Lessons from Agro-Allied Industrialization
Experience and perspectives in Liberia

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Liberia Agricultural Transformation Agenda

**GOAL:** Economic diversification and Inclusive Growth

**ONE PROGRAM:** Develop value chains for agricultural goods, from production to processing and manufacturing, by promoting self-sustaining market systems & adopting export-driven industrial policy for 21st Century

**4 GUIDING PRINCIPLES:**
- Develop priority value chains through private sector investment and markets
- Promote innovative financing solutions
- Adopt an export-driven industrial policy, including production of downstream products
- Promote enabling business environment

**VALUE CHAINS:** Cocoa, Oil Palm, Rubber, Fisheries (Marine/Aquaculture), Rice, Cassava, Horticulture, Poultry/Small Ruminants

**OBJECTIVE TO 2017:** Agro-businesses irreversibly anchored in Liberia’s long-term economic landscape through increased investments of private sector at critical stages of value chain

**CROSS-GOVERNMENT EFFORT:**
- Core team: MoA, MoCl, MFDP
- Other MACs: MoS, CBL, NIC, NBC, LRA, MIA, MPW, MLME, MoL, MYS, MoT, LEC, FDA, LACRA, CDA, NPA, Land Commission, LBDI, LRDA, CARI, MICAT

**MULTI-STAKEHOLDER APPROACH:** Alignment of donor support behind LATA program as well as Implementing Partners, Private sector associations, NGOs, Civil Society org
Value chain approach

1. Vision for Economic Diversification & Industrialisation

- Creates much larger, stable market for farmers
- Creates much larger, stable market for value addition investors
- Crops used as base input
- Processed crops stimulate light manufacturing e.g. packaging
- Stimulate demand for services sector e.g. logistics & financial & business services

Agriculture → Agro-Processing & Value Added → Manufacturing

Services

2. Holistic Approach: Value Chain Development & Targeting Products we can Manufacture from our crops

What Products Can we Manufacture AT SCALE in Liberia from Our Main Crops?

- Rubber
- Oil Palm
- Cocoa
- Fish
- Cassava
- Rice
- Other

- Rubberwood, RSS, Household utensils, Fan Belts, Shoes, Boots, Mats
- Cooking Oil, Soaps, Biomass fuel, Feed
- Grade A, Feed, Butter, Powder, Chocolate, Cosmetics
- Fresh/Dried, Fillets, Canning, Frozen, Fish Sauce
- High Quality Flour, Chips, Gari, Fufu, Glue, Starches, Alcohol
- Rice, Cereals, Feed, Snacks, Crackers, Rice Oil, Noodles
- Plastics, packaging, nails, bolts, eggs, snacks, processing equipment
6 agro-clusters identified

MAP 2
2008 Clan-Level Population Density

Population Density Per Sq. Mile
- 1 - 30
- 31 - 60
- 61 - 100
- 101 - 4600
- 4601 - 225764

Rural Population
- 0 - 1500
- 1501 - 3500
- 3501 - 7000
- 7001 - 13500
- 13501 - 26117

Urban Population
1,000,000

Primary Data Source:
Liberia Institute of Statistics and Geo-Information Services


Map Projection: UTM Zone 29N
Datum: WGS 84

- Western Corridor
- Cassava
- Aquaculture
- Rubber Belt
- Monrovia-Ganta Belt
- Main Cocoa Belt
- Nimba Cluster
- South East Cluster
- Buchanan Cluster
- Lofa Cluster

Clusters Identified:
- Oil Palm Areas
- Rubber Processing Clusters
- Rice & Vegetable Hubs
- Marine Fish Hubs
- Prime Cocoa Areas
- Western Corridor
- Rubber Belt
- Nimba Cluster
- South East Cluster
- Buchanan Cluster
- Lofa Cluster

Legend:
- Orange: 1 - 30
- Yellow: 31 - 60
- Red: 61 - 100
- Brown: 101 - 4600
- Dark Brown: 4601 - 225764
- Green: Existing Protected Areas
- Light Blue: Primary Road, Paved
- Dark Blue: Primary Road, Unpaved
- Medium Blue: Railway, Functional
- Dark Green: Railway, Disfunctional
- Black: International Boundaries
Adopting a holistic approach

- Access to quality inputs
  - E-registration of farmers
  - Growth Enhancement Scheme (cost-sharing)

- Infrastructure
  - Energy
  - Roads
  - Ports
  - Light Manufacturing

- Policy Environment
  - Quality control and standards
  - Land Tenure
  - Environmental protection
  - Agropoles/ Special Economic Zones
  - Trade agreements

- Strategy, Execution & Communication
  - Strategic vision and clarity of purpose
  - Coordinated government action
  - Reaching out to stakeholders
  - Restructuring governmental services

- Ensuring access to finance
  - Liberia Incentive-Based Risk Sharing System (LIRSAL)
  - Rubber Development Fund
  - Private equity
  - Outgrower scheme
  - Warehouse Receipt system
  - Business Development Services for Small businesses/ Cooperatives
Expected results by end 2017

**OBJECTIVE:** STRUCTURES/SYSTEMS SET UP & PRIVATE INVESTMENT ACROSS VALUE CHAINS

**PROGRAMMATIC LEVEL:** Program fully designed; Outcomes and targets identified; Roles & Responsibilities clarified; Execution & monitoring systems; Budget and financing available

**ENABLING MECHANISMS:** eRegistration of farmers; eWallet system; Financing available for agribusiness (de-risking); Business Development Services/Entrepreneurship; Agro-dealer network

**RUBBER:** Sector financing available; 3 RSS Clusters operational; New market opened

**COCOA:** LACRA Act passed; Cocoa Regulations adopted; Warehouse rehabilitation & Warehouse receipt system in place; Independent certifier operating; Foreign value chain investor; Access to inputs & extension services to smallholder farmers

**OIL PALM:** Outgrower scheme pilot implemented for Concession holders; Processing mills operational; Exports of Oil Palm; Non-concessionary production & marketing increased

**RICE:** Increased yields and access to market; Cost of production reduced; Private sector investment; Export markets; Feasibility study for Commodity trading platform

**FISH:** Robertsport & Monrovia fishing facilities operational and privately managed; Reform of tax & regulatory framework; Industrial investor in Aquaculture

**CASSAVA:** High quality Cassava Flour used in bread; Starch production

**POULTRY/SMALL RUMINANT:** Investor in feed production; Backyard poultry rearing project
Some key achievements to date

- **Presidential Task Force on Agriculture & Manufacturing**
  - Unprecedented collaboration of government services in supporting agriculture, agribusiness and related industries in Liberia
  - Strategic partnership with donors, private sector, NGOs

- **Adoption of supporting laws, policies, regulations**
  - Liberia Agricultural Commodity Regulatory Agency
  - Rubber Development Fund
  - Fisheries and Aquaculture Policy
  - Duty free inputs for agricultural goods and equipment

- **E-Registration of farmers and e-Wallet system**
  - Pilot undertaken in 2016: more than 200,000 farmers. Phase 2 underway
  - 2,600 farmers redeemed 200 kg of fertilizers and 26 metric tons of lowland seed rice

- **Investors being sought for Oil Palm outgrower scheme**
  - Production-protection agreement: for every ha developed, 5 are protected
  - Pilot being planned for 4,000 ha at total cost of USD 29m
  - Production expected to rise from 0mt to 1,394 mt in 2016 and 47,000mt in 2017, representing revenues of USD 39.4m in 2017
Thank you