



Activity brief (December 2014) Sustainable Marketplace Initiative Liberia Extension Project 1 August 2013 – 30 September 2014



Background: Building Markets is an NGO founded by USAID, and others, to implement the Sustainable Marketplace Initiative (SMI). The overall goal of the SMI is to support sustainable, market-driven growth and job creation. The SMI facilitates local procurement by creating links between international buyers and local small and medium enterprises (SMEs) to increase aid and investment impact, while simultaneously creating and restoring local livelihoods. The SMI supports SME development by delivering a suite of services for buyers and sellers that are proven to address the barriers that often prevent international buyers from doing business with local enterprises.

There is wide agreement among government and private sectors that a key way for Liberia to leverage its natural resource wealth towards more inclusive economic growth is by encouraging multinational corporations already operating in country to develop local supply chains with SMEs. Building Markets has been operating in Liberia since 2011. Funding has been requested under the Australian Government's aid program to increase the outreach of the SMI into four Liberian counties – Montserrado, Nimba, Bong and Grand Bassa – with a focus on mining and agriculture-related business opportunities.

Objective: The goal of this activity was to deepen the impact of the overall SMI project in Liberia. Specifically, the activities supported by the AAPF funding improved the opportunities for local businesses in the mining and agribusiness sectors in the four counties.

Activity description: Training provided as part of the activity aimed to improve local SME capacity to meet demands for goods and services. Specific initiatives included:

- **Liberian mining concession market overview:** The report analysed gaps between demand and supply, identified barriers to local procurement in the mining industry and made recommendations to increase local sourcing.
- **Matchmaking and networking events:** Building Markets linked buyers and suppliers through matchmaking and networking events organised in the counties for the mining and agribusiness sectors.

- **Training:** Local suppliers in the four counties trained in cooperative registration, joint venture creation and other contracting options.
- **Targeted verification:** Building Markets conducted targeted verification to find and collect information on businesses in concession areas that could meet mining company demand for local products.

Sector: Public policy

Outcomes: The activity resulted in:

- an increase in contracts won by a wider range of local enterprises due to information on supply and demand for services and products, particularly related to the mining industry in the four counties;
- increased confidence of both buyers and suppliers through face-to-face contact at matchmaking events; and
- more opportunities for local companies as a result of training in contracting and joint venture issues.

Between August 2013 and September 2014, the initiative supported 164 businesses to win 267 contracts (worth more than a total USD 25 million); created 678 full-time equivalent jobs; and added 119 businesses to the online supplier directory, which contributed to creating networking opportunities and introducing new local suppliers into concessionaires' supply chains. More than 100 of the contracts (worth about USD 11 million in total) were for female-owned businesses.

Participating country: Liberia

Date approved:	21/05/2013
Implementation partner/s:	Ministry of Commerce, Public Procurement and Concessions Commission, National Investment Commission
Total cost:	USD 300 000