improved conditions for women's enterprise and participation in business

Increased business activities and trade, by improving the business and investment climate.

A large part of business activities in Liberia are conducted in the agricultural sector, which therefore has a special standing for pro-poor economic growth and employment.

Support will be given for the development of agriculture and associated business activities. Swedish support is intended to improve the conditions for growth and poor peoples' livelihoods, in part through support for higher productivity in agriculture and support to enable products to reach the market and give a return. This requires support for the expansion of the road transport network, and such support can be considered if it is directly complementary to support in the sector.

In this context, contributions that have direct results for poor people focused on job creation measures will be supplemented with contributions that give results in the long term, such as capacity development and laws and regulations that create conditions for growth.

Contributions that promote a better business and investment climate and enhance Liberia's trade capacity and diversification are an important part of the support and should also be viewed in a regional perspective. The sustainable use and good management of natural resources will be

integrated into the support. The above-mentioned reforms concerning ownership and user rights have a direct link to business sector development, especially in agriculture.

In the case of trade-related contributions sought by the partner country, such as support for Liberia's WTO accession and capacity support relating to international trade negotiations, Sida will implement such contributions in cooperation with Swedish export authorities that have relevant competence, such as the National Board of Trade. Designing and implementing projects in support of Liberia's WTO membership and other integration in the international trade system is of particular interest. The competence of the National Board of Trade will be used for this purpose.

Support for agricultural development and business, including regional and international trade, will include skills development and education, such as contributions for vocational training and adult education. In these cases the support is to particularly reach young people and other risk groups in relation to the risk of the resumption of armed conflict.

2.2 Aid modalities

It must be possible to use different channels for support during the strategy period and large programme-based support will be sought. Joint donor-led funds or funds administered by multilateral organisations are in place and can be developed further during the strategy period. Direct support for NGOs is also a possible channel; however, international NGOs will be primarily considered initially. The secondment of Swedish staff can be a supplementary method of supporting Liberia's development, mainly in public administration. There is an interested resource base among Swedish actors that can support the development of Liberia.

Liberia's institutions are being built up and support for capacity development is needed at all levels, as well as in civil society. The conditions for various aid modalities may change in coming years. During the latter part of the strategy period Sweden will therefore look into the possibilities of increasing the support going direct to Liberia's public administration. The scope for providing support for poverty reduction in the form of budget support and/or financing more of the poverty reduction strategy through other programme support will be examined. Sida should assess the conditions for budget support and

submit a proposal to the Government if Sida finds that this form of support is desirable.

Sweden's humanitarian assistance to Liberia is governed by the Swedish Government's policy for humanitarian assistance and Sida's strategy for humanitarian assistance. Humanitarian assistance is needs-based and will, where possible and relevant, pay particular attention to the bridge between humanitarian assistance and development aid. A strong interaction between long-term development cooperation and humanitarian assistance will be sought. During the strategy period Sweden will follow and support any appeals or similar calls from the UN, in particular, for humanitarian assistance to Liberia. Humanitarian needs have decreased in recent years with the stronger peace, but notwithstanding this many social indicators point to a humanitarian crisis.

As Swedish support is intended to increase capacity in Liberia's public administration, to take responsibility for social services and for other purposes, this will help to increase the ability of Liberia to manage the transition from humanitarian assistance to development cooperation. The government will be unable to meet the needs during the transitional period, at the same time as many humanitarian organisations working on these issues are leaving Liberia. Swedish support will help to bridge this period.

2.3. Dialogue issues

Advocacy work and the dialogue associated with Swedish support will be conducted with the other bilateral and multilateral donors and with representatives of the Liberian authorities by the embassy, including the development assistance office in Monrovia, as soon as it opens. Sida will provide active support, as will the relevant parts of the MFA.

A dialogue strategy for Liberia elaborating on forms and forums for dialogue will be drafted.

2.4 Scope (volume)

The volume of Sweden's cooperation with Liberia in 2008–2013 will increase during the period. The annual allocations are SEK 100 million for 2009, SEK 150 million for 2010, SEK 200 million for 2011, SEK 200 million for 2012 and SEK 200 million for 2013. At the same time, shifting political and economic developments in Liberia will require

preparedness for *flexibility* in development cooperation, including preparedness for changes in the direction and scope of and channels for cooperation.

3. Implementation

The Swedish strategy is based on Liberia's poverty reduction strategy. The peace is still fragile, and political developments in the country are directly related to developments in the neighbouring countries of Guinea, Sierra Leone and Côte d'Ivoire. Any changes in the risk of armed conflict must be given early attention and reflected in flexible interpretations of the direction of the strategy. In the light of the country analysis, regional considerations will always be taken into account in designing aid in Liberia; this applies to conflict sensitivity in particular.

Support for Liberia will cover the whole of the country, taking account of the regional variations in terms of needs, the security situation and other circumstances. More account will be taken of the development needs of rural areas, which are central to the continued development of the whole of Liberia. Initially multilateral channels and other international actors will make effective and results-based development cooperation possible. The absorptive capacity of Liberian society will be examined in each cooperation area when the strategy is operationalised. Assessments will be made of how the three thematic priorities – gender equality and the role of women in development, democracy and human rights, and environment and climate – can be further strengthened within the framework of the cooperation. In the provision of all contributions Sweden will work to strengthen Liberian ownership.

Liberia's internal resource mobilisation is a risk factor for the implementation of the poverty strategy as well as for the long-term sustainability of development contributions. One of the preconditions for a continuation of the positive trend in internally generated resource flows is that Liberia gains full access to the HIPC and MDRI debt relief initiatives and that the ability to manage the government budget and future debt responsibly in the event of new lending is strengthened. To qualify for HIPC and MDRI Liberia will have to meet requirements in areas including macroeconomic and political stability.

The risk of corruption in the implementation phase will be managed for all support provided. This will be done through a risk analysis in the preparation of contributions, including the choice of channels and aid

modalities, and by establishing systems for monitoring and control. In addition, anti-corruption measures will be included in dialogue work.

3.1 Cooperation with other donors, including multilateral actors

Sweden will work closely with other donors and actors in Liberia. Co-financing and coordination can, for example, be arranged through support for joint funds. The largest multilateral actors in Liberia are the World Bank, the European Commission and the UN. Within the UN, UNDP and UNICEF are important actors. Sweden's previous close cooperation with the multilateral actors will continue and be strengthened.

The World Bank plays a leading role in infrastructure, especially road construction. Swedish contributions will supplement the investments of the World Bank. Sweden will actively seek cooperation with the UN family and the World Bank on aid effectiveness and performance monitoring. Sweden will also endeavour to increase cooperation with the IMF and the African Development Bank.

Sweden participated in the process when the EU adopted a new strategy for Liberia (2008–2011). Sweden will examine the potential for cooperation and synergies when the Commission starts implementing its new strategy. In the area of gender equality Sweden has a comparative advantage and will supplement the work of the EU. In 2010 the EU intends to examine the possibilities of supporting the development of Liberia by providing budget support for poverty reduction. Sweden will seek to cooperate with the EU in this work.

3.2 Donor alignment, harmonisation and coordination

Swedish cooperation is based on Liberia's poverty reduction strategy, and thus on the priorities Liberia itself has set concerning how to tackle poverty and strengthen peace so as to achieve results that improve the living conditions of poor people. The intention of trying to increase support that goes directly to Liberia's public administration and of considering the possibilities of providing programme support during the period is part of efforts to contribute further to donor alignment, harmonisation and coordination in Liberia.

4. Follow-up

In view of the uncertain situation in Liberia there is a particular need for continuous monitoring and analysis that also includes a preparedness to consider revising priorities concerning the direction and scope of Swedish aid. Development cooperation will be managed for results and followed up in annual reports, which will include the monitoring of a special results matrix of predetermined indicators. As far as possible these indicators will build on the indicators included in Liberia's poverty reduction strategy.

A comprehensive survey and assessment of the situation in Liberia and Swedish support will be given special priority in the regular consultations between the MFA and Sida. When necessary further consultations will be held. They can be initiated by both Sida and the MFA. The consultations will be supplemented with flexible and open ongoing contacts and cooperation between the agencies involved and other Swedish actors. An overall survey, assessment and possible review of the strategy will be conducted in 2011. The survey will consider aid modalities, channels for cooperation and any need for greater concentration in cooperation areas, in addition to how well the cooperation has integrated and applied the three thematic priorities in practice.

In the area of performance monitoring Sweden will work for joint donor reviews concerning, for example, the UN programmes supported by Sweden.

Reports on cooperation with multilateral organisations and the European Commission will be delivered within the framework of the annual country reports, the aim being to contribute to Sida's overall report to the Swedish Ministry for Foreign Affairs in line with its appropriation directions.

Part 2. Background

1. Summary country analysis

The Comprehensive Peace Agreement was signed in August 2003 and paved the way for the elections in 2005 when Ellen Johnson-Sirleaf was elected President. Since 2003 UNMIL has guaranteed security in the country and monitored the implementation of the peace agreement. So

far the present government has shown both the political will and the ability to create the conditions for a stronger peace and enhanced long-term development in Liberia. However, there remain many challenges in the implementation of the policy of reform and the poverty reduction strategy where the lack of capacity in national government institutions is a fundamental difficulty. In 2008 some 64 per cent of Liberia's population is said to be living in poverty and Liberia will have difficulty in attaining the Millennium Development Goals.

Increased participation in political decisions, from village level to national level, is essential to create a Liberia for all. The decentralisation of common social functions continues to have priority in the new poverty reduction strategy. Structures and the division of power between the central and local administration need to be reviewed. More must be done to gain the understanding of the population that this process will take time.

The historic marginalisation of a large part of the population is one explanation for the lack of capacity in the administration at both local and national level as few have been given the opportunity of education and well-qualified jobs. Liberia has a complex network of power structures and loyalties outside of the formal structures now being established. This should be taken into account in analyses of both economic opportunities and political participation. The marginalisation of various groups, not seldom various immigrant groups, has also been a breeding ground for the bloody conflicts that have ravaged the country.

Corruption is a widespread problem throughout Liberian society. Corruption impacts negatively both on the progress of reform work and on the rise in the ability of the state to provide social services for the population. There are few trained judges, prosecutors and lawyers in the country, while the police service and the prison service suffer from major deficiencies and need to be built up. This concerns capacity as well as trust in the exercise of state power and attitudes in society. Human rights compliance displays considerable deficiencies. However, the situation has been improving ever since the 2003 peace agreement.

Considerable improvement is needed in the role and situation of women in Liberia. Gender-related violence is a major problem throughout Liberia. A WHO study (2005) estimated that approx. 90 per cent of women have been exposed to violence and/or gender-related violence; approx. 75 per cent of them are said to have been raped. A new anti-rape law was adopted in 2006. The government has designed campaigns to

break taboos concerning gender-related violence; for instance, there is now a national action plan for this work. Today Liberia has a low level of HIV prevalence, with a risk of an increase in the future.

Samuel Doe's coup d'état in 1980 had been preceded by a long period of economic decline that created frustration in society and dissatisfaction with the elite that had controlled the country ever since the mid 19th century. Between 1989 and 2003 there were various armed conflicts in Liberia with the involvement of several different groupings in different periods. The present fragile peace is dependent on stable economic growth that includes and benefits the whole of the population; growth that creates jobs and gives poor people higher incomes. One of the fundamental prerequisites for nationally inclusive growth is better communications (roads) throughout the country.

With population growth of about 3 per cent and almost half of its population under 15 years of age, Liberia has one of Africa's youngest and fastest growing populations. Education and economic growth that creates jobs are crucial if the stronger peace and enhanced development are to continue.

Liberia's new government has invested in the expansion of the currently inadequate school system and allocated more than 10 per cent of the national budget in 2007/2008 to education, which is the largest single budget item. However, this process of development is expected to take many years and require extensive external support. Education has a prominent position in the poverty reduction strategy and is one of the three top-priority issues in the consultation process for the strategy.

The business climate in Liberia is cool and the country has the highest costs in the world for conducting business and trade. In its growth strategy the Liberian government has committed to improving the conditions for business activities.

Liberia's poverty reduction strategy builds on four pillars: (i) peace and security, (ii) economic revitalisation, (iii) good governance and rule of law, and (iv) infrastructure rehabilitation and basic services. The consultation process has been implemented relatively well and has covered the whole of the country, something that has never happened before in Liberia. The poverty strategy thus takes account of the perspective of the poor. The population gave clear priority to roads, education and health, areas where several donors are active.

The poverty reduction strategy has three main areas for increasing economic growth – roads, production based on natural resources and a better business climate. Agriculture accounts for a large part of business activity in Liberia and therefore holds a special position for pro-poor economic growth. Over 70 per cent of the economically active population is involved in small-scale subsistence agriculture and fishing. Productivity is low and the market orientation weak. Women account for about 60 per cent of agricultural production in the country and about 80 per cent of trade in rural areas.

The economic analysis in the poverty reduction strategy sets out certain risks in implementation, including the fact that income from future foreign direct investments in natural resources extraction is expected to account for much of the financing of the national budget. However, these investments are not expected to result in a large number of new jobs. In contrast, higher productivity and more of a market orientation in agriculture have more potential to create employment, but will probably generate less revenue for the state in the short term. The prospects of macroeconomic balance also depend on the full implementation of the HIPC, in which Liberia is expected to reach its completion point for receiving debt relief in 2010.

Trade is a cornerstone of the regional integration efforts being made by most African countries, including Liberia. Through its membership of ECOWAS Liberia is negotiating an Economic Partnership Agreement (EPA) with the EU. Liberia will soon begin its own WTO accession process, which can be expected to take a number of years. The government has expressed a need for support in this process and in aligning its regulations with the new demands resulting from membership.

The government of Liberia has established a Governance and Economic Management Assistance Programme (GEMAP). This programme has done much to improve national government budget management, finances and procurement systems. Liberia's internal resource mobilisation is expected to increase during the strategy period. The government expects to be able to fund more than 30 per cent of the budget for the highest-priority areas in the poverty reduction strategy and to increase the share of national tax revenue going to the implementation of the poverty reduction strategy from 55 per cent in 2008 to 65 per cent in 2010-2011.

A stronger peace in Liberia is dependent on the regional situation. In political terms Sierra Leone plays a marginal role compared with Guinea and Côte d'Ivoire. Political stability in Côte d'Ivoire is key to the stability of Liberia. Several thousand Liberian combatants fought in the Côte d'Ivoire army and in rebel groups in the civil war. Today almost one million Liberians are living outside of Liberia. Remittances account for a high proportion of Liberia's GDP (nearly 13 per cent in 2006). However, in the case of Liberia the potential for development offered by migration has remained relatively unresearched.

2. Summary results assessment

Sweden's support for Liberia in the period 2004–2008 has been governed by the regional strategy for West Africa and has amounted to some SEK 400 million. The bulk of this support has consisted of humanitarian assistance and a smaller part has been transitional support mainly in local development, good governance and education.

Liberia's total national budget amounted to some USD 150 million in 2006/2007 and total aid in the same period is put at some USD 230 million.

Support for decentralisation and democratic development at local level has mainly been provided in three programmes managed by UNDP, partly in combination with direct support for the construction of school buildings and health centres. Support for decentralisation has been given to build up County Support Teams. This support has reached all 15 regions. The programme has contributed to the preparation of local development plans, the training of officials and also the development of infrastructure for local administration. Support has also been provided to build up committees for district development. One direct result of this is higher participation in decision-making at local level. The initiative is estimated to have affected more than one million people.

Sweden has provided support for the implementation of the process of demobilisation, disarmament, reintegration and rehabilitation. A total of some 100 000 ex-combatants went through the demobilisation programme. The programme educated 45 000 ex-combatants so as to increase their chances of reintegration into society. Sweden's humanitarian assistance has also been part of the process to enable 240 000 internally displaced persons to return to their home community.

Education has been an important part of Sweden's humanitarian assistance. Save the Children's programme has, for instance, resulted in better education and educational materials for more than 50 primary schools. UNICEF has trained 1000 teachers, 600 of whom are women, and contributed school materials for 450 000 children and held vocational training for almost 12 000 former child soldiers. Increasing the number of girls attending school has been part of both programmes. Other support has also been given to NGOs to provide ongoing education through needs-driven humanitarian assistance that has generally been implemented well. A small portion has gone to capacity development at ministry level.

Sweden has given humanitarian support to health care through the International Committee of the Red Cross, UNICEF and Doctors without Borders, for example. This support has resulted in the development of health clinics, the implementation of vaccination campaigns and the provision of medical care in refugee camps. These programmes have involved handling questions concerning gender-related violence. FAO has been given support to increase the potential for self-sufficiency and food security, primarily for returning internally displaced persons. During the strategy period more than 14 000 families have received training, tools and seed corn, increasing the potential for self-sufficiency in agriculture and fisheries.

3. Summary analysis of other donors' initiatives and roles in the country, including multilateral actors and the European Commission

Donor countries with representation in Liberia include the United States, the United Kingdom, France, Germany and Spain as well as the European Commission. Few countries have large-scale representation in Monrovia. The United States is the largest donor for both ODA funds and non-ODA funds, the latter because the US trains and equips the new 2 500 man strong Liberian army. USAID focuses its work on three areas: democracy, economic growth and education.

At the end of 2007 the EU adopted a new strategy for the period 2008-2011. Sweden took part in this process. The programme focuses on (i) rehabilitation of infrastructure (electricity, water and transport) and social services (health and education) and (ii) good governance. The EU builds its support on Liberia's development plans, and the conditions for budget support will be examined. EU Member States have mostly channelled their support via UN bodies or NGOs. So far, the support

from Member States has been below the US and EU contributions but plays an important role. EU support for development cooperation is put as some SEK 1 400 million (2008–2013).

Both the World Bank and the IMF are represented in Liberia. Since Liberia has low debt sustainability under the IDA debt sustainability framework, the country receives its resources in the form of grant assistance rather than loans. These contributions have mainly gone to the labour-intensive construction of infrastructure and rural development at the level of approx. USD 35 million per year. The World Bank is an important actor in infrastructure and has set up a fund for investments in this area, which is an important financing mechanism.

The UN family plays a prominent role in Liberia. UNMIL, which has the special role of guaranteeing security, is an integrated mission at the same time. The Deputy Special Representative of the UN Secretary-General is both the UN's local coordinator and humanitarian coordinator and also the UNDP head. This creates scope for strengthening coordination and eventually achieving a more effective allocation of the overall competence of the UN bodies. The UNDAF for 2008–2012, which is based on the priority areas in the poverty reduction strategy, applies to the UN system. The UN system also works on HIV/AIDS issues. Sweden is making an active contribution to strengthening coordination and cooperation in the UN family, one example being participation in Liberia's Peace Building Fund.

A deeper analysis of the donor situation in each cooperation area will be required for the design of operational Swedish work. Donor coordination and national ownership for development cooperation as a whole is being developed, with joint funds mainly in health and education, for example.

4. Summary analysis of Sweden's role in the country

4.1. Conclusions of Sweden's and the EU's political decisions and processes that are relevant to the cooperation

Sweden is able to cooperate with and supplement the European Commission's strategy for Liberia (2008–2011). The cooperation areas selected by Sweden are in good harmony with the cooperation areas planned by the EC. In cooperation with the Commission Sweden will work to ensure that the principles of the EU Code of Conduct on

Complementarity and Division of Labour in Development Policy are complied with as far as possible in Liberia.

Liberia is a member of ECOWAS, which is negotiating an Economic Partnership Agreement (EPA) with the EU. The ongoing negotiations will affect Liberia's opportunities for trade.

4.2 Coherence for development

Several Swedish actors are operating in Liberia, mainly with ODA funding. UNMIL was set up after the 2003 peace agreement and from March 2004 to November 2006 Swedish military personnel were members of the UNMIL peacekeeping force. In 2008 Sweden is contributing police and prison officers to UNOMIL. Sweden's contribution has consistently been appreciated. The Swedish National Defence College is looking into cooperation with the Liberian Ministry of National Defence. For several years Sweden's humanitarian support for Liberia has been both substantial and appreciated. Trade between Sweden and Liberia is limited. Provided that the positive developments in Liberia continue, there may be possibilities of increasing trade.

4.3. Other Swedish relationships

The Swedish Trade Council is looking into the possibilities of initiating activities to increase trade with Liberia. The National Audit Office in Sweden has also looked into the possibilities of supporting Liberia, and this can develop into cooperation with the Liberian counterpart of the Swedish National Audit Office, which will supplement and strengthen Swedish development assistance cooperation. The National Defence College has seconded two civilian advisers to the Liberian Ministry of National Defence within the framework of SSR support. Swedish NGOs are active in Liberia; examples include Save the Children Sweden, the Church of Sweden and Forum Syd.

4.4 Sweden's role and comparative advantages

Sweden has been involved in Liberia for a long time, both bilaterally and as an active member of the EU and UN, in areas including decentralisation issues and capacity development in the national government administration. Sweden also has credibility in Liberia outside of development cooperation, starting with 60 years of church mission work and LAMCO's mining operations until the 1980s. This has made Sweden a well-known and respected actor in Liberia.

The areas in which Swedish development cooperation will focus are areas where there is solid Swedish expertise and experience, both in Liberia and in other countries. Sweden's tradition of democracy and openness makes Sweden a credible partner concerning support for democratic governance and capacity development in the national government administration, not least with regard to anti-corruption work. Sweden has good knowledge and experience of working with human rights and gender equality in development cooperation, both through direct contributions and when these issues run through major programmes. Sweden has played a proactive role in the implementation of Security Council resolution 1325.

In the areas of natural resources management, rights issues and land surveying there is good expertise to give Liberia support in the process of establishing a fair and sustainable system of ownership and user rights. In addition, Sweden has long experience of supporting and building up education and training in developing countries, both **basic** education and **specialised** vocational training.

Sweden has experience of working on business sector development and the management of natural resources in many partner countries, not least with regard to increasing productivity and market issues in agriculture. Humanitarian assistance has provided support for the development of agriculture, and this experience will be used in shaping future support.

4.5 Conclusions about Sweden's role

Sweden's role in Liberia builds on the trust that Sweden enjoys. Sweden's historical ties to the business sector, the long period of humanitarian support, earlier Swedish military contingents and present personnel in UNMIL – including the head of the UNMIL police contingent – have made Sweden a well-known and respected actor in Liberia. Sweden has expertise and experience from both Liberia and other developing countries in the selected cooperation areas of democratic governance and human rights and agricultural development and business. Education and training will be an important component of the contributions made in both these areas. Cooperation with Liberia used to be regulated within the framework of the West Africa Strategy. Now that Liberia has moved on from war and conflict, this cooperation is entering a new phase. As the humanitarian needs decrease, Swedish

support will respond to the increasing needs to strengthen peace, democracy and growth.

With the planned increase in the volume of aid, Sweden will be able to take on a more important role in the donor community and in relation to the government of Liberia during the strategy period. Sweden will also be able to take more responsibility for contributing to better donor coordination in line with the principles of the Paris Declaration and the EU Code of Conduct on Complementarity and Division of Labour in Development Policy.

5. Considerations concerning objectives and the direction of future cooperation

Liberia is in a post-conflict situation and the peace is still fragile. The country analysis concludes that important contributing causes of the conflict in Liberia are economic injustice and the lack of popular participation. To reduce the risk of a return to conflict, action should therefore be taken to promote participation, employment and broad and sustainable economic growth. Liberia's poverty reduction strategy addresses many of the fundamental problems for security and stability and presents a relatively well-balanced plan for reducing poverty. Swedish support will be based on this strategy and the priorities specified by Liberia.

If justified from a conflict-prevention perspective, there will be a possibility of also providing support for processes outside of the country's PRS.

Based on the above conclusions and experience of previous Swedish support and building on the analysis of Sweden's comparative advantages, Swedish development cooperation with Liberia will focus on two areas: (i) democratic governance and human rights and (ii) agricultural development and business, including regional and international trade. In both these areas contributions to education and training play an important role. The areas match the priorities of the Liberian poverty reduction strategy. Moreover, these areas correspond both directly and indirectly to the priorities expressed by poor people in Liberia since the result of contributions in these areas will be to strengthen the capacity of the authorities to deliver social services to citizens and give priority to education and training and to the possibilities of earning an income.

Contributions in the areas given priority in this strategy will help to attain the overall objective of Swedish development cooperation with Liberia: to strengthen peace, respect for human rights, democratic governance and the effective implementation of Liberia's poverty reduction strategy.

The links between the cooperation areas are strong. In implementing the strategy emphasis will be placed on contributions in the various areas being mutually reinforcing as far as possible in order to achieve the maximum possible effect of Swedish aid along with speedy results that benefit poor Liberians. The cooperation areas selected offer good possibilities of working actively with Sweden's thematic priorities – gender equality and the role of women in development, democracy and human rights, and environment and climate.

The design of the Swedish cooperation programme will help to strengthen Liberia's possibilities of managing the transition from humanitarian assistance to development cooperation. This is because the support is aimed at increasing the capacity of the Liberian administration to take over responsibility for social services, which will be required when the many humanitarian organisations working on these issues leave the country.

Sweden will seek to strengthen and support Liberia's own endeavours to improve the coordination of all development cooperation. The conditions for programme-based support will be examined during the strategy period in order to strengthen domestic systems and reduce transaction costs in capacity-weak Liberian society.



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