INTEGRATED SDG INSIGHTS

LIBERIA

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.

HOW TO READ THIS REPORT

Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).

It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).

Combined, these insights are mapped against SDG interlinkages to define policy choices the accelerate SDG progress, tailored to national context (**SDG Interlinkages**).

These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

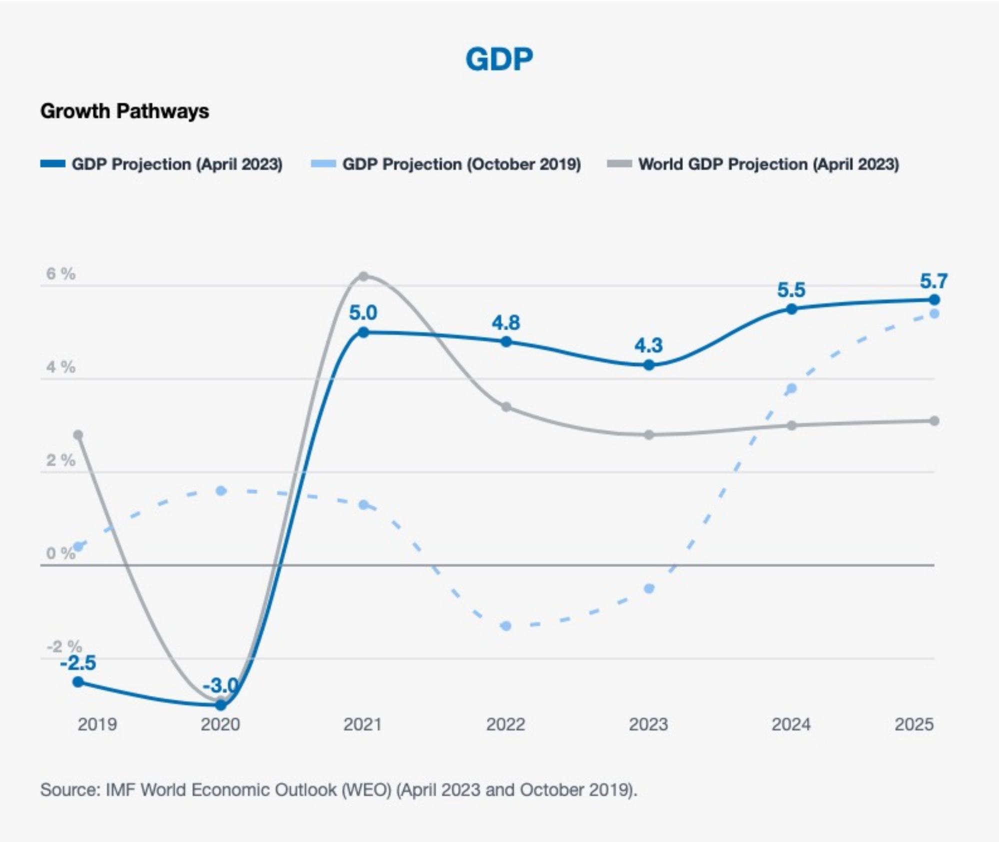
SDG MOMENT:
LIBERIA

While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

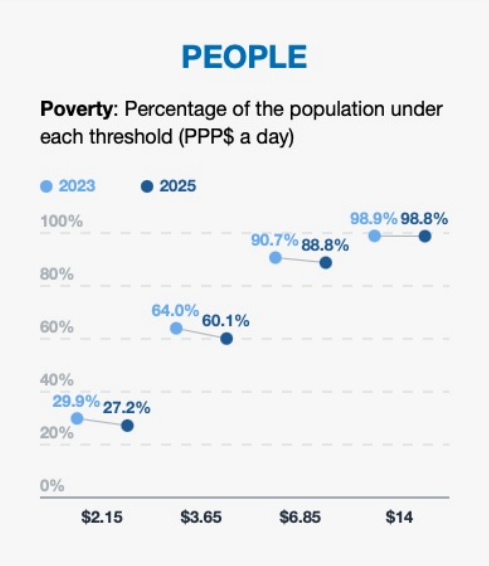
Liberia's growth trajectory during the 2023-2025 cycle is in acceleration, characterized by being 75% higher, on average, than the projected world growth rate, and well above the country's growth trajectory projected before the pandemic.[1] Accordingly, Liberia's commitments to achieving the SDGs are focused on building a capable state that is united in purpose and filled with hope and prosperity.

While this pace of growth is expected to reduce the incidence of poverty at $2.15 and $3.65 a day, the challenge lifting Liberians out of poverty to prosperity remains. On the other hand, Liberia's growth cycle occurs at the expense of the environment, as the country's carbon emissions intensity of GDP is expected to increase at an annual rate of 7.7% due to fossil fuel usage.[2]

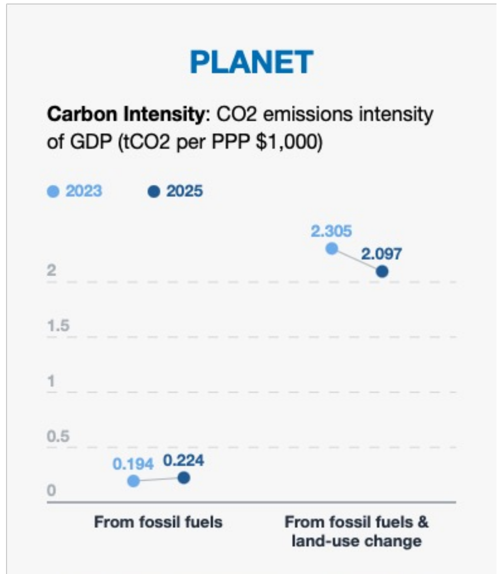
[1] The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.
[2] CO_2 emissions intensity of GDP is computed as tonnes of CO_2 per $1,000 (2017 PPP).



Source: IMF World Economic Outlook (WEO) (April 2023 and October 2019).



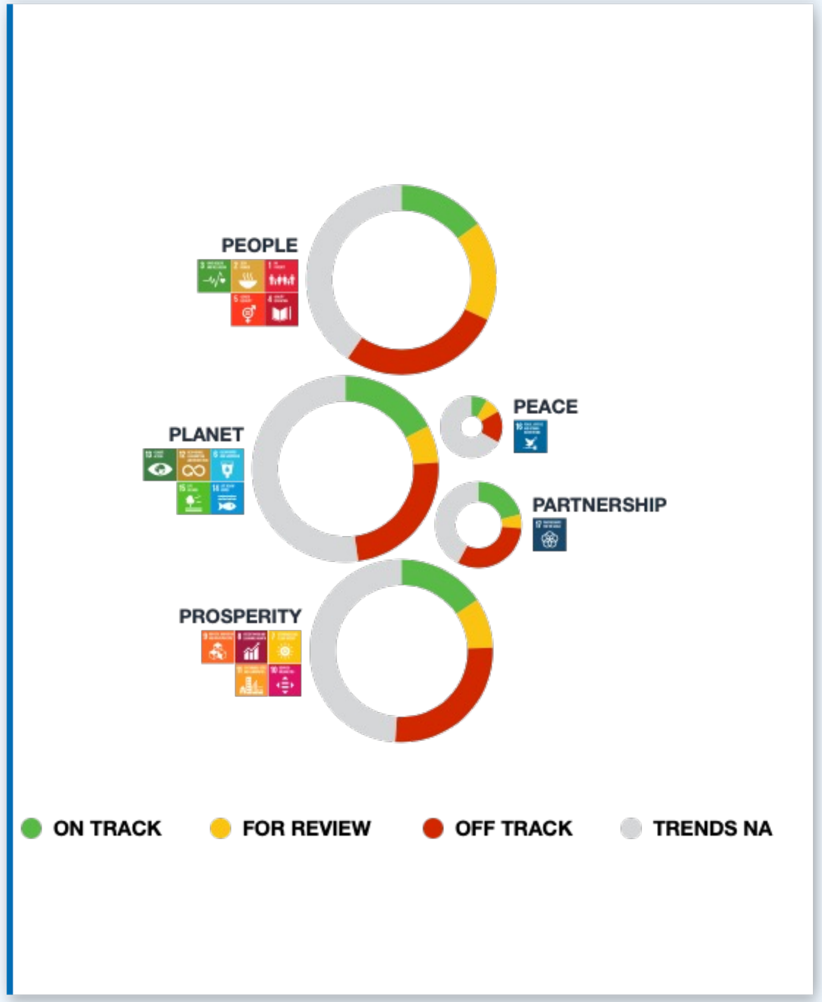
Source: Projections based on binned distributions ($0.10-bins, 2017 PPP) reconstructed from the World Bank's Poverty and Inequality Platform through the pip: Stata Module.



Source: Projections based on GDP data from the IMF WEO Database (April 2023), and on CO2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

SDG TRENDS

Understanding how Liberia performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows UN Stats standards and methodology, and is aligned with country profiles.



Trends in detail:
https://data.undp.org/sdg-push-diagnostic/LBR/sdg-trends

SDG PRIORITIES

Liberia's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.

Key documents for analysis:

1. Pro-poor Agenda for Prosperity and Development (PAPD)

Priorities in detail:
https://data.undp.org/sdg-push-diagnostic/LBR/current-priorities

SDG INTERLINKAGES

SDG Interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Liberia to achieve the 2030 Agenda for Sustainable Development and navigate trade-offs.

Based on a global framework for interlinkages, Liberia's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Liberia:

- Target 1.3: Implement social protection systems
- Target 8.5: Full employment and decent work with equal pay
- Target 16.6: Develop effective, accountable and transparent institutions

ACCELERATION PATHWAYS

SYNERGIES

TRADE-OFFS

SDG INTERLINKAGES

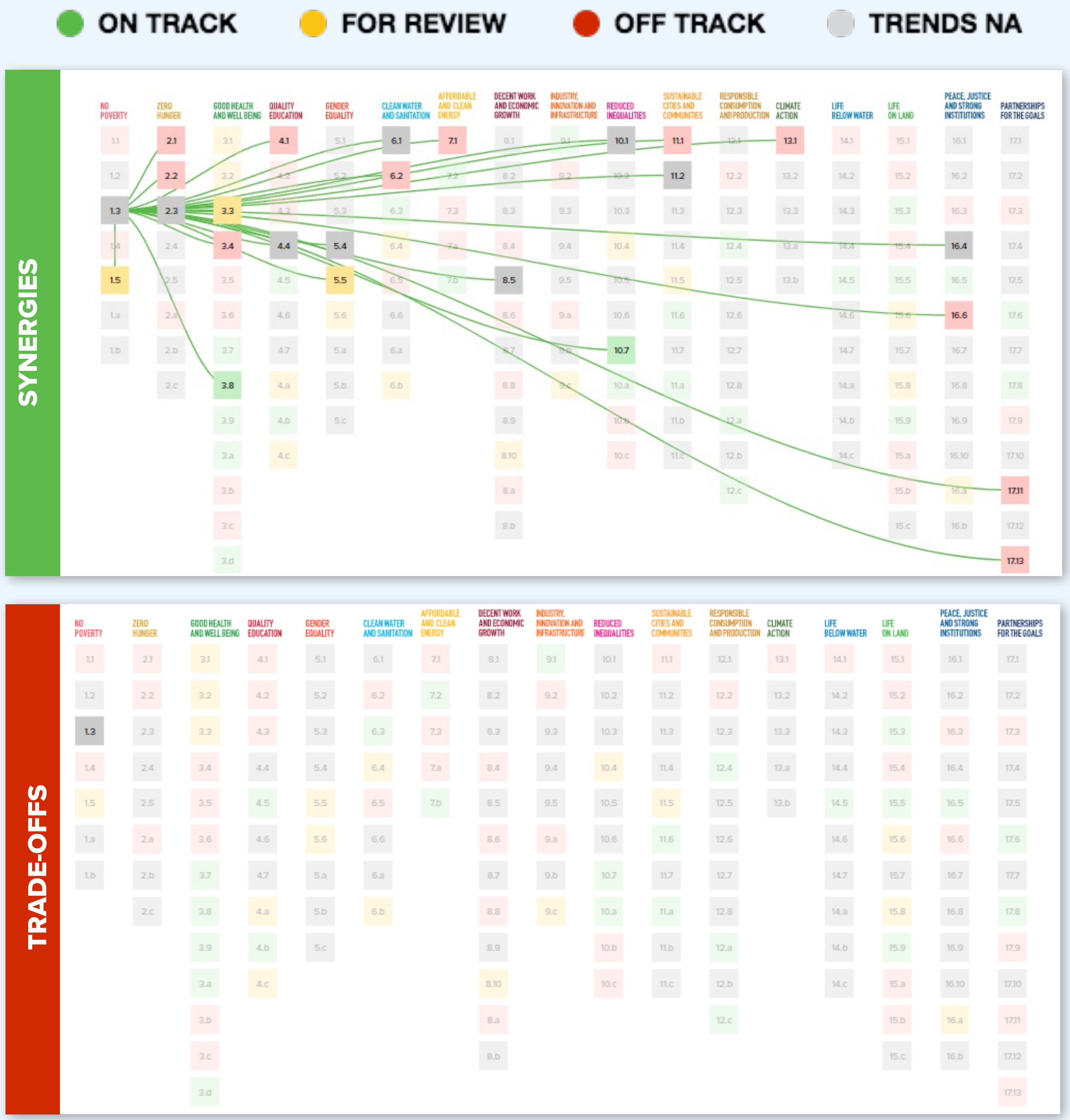
1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

The low levels of schooling and limited access to education by the poor adversely affect educational attainment in Liberia. While 48 percent of children between the ages of 6 and 11 from better-off Liberian households and those in urban areas attend primary school, this number stands at 26 percent for children from poorer households and those in rural areas.

The median young woman from a poor rural household has just 1.8 years of formal education. A lack of money, distance to the nearest school, and early marriages are often cited by parents as barriers for their children to access education. Only 29 percent of preschool-age children are enrolled in early childhood education (ECE) programs, and as many as eight out of every 10 of those enrolled in ECE are over the appropriate age and should be enrolled in primary school.

Implementing social protection system can enhance access to quality education and market-relevant skills for youth, improved maternal and child health, and support accumulation of human capital and other productive assets by the poor.

By investing in social protection (SDG 1.3) , Liberia can support investments in human capital designed to boost productivity growth (target 8.1) and improve household welfare, specifically in combination with interventions in educational attainment (target 4.1), nutrition (target 2.2), skills training (target 8.2), youth employment (targets 4.4, 8.5), healthcare access (target 3.8).



Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/LBR/synergies-and-tradeoffs

SDG INTERLINKAGES

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Over 70 percent of Liberians are under the age of 35, and a large share of young workers intensifies demand for jobs. Liberia's youth that account for 85 percent of the unemployed population are especially vulnerable to social and economic exclusion. Unemployment rates are especially high among young women, and female unemployment is associated with a range of other factors, including early marriage and childbearing, lower levels of educational attainment and workforce skills, and social norms that emphasize women's reproductive roles over their roles as income earners.

Growing the private sector to generate jobs for all is key to address social and economic exclusion. By investing in SDG 8 (Decent work and economic growth), Liberia can improve on current employment challenges and move the needle on key priorities around the eradication of poverty, zero hunger, improved health care and education.

Progress on Target 8.5 will benefit from advancements in closing key infrastructure gaps, specifically in electricity, sustainable and safe road connectivity and ICT and also in promoting access to clean energy. These actions will progressively help to eradicate poverty in Liberia.

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/ETH/synergies-and-tradeoffs

SDG INTERLINKAGES

16.6 Develop effective, accountable and transparent institutions at all levels

In Liberia, 25.6 percent of the population are satisfied with the public service received. By focusing on SDG 16 (Peace, justice and strong institutions) and, in particular Target 16.6, measures can be a booster shot needed to promote inclusive economic growth, ensure quality and effective and equitable access to public services to the poor.

Further investing in SDG 16 will also provide the country with a continued transition from conflict and fragility and strengthen the social contract between the government and its citizens. This should be supported by deliberate policies and programmes to not only encourage economic inclusiveness but also ensure equity in tax administration, the application of the rule of law (security and justice) and the distribution of social services, including education, health and social protection to have a positive impact on other SDGs. Equally important are measures to enforce political commitments, including through the deliberate use of non-governmental organizations (NGOs) in the monitoring and evaluation of government projects or mechanisms to strengthen the access to public information.

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/SSD/synergies-and-tradeoffs

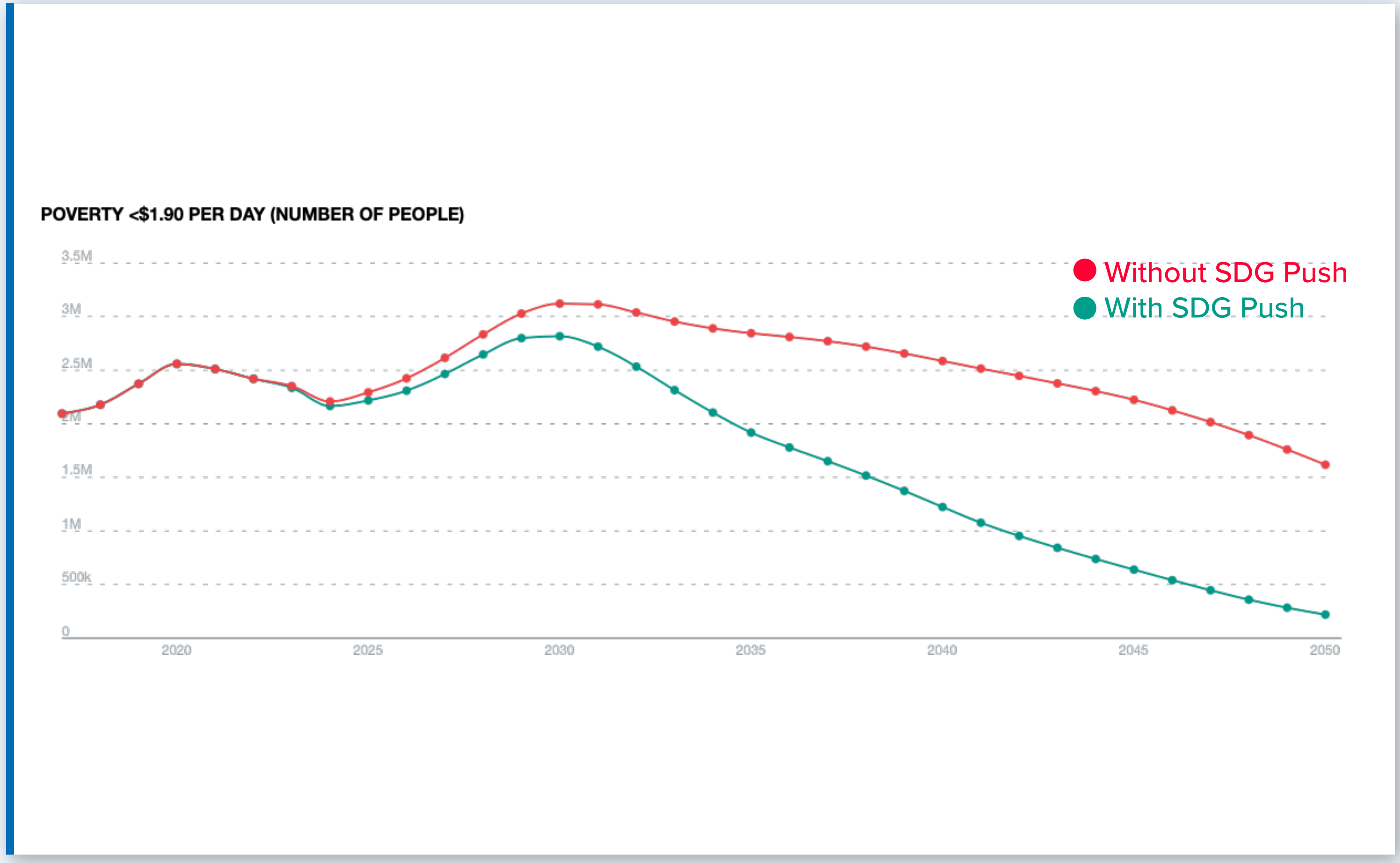
FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Liberia can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	3,100 000	1,600 000
With the SDG Push	2,800 000	220.000



Explore SDG Futures Scenarios at:
https://data.undp.org/sdg-push-diagnostic/LBR/future-scenarios

FINANCE & STIMULUS

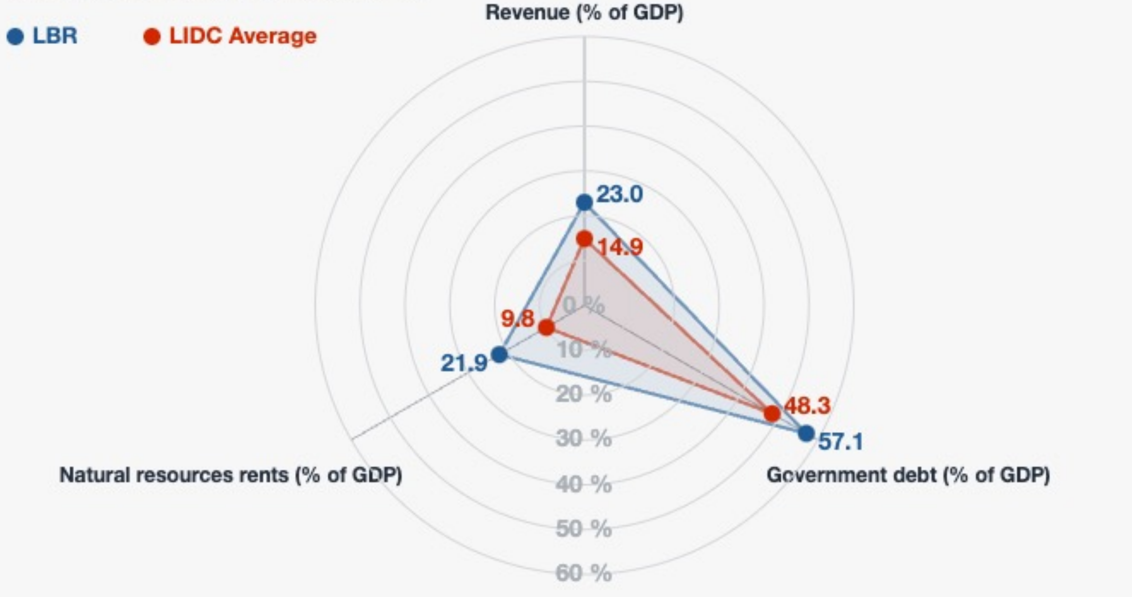
Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue, debt and natural resources rents as a proportion of GDP. The financial indicator graphs show external debt servicing relative to revenue and the country's latest Debt Sustainability Assessment (DSA) risk rating.

Liberia's gross government debt is expected at 57.1% of GDP in 2023, which is 8.8 percentage points (pp) above the low-income developing countries (LIDC) average of 48.3%. The country is expected to collect 23% of GDP in revenue this year, thus about a third more than the LIDC average of 14.9%.

Liberia's external debt servicing this year is expected to reach 8.1% of revenue, which is 6 pp below the LIDC average of 14.1%. Given that multilateral lenders hold more than 90% of Liberia' external debt at highly concessional terms, the latest World Bank and IMF DSA rated the country as only 'in moderate risk of debt distress'.

LOW-FREQUENCY INDICATORS



FINANCIAL INDICATORS

LBR LIDC Average

Total external debt servicing (% of revenue)

DSA Rating

MODERATE

Notes: External debt covers public and publicly guaranteed debt.

Sources: WDI (natural resources rents, data from 2021), IMF WEO April 2023 (debt and revenue, data from 2023), IDS (external debt, data from 2023), IMF/World Bank (DSA Rating as of 31 May 2023).

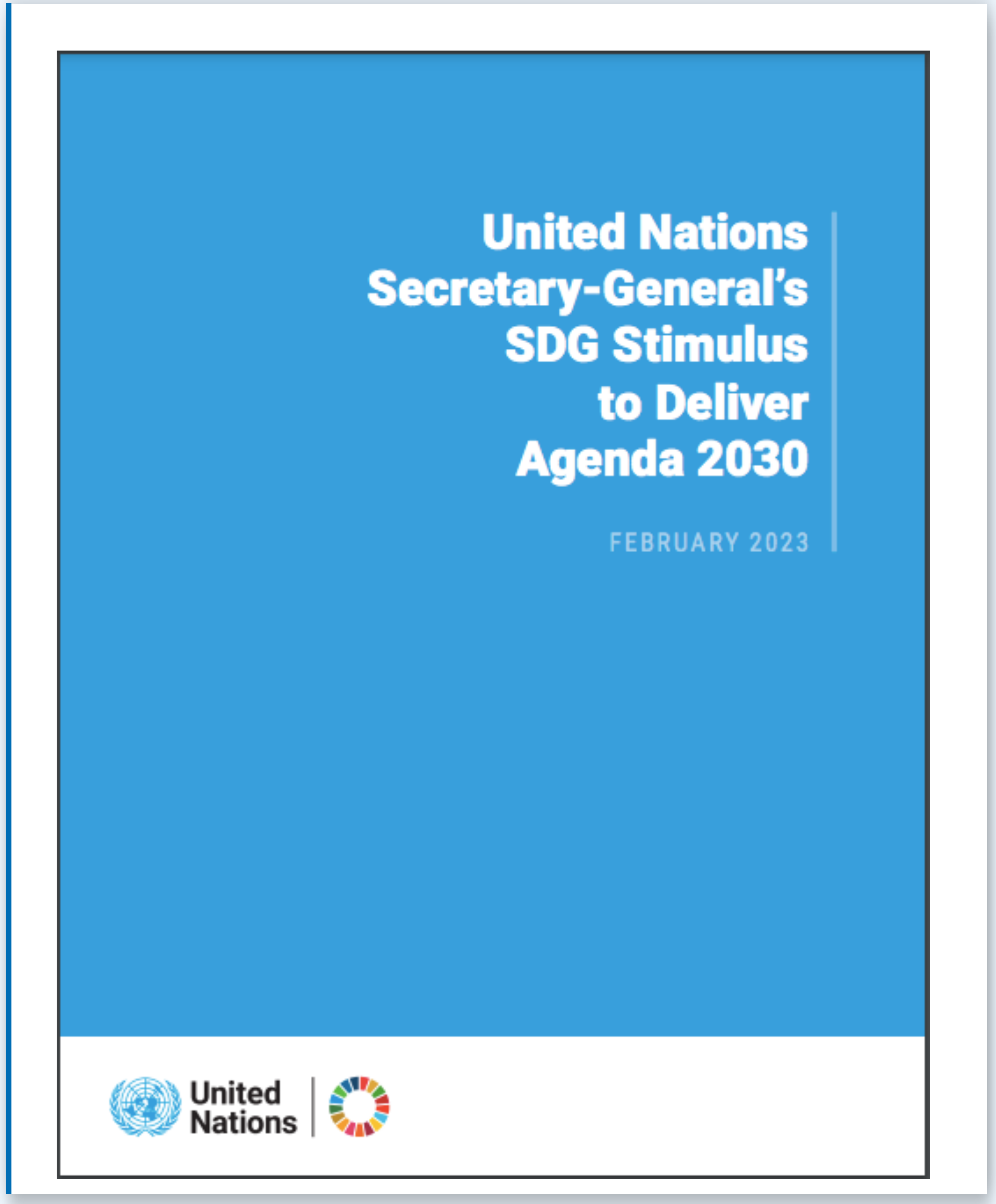
SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Liberia, the possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Debt for SDGs
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance
- Remittances, philanthropy and faith-based financing
- Development cooperation



METHODOLOGY

Click here to view the Methodological Note for the Integrated SDG Insights

SDG MOMENT

Methodology
Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources
Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO_2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

TRENDS & PRIORITIES

Methodology
SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source
Trends utilizes official UN statistics to assess SDG progress, supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.

INTERLINKAGES

Methodology
Global target-level interlinkages are drawn from the KnowSDGs Platform by European Commission. SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source
The exercise globally considered a total of 454 documents published from 2015 to August 2022. (Miola et al., 2019 updated in 2021-2022)

FINANCE & STIMULUS

Methodology
Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source
Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).