

**Republic of Liberia - European Community**

**Country Strategy Paper  
and  
Indicative Programme**

**for the period 2008 – 2013**

The Government of the Republic of Liberia and the European Commission hereby agree that:

- (1) The Government of the Republic of Liberia (represented by the Hon. Dr. Toga Gaywea McIntosh, Minister of Planning and Economic Affairs) and the European Commission (represented by Mr Jeremy Tunnacliffe, Chargé d'Affaires, Delegation of the European Commission to the Republic of Liberia), hereinafter referred to as the "parties", held discussions in Monrovia, from March 2006 to October 2007 with a view to determining the general orientations for cooperation for the period 2008–2013. During these discussions, the Country Strategy Paper and an Indicative Programme of Community Aid in favour of the Republic of Liberia were drawn up in accordance with the provisions of Articles 2 and 4 of Annex IV to the African Caribbean Pacific (ACP) European Commission (EC) Partnership Agreement, signed in Cotonou on 23 June 2000 as revised in Luxembourg on 25 June 2005. These discussions complete the programming process in the Republic of Liberia.  
The Country Strategy Paper and the Indicative Programme are annexed to the present document.
- (2) As regards the indicative programmable financial resources which the Community envisages making available to the Republic of Liberia for the period 2008–2013, an amount of **€ 150 million** is earmarked for the allocation referred to in Article 3(2)(a) of Annex IV to the ACP-EC Partnership Agreement (A-allocation) and of **€ 11.8 million** for the allocation referred to in Article 3(2)(b) (B-allocation). These allocations are not entitlements and may be revised by the Community, following the completion of mid-term and end-of-term reviews, in accordance with Article 5(7) of Annex IV to the ACP-EC Partnership Agreement.
- (3) The A-allocation is destined to cover macroeconomic support, sector policies, programmes and projects in support of the focal or non-focal areas of Community Assistance. The Indicative Programme under Part 2 concerns the resources of the A-allocation. It also takes into consideration financing from which the Republic of Liberia benefits or could benefit under other Community resources. It does not pre-empt financing decisions by the Commission.
- (4) The B-allocation is destined to cover unforeseen needs such as emergency assistance where such support cannot be financed from the European Union (EU) budget, contributions to internationally agreed debt relief initiatives and support to mitigate adverse effects of instability in export earnings. The B-allocation shall be triggered according to specific mechanisms and procedures and therefore does not yet constitute a part of the Indicative Programme.
- (5) Resources can be committed under the present Country Strategy Paper and Indicative Programme upon the entry into force of the 10th European Development Fund (EDF) multiannual financial framework for the period 2008-2013 of the revised ACP-EC Partnership, but not before 1 January 2008. Financing decisions for projects and programmes can be taken by the Commission at the request of the Government of the Republic of Liberia within the limits of the A- and B-allocations referred to in this document. Financing decisions can also be taken on the basis of Article 15(4) in conjunction with Article 4(1)(d) of Annex IV to the ACP-EC Partnership Agreement for support to non-state actors or on the basis of Article 72(6) of the ACP-EC Partnership Agreement for humanitarian and emergency assistance funded from the B-allocations. Financing decisions shall be taken and implemented according to the rules and


procedures laid down in the EC Council Regulations on the implementation of the 10th EDF and on the financial regulation applicable to the 10th EDF and in Annex IV to the ACP-EC Partnership Agreement.

- (6) The European Investment bank (EIB) may contribute to the implementation of the present Country Strategy Paper by operations financed from the Investment Facility and/or from its own resources, in accordance with Paragraphs 2(c) and 3 of Annex Ib to the ACP-EC Partnership Agreement regarding the 10th EDF multiannual financial framework for the period 2008-2013.
- (7) In accordance with Article 5 of Annex IV to the ACP-EC Partnership Agreement, the National Authorising Officer (NAO) and the Head of Delegation shall annually undertake an operational review of the Indicative Programme and undertake a mid-term review and an end-of-term review of the Country Strategy Paper and Indicative Programme in the light of needs and performance at the time.  
The mid-term review shall be undertaken in 2010 and the end-of-term review in 2012. Following the completion of the mid- and end-of-term reviews, the Community may revise the resource allocation in the light of prevailing needs and performance.  
Without prejudice to Article 5(7) of Annex IV concerning reviews, the allocations may be increased pursuant to Article 3(5) of Annex IV in order to take account of special needs or exceptional performance.
- (8) The agreement of the two parties on this Country Strategy Paper and Indicative Programme, subject to the ratification and entry into force of the revised ACP-EC Partnership Agreement and the 10th EDF multiannual financial framework for the period 2008-2013, will be regarded as definitive within eight weeks of the date of signature, unless either party communicates the contrary before the end of this period.

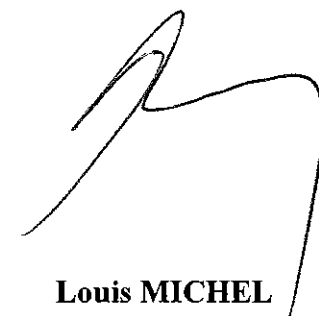
Done at Lisbon on 9 December 2007

For the Government of the Republic of Liberia

For the European Commission



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Vice Président of the Republic



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## Acronyms

ACP	Africa, Caribbean, Pacific
ACPA	Accra Comprehensive Peace Agreement
AfDB	African Development Bank
AFL	Armed Forces of Liberia
AGOA	African Growth Opportunity Act
APIS	Agricultural Policy Initiative Statement
AU	African Union
BCE	Bureau of Customs and Excise
BoB	Bureau of the Budget
BMA	Bureau of Maritime Affairs
BWI	Bretton Woods Institutions
CA	Contribution Agreement
CAFF	Children Associated with Fighting Forces
CAO	Chief Authorising Office
CAP	Consolidated Appeals Process
CBL	Central Bank of Liberia
CDC	Congress for Democratic Change (Political Party)
CDP	Community Development Programme
CESD	Community Empowerment and Skills Development
CFSP	Common Foreign and Security Policy
CMC	Contracts and Monopolies Commission
CMCo	Cash Management Committee
CRC	County Rehabilitation Component
CSA	Civil Service Agency
CSP	Country Strategy Paper
CSO	Civil Society Organisation
DDRR	Disarmament, Demobilisation, Reinsertion and Reintegration
DFID	Department for International Development
DRC	Danish Refugees Council
EC	European Commission
ECHO	European Commission Humanitarian Office
ECSEL	European Community Support Programme for Education in Liberia
ECOMOG	ECOWAS Military Observer Group
ECOWAS	Economic Community of West African States
EDF	European Development Programme
EGSC	Economic Governance Steering Committee
EIB	European Investment Bank
EPA	Economic Partnership Agreement
EnPA	Environment Protection Agency
EPP	Emergency Power Project
ETF	Elections Trust Fund
EU	European Union
EUMS	European Union Member States
FDA	Forestry Development Authority
FDI	Foreign Direct Investment
FLEGT	Forestry Law Enforcement, Governance and Trade
FS	Focal Sector
FY	Financial Year
GAO	General Audit Office
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GEMAP	Governance and Economic Management Assistance Programme
GRC	Governance Reform Commission
HIPC	Heavily Indebted Poor Countries
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
HRU	Human Rights Unit
IC	International Community
ICCPR	International Covenant on Civil and Political Rights
ICGL	International Contract Group for Liberia
ICS	Institutional Strengthening Component

IDA	International Development Agency
IDP	Internally Displaced Person
IF	Investment Facility
IMF	International Monetary Fund
INGO	International Non-Governmental Organisation
INHRC	Independent National Human Rights Commission
iPRS	Interim Poverty Reduction Strategy
IP	Indicative Programme
IPPPP	Interim Public Procurement Policy Procedures
IMF	International Monetary Fund
ImP	Implementing Partner
IRCL	Inter-Religious Council of Liberia
ISCBP	Institutional Strengthening Capacity-Building Programme
ITAC	International Technical Advisory Committee
JIU	Joint Implementation Unit
JNA	Joint Needs Assessment
LACE	Liberian Agency Community Empowerment
LCD	Local Community Development
LEC	Liberian Electricity Cooperation
LEGF	Liberian Emergency Governance Fund
LFI	Liberian Forestry Initiative
LIPA	Liberian Institute of Public Administration
LISGIS	Liberian Institute for Statistic Geographical Information System
LNP	Liberia National Police
LOIC	Liberian Opportunities Industrialisation Centre
LPRC	Liberian Petroleum Refining Corporation
LRDC	Liberia Reconstruction and Development Committee
LRRD	Linking Relief, Rehabilitation and Development
LTC	Liberia Telecommunication Corporation
LURD	Liberians United for Reconciliation and Democracy
LWSC	Liberia Water and Sewage Cooperation
MDG	Millennium Development Goals
MHSW	Ministry of Health and Social Welfare
MoCI	Ministry of Commerce and Industry
MoE	Ministry of Education
MoF	Ministry of Finance
MoLME	Ministry of Lands, Energy and Mine
MoPW	Ministry of Public Work
MODEL	Movement for Democracy in Liberia
MPEA	Ministry of Planning and Economic Affairs
MRU	Mano River Union
MW	Mega Watt
NAO	National Authorising Office
NCDDRR	National Commission for Disarmament/Demobilisation/Reinsertion/Reintegration
NDS	National Drug Service
NEC	National Elections Commission
NFS	Non-Focal Sector
NGoL	New Government of Liberia
NGO	Non-Government Organisation
NHSWP	National Health and Social Welfare Plan
NIMAC	National Information and Management Committee
NPA	National Ports Authority
NPFL	National Patriotic Front for Liberia
NPP	National Patriotic Party
NPV	Net Present Value
NRRB	National Reconciliation and Reunification Bureau
NTGL	National Transitional Government of Liberia
NTLA	National Transitional Legislative Assembly
OPCAT	Optional Protocol to the Convention Against Torture
OECD	Organisation for Economic Cooperation and Development
PCRCBP	Post-Conflict Reconstruction and Capacity-Building Programme
PF	Partners Forum

PPCA	Public Procurement and Concessions Act
PPCC	Public Procurement and Concessions Commission
PRGF	Poverty Reduction and Growth Facility
RFTF	Result-Focused Transitional Framework
RIA	Roberts International Airport
RIMCO	R(FTF) Implementation and Monitoring Committee
RRM	Rapid Reaction Mechanism
SES	Special Executive Service
SIDA	Swedish International Development Agency
SMP	Staff Monitoring Programme
SOE	State-Owned Enterprises
SSS	Special Security Service
STI	Sexually Transmitted Infection
TA	Technical Assistance
TCF	Technical Cooperation Facility
TF	Trust Fund
TFT	Task Force Trafficking
TRC	Truth and Reconciliation Commission
TSA	Transitional Safety Net Allowance
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHCR	United Nations High Commissioner for Refugees
UNHDI	United Nations Human Development Index
UNICEF	United Nations Children's Fund
UNIOSIL	United Nation Integrated Office in Sierra Leone
UNMIL	United Nations Mission in Liberia
UNOCI	United Nations Operation in Côte d'Ivoire
UNOHCR	United Nations Office of the High Commissioner for Human Rights
UNFPA	United Nations Population Fund
UNSC	United Nation Security Council
UP	Unity Party (Political Party)
USA	United States of America
USAID	United States Agency for International Development
USG	United States Government
VPA	Voluntary Partnership Agreement
WB	World Bank
WFP	World Food Programme
WHO	World Health Organisation
WTO	World Trade Organisation

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## *Summary*

Fourteen years of civil war, brought on by marginalisation and economic collapse, ended with a Peace Agreement brokered in Accra in June 2003 and a two-year National Transitional Government of Liberia (NTGL). This was followed by presidential and legislature elections in late 2005 which resulted in the inauguration of the first elected female President in Africa, President Ellen Johnson-Sirleaf. She launched an ambitious transitional and development programme, stating transparency and anti-corruption as the main items on her agenda.

However, Liberia's conflict makes achieving the Millennium Development Goals (MDGs) a daunting challenge that will require more than the pre-war rates of growth and more rapid progress over the next ten years than anywhere else in the world. Moreover, the war essentially ended human capital formation and resulted in the mass exodus of skilled workers. The country's infrastructure is completely destroyed and the state incapable, given the lack of financial and human resources, to provide basic services to the population. Despite richness in natural resources such as timber, iron ore or diamonds, government revenues will remain insufficient to meet the needs of the country.

Against this background, the New Government of Liberia (NGoL) has launched, mainly for HIPC purposes, an Interim Poverty Reduction Strategy (iPRS) for a 24-month period starting July 2006 that is centred on consolidating national peace and positioning the nation on a path of sustained poverty reduction through economic growth and human development. A full PRS on the same lines should follow, covering the period from July 2008, and is to be implemented over a four-year period. The EU's Strategy for Africa coincides with the priorities outlined by the Government and therefore the development of the EC's CSP and IP for Liberia has embraced the iPRS process and utilised its participatory approaches to ensure broad stakeholder consultations. The country's needs are enormous but donors are few, even if the interest is increasing at European and international level. National revenues are limited but the Government is actively encouraging the private sector. Capacity is in short supply given the post-conflict setting. It is clear that the country mainly remains in a rehabilitation phase and that various areas of the country still need to be viewed as being in an emergency situation.

In view of the above and in line with the GOL development policy and the EU Strategy for Africa, under the 10th EDF it is proposed to follow a flexible approach of Linking Relief Rehabilitation and Development (LRRD) in the context of Post-Conflict Fragile States. Rehabilitation (basic physical infrastructure and provision of social services) and Governance (institutional support and capacity building) will be the key drivers of this needed flexible LRRD strategy. Furthermore, delivery in basic social sectors such as education and health should contribute to bridging the existing and wide gap between the emergency and sustainable development phases.

Finally, the more flexible procedures (Article 73 of the Cotonou Agreement) applied to an immediate post-conflict country should always be considered in Liberia, which will only have its full PRS in operation by 2009. The mid-term review would be a good time to re-assess a programme so difficult to design in this country with such a fast evolving situation.

## **PART 1: STRATEGY PAPER**

### **CHAPTER I: The framework of relations between the donor and the partner country**

#### ***I. 1 General objectives of the EC's external policy***

In accordance with Article 177 of the Treaty establishing the European Community, Community policy in the sphere of development cooperation is to foster:

- the sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them;
- the smooth and gradual integration of the developing countries into the world economy;
- the campaign against poverty in the developing countries.

Europe should play a coherent role as a global partner that is inspired by its core values of assuming regional responsibilities, promoting sustainable development and contributing to civilian and strategic security.

Community policy in this area shall contribute to the general objective of developing and consolidating democracy and the rule of law, and to that of respecting human rights and fundamental freedoms.

The EU has developed a broad spectrum of external relations tools in the shape of the common trade policy, cooperation under bilateral and multilateral agreements, development cooperation, humanitarian aid and financial assistance as well as the external aspects of internal policies (energy, environment, transport, justice and home affairs, etc.). EU external action, including the Common Foreign and Security policy (CFSP), common trade policy and cooperation with third countries, provides a framework both for integrating all EU instruments and for gradually developing a set of common actions based on common positions in the broader sphere of political relations. Enlargement has entrusted the EU with even greater responsibilities, as a regional leader and as a global partner. It should, therefore, strengthen its capacity to promote human rights, democracy and the rule of law as well as its capacity to focus on the fight against poverty, both in its neighbourhood and through its multilateral and bilateral policies, which are mainly aimed at sustainable development and political stability. Thus, the EU will achieve genuine coherence between its domestic and its external agendas, contributing thereby to global security and prosperity.

#### ***I. 2 Strategic objectives of cooperation with the partner country***

The Treaty objectives are confirmed in Article 1 of the ACP-EU Partnership Agreement signed in Cotonou on 23 June 2000 and revised in Luxembourg on 25 June 2005. The overarching objective of the Cotonou Agreement is to promote the development of a common strategic approach to poverty reduction, consistent with the objectives of sustainable development and the gradual integration of ACP countries into the world economy. Cooperation between the Community and Liberia will pursue these objectives, taking into account the fundamental principles set out in Article 2, in particular the encouragement of "ownership" of the strategy by the country and populations concerned,

and the essential elements and fundamental element as defined in Articles 9 and 11b of the Agreement.

While the Treaty and the Cotonou Agreement provide the legal basis for EC cooperation with ACP countries, the recently adopted European Consensus on Development sets the general policy framework at EU level. The primary and overarching objective of EU development policy is the eradication of poverty in the context of sustainable development, in line with the international agenda, and with particular attention to the MDGs. Human rights and good governance are recognised as other important objectives. Better aid effectiveness is essential for achieving poverty eradication. Therefore, the EU will advance coordination, harmonisation and alignment. It will promote better donor complementarity by working towards joint programming based on partner countries' strategies and processes, common implementation mechanisms, joint donor-wide missions and the use of co-financing arrangements. The EU will take a lead role in implementing the Paris Declaration commitments on improving aid delivery and it will capitalise on new Member States' experience to strengthen their role as donors.

Policy coherence for development will advance in a number of areas. The aim is that all EU non-aid policies make a positive contribution to developing countries' efforts to attain the MDGs. The principle of concentration will guide the Community's country and regional programming. This means selecting a limited number of priority areas of action, through dialogue with partner countries, rather than spreading efforts in too many sectors. In this context the Community will be primarily active in the following nine areas, taking into account its comparative advantages in a number of these: trade and regional integration; the environment and the sustainable management of natural resources; infrastructure, communications and transport; water and energy; rural development, territorial planning, agriculture and food security; governance, democracy, human rights and support for economic and institutional reforms; conflict prevention and fragile states; human development; social cohesion and employment. The mainstreaming approach will be strengthened for four cross-cutting issues: democracy, good governance, human rights, the rights of children and indigenous peoples; gender equality; environmental sustainability; and the fight against Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS).

In December 2005, the European Council agreed an EU Strategy for Africa. The Strategy provides a long-term, strategic framework for interaction between Europe and Africa at all levels: with pan-African institutions such as the African Union, regional organisations and national authorities. It defines how the EU can best support Africa's own efforts to promote sustainable development and reach the MDGs. The Strategy rests on three pillars: (i) promoting peace, security and good governance as central prerequisites for sustainable development, (ii) supporting regional integration, trade and interconnectivity to promote economic development and (iii) improving access to basic social services (health, education). and protection of the environment to attain MDGs 1-6 more quickly.

### ***1.3 Main bilateral agreements***

The Cotonou Agreement, signed on 23 June 2000, is the main bilateral agreement between the EC and Liberia. It aims to reduce and ultimately eradicate poverty, with a view to the country's long-term development and its gradual integration into the world economy. Negotiations are ongoing to finalise for signature in January 2008 an Economic Partnership Agreement (EPA) between the EU and the West Africa, of which Liberia is part.

## CHAPTER II: COUNTRY DIAGNOSIS

### *II. 1 Analysis of the political, economic, social and environmental situation in the recipient country*

An analysis of the current political, economic, social and environmental situation in Liberia, the oldest democracy in Sub-Saharan Africa (*Annexes 1 and 2*) must include an investigation of the reasons why Liberia deteriorated into a violent 14-year civil war from which it has only just emerged. The reasons can be divided into two broad categories: marginalisation and economic collapse. Significant portions of society were systematically excluded and marginalised from the institutions of political governance. The founding constitution was designed for the needs of the settlers and less for the indigenous people. Political power was concentrated within Monrovia and primarily at the presidency. This political system bred corruption, restricted access to the decision-making process, fuelled ethnic and class divisions and hatred. Early established land and property rights for the majority of Liberians were severely limited. Marginalisation was perpetuated by the urban-biased policies of successive administrations, and most infrastructure and basic services were concentrated in Monrovia. Marginalisation of youth and women, mismanagement of national resources and inequalities in the distribution of benefits added to the problem.

As a result of a post World War II “open-door policy and unification programme” that granted concessions to foreign mineral and agricultural companies, Liberia witnessed an economic boom. It was impossible to sustain as prices of primary commodities fell, capital investment declined and annual growth rates tumbled from around 5% previously to just 1% per year in the mid-1980s. Inflation increased and unemployment soared. The traditional system of governance broke down, illicit trade in timber and diamonds flourished and there was a massive exodus of skilled and talented people. The economic hardship led to the illegal plundering of the country’s resources and the enlisting of disenchanted young people to assist in the precipitous economic decline. High levels of resentment towards the ruling elite resulted, and this led to a bloody military coup in 1980 with initial support coming from the majority of the population. Unfortunately, the military and successive Governments failed to correct social ills, land issues and in many cases simply exacerbated the problems as the fighting fractioned down ethnic lines. As a result the civil war that started in 1989 ran intermittently for 14 years. Fourteen years in which a large proportion of the Internally Displaced Persons or Refugees (in total 850 000) were left to create their own education programmes. Disruption of the state’s education system has left the country with minimum literacy and numeric skills. But the civil war also brought increased migration. Because of historical ties, the USA was always an enormous attraction but the war increased the flow. Approximately 20% of Liberians now live in the USA, many with a level of education surpassing that of their generation in Liberia and a life style few will leave, while sending remittances home to assist the extended family.

The Accra Comprehensive Peace Agreement, (ACPA) was brokered in June/October 2003, and established the NTGL, consisting of representatives of the former warring factions and technocrats for an interim period of two years. During that period a Disarmament, Demobilisation, Reintegration and Rehabilitation (DDRR) exercise was undertaken. This interim period ended on 16 January 2006 with the inauguration of a democratically elected President, Madame Ellen Johnson-Sirleaf, the first female President of an African State. The 2005 presidential and legislative elections were deemed free, fair and transparent

despite concerns about weak political capacity, poor voter literacy and lack of enabling infrastructure.

The NGoL has three branches: the presidential executive, a bi-cameral legislature and the judiciary. The military is under the civil control of the Minister of Defence and the Chief of Staff. The Executive is the strongest branch of government, with many promising appointees, although inclusion could be strengthened. Many were called back from the USA to serve their country, others have served in previous administrations. Decentralisation – as a means to address some of the causes of the conflict – is on the NGoL agenda. Unfortunately, local authority capacity is very low and resources are limited; local elections have not yet been held but are planned for 2008.

The 2005 elections to a bi-cameral legislative (House of Representatives and the Senate) replaced the National Transitional Legislature Assembly (NTLA). Since the new Government took office, struggles for supremacy have surfaced between the Executive and the Legislative branches. The Senate was slow to confirm the President's nominations for ministers amid claims that the Executive was trying to reduce the autonomy of both the Judiciary and the Legislature. There is also a struggle within the Legislature between the Speaker of the House who has subsequently resigned and the Senate's President pro tempore for seniority.

The Judiciary is the third branch of the NGoL. The Supreme Court bench has been constituted and all judges seated. However, lack of financial resources and the limited number of qualified judges impedes the functioning of the justice system. The ability to effectively transform the justice sector will also affect the objectives and performance of the Governance Reform Commission (GRC), the Truth and Reconciliation Commission (TRC) and the Independent National Human Rights Commission. (INHRC). Coordination of support for the justice system is also affected by the absence of an active forum for discussing immediate and future sector needs. The work of the United Nations Mission in Liberia (UNMIL) Rule of Law Task Force is now under the Governance/Rule of Law Liberia Reconstruction and Development Committee (LRDC) pillar. However, irregular meetings, limited capacity and the lack of technical sub-committees assisting the pillar are limiting progress.

There are three key state security bodies: the Armed Forces of Liberia (AFL), Liberia National Police (LNP) and the Special Security Services (SSS), all of which are being restructured as part of the security sector reform process as provided for in the ACPA. This process is being spearheaded by the United States Government (USG). Former officers have been retired, and recruitment and training for new security services are ongoing. The final structure of the new AFL will be about 2 000 based on the NGoL's predicted ability to provide funding from future budgets. The process has suffered delays and the AFL will not be operational until late 2008/early 2009. The second and third batches of recruits are now under training, and officer training has commenced as has a scheme to re-select a limited number of pre-1995 ex-AFL officers to return and supplement the hierarchy above the majority of new recruits. Given the volatile situation of the sub-region, the mission and final structure of the new AFL will have to be carefully considered. The LNP restructuring and training has also progressed slowly. The initial force of 3 500 could be fully trained by mid/late 2007, but an additional 500 gendarmerie is being proposed, operational in 2009, to act as a rapid reaction police force. The SSS officially began its demobilisation process in 2006, with some 800 SSS officers demobilised, but they complain about the size of their

severances. Training of a new SSS is ongoing. In addition to Liberian security services, UNMIL provides security throughout the country. UNMIL operates under a Chapter VII mandate and has a peacekeeping strength of 15 000. UNMIL has now entered its consolidation phase during which it will adjust its mandate, reduce its infantry but increase its police operations to contain occurrences of public disorder. It has recently been accepted that a combined (military, civil police and administration) strength of 10 000 will be present until 2010, when a final withdrawal could commence.

The institutions provided for under the peace agreement as key agents for democracy, peace, human rights and governance have now all been established but face management and financial difficulties. These include the National Election Commission (NEC), the TRC, the INHRC, the GRC and the Public Procurement and Concession Commission (PPCC). A series of management and organisational issues have appeared in most of these institutions, which will need continuation of donor support to overcome them (*Annex 3*).

On 22 September 2004 Liberia signed the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women. (*Annex 4*). In 2006 the legislature passed the so called Rape Law expanding the definition of, and punishment for, rape. Women were actively involved in the 2005 election process, campaigning and running for office. About 20% of the ministers in the new Government are women, five out of 30 Senators (16%) and eight out of 64 Members of the House of Representatives (12.5%) are women. The President laid down a target of 20% women in the AFL and LNP. Despite this remarkable progress, the challenge of changing gender discriminatory practices and attitudes throughout society remains.

Children, especially returnees, remain vulnerable to exploitation by more powerful members of the community, as sources of labour and revenue, as well as for sexual exploitation. Children form a significant proportion of disarmed and demobilised combatants, 11% of 103 000 were children and one of the most successful Disarmament, Demobilisation, Rehabilitation and Reintegration (DDRR) projects has been the payment of secondary and tertiary education fees, while computer training has been popular but open to abuse as some beneficiaries not having the standards required have sold on the chance to relatives and friends. What is of more concern is the generation between 10 and 25 years who have missed out on education totally or partially, or have had their educative years disrupted. It is particularly important that attention be paid to long-term rehabilitation, and the realisation of rights under the Convention on the Rights of the Children (*Annex 5*).

The respect for human rights and the rule of law, and a change from the culture of mismanagement, corruption and impunity, are all keys to the future success of the NGoL. Most of the 250 000 casualties of the conflict were civilian non-combatants. There is a great need for civic education, and for the reinforcement of the judiciary and for the rule of law. Liberia has ratified several international protocols on human rights, with the exception of the one relating to the abolition of the death penalty. The backbone of the rule of law is a functioning justice system, however, at present this sector completely lacks capacity and resources. The poor condition of detention centres and correction facilities, and the poor security arrangements of these installations affect the activities of law enforcement agencies. 95% of those imprisoned are in a pre-trial state, which means that only 5% of the inmates have actually been convicted of a crime.

## ***II. 2 Economic and commercial situation***

### ***II. 2.1 Economic Situation, Structure and Performance***

Liberia's physical infrastructure was largely destroyed, government institutions lack the basic capacity for economic management, and the once considerable human capital has been significantly eroded. Poverty in Liberia is very pervasive, particularly in rural areas; real Gross Domestic Product (GDP) per capita (in 2005 prices) is estimated to have declined by almost 90%, from US\$1 269 in 1980 to US\$163 in 2005. Unemployment remains at over 80%, and a similar percentage of the population subsists on less than US\$1 a day, a figure considered to be the poverty line, with no access to basic health, education, and other social services. Liberia is estimated to rank at the bottom of the composite United Nations Human Development Index (UNHDI) that currently does not even list Liberia. The recovery of the economy is largely driven by donor activities – aid per capita is \$28. Real GDP is estimated to have grown by 5.3% in 2005 (*Annex 6*).

Liberia maintains an exchange rate system that is free of restrictions on payments for current and capital transfer. The exchange rate vis-à-vis the U.S. dollar has returned to pre-conflict levels and is stable. The international financial reserves are at very low levels, reflecting the weakness of the Central Bank of Liberia (CBL). The bank system remains weak. Strengthening the CBL is a priority. Fragile commercial banks should be restructured. The inflation rate is estimated to be 6.9% (2005).

The agricultural sector accounted for about 52% of GDP in 2005; manufacturing industry 12%; and services for around 24%. Rubber predominates in the agricultural sector, with some 2% of total employment and 16% of the GDP, followed by rice and cassava. Though there are some encouraging signs, agriculture has yet to recover. The labour force in agriculture dropped from close to 80% prior to the war to an estimated 66% in 2003. Returnees are having difficulties restarting their farms; productivity is low and cooperatives are no longer functioning.

In 2003 the United Nations Security Council (UNSC) imposed sanctions on Liberian diamond and timber exports. While diamond mining played a minor economic role prior to the sanctions, the timber sector constituted 18% of real GDP, 5% of formal sector employment, and 60% of exports in 2002. In June 2006 the UNSC temporarily lifted the sanctions on the timber sector for 90 days, to encourage the NGoL to pass the new Forestry Reform Law. The United Nations Security Council voted on 27 April 2007 to end the embargo on Liberian diamonds following progress made by the Liberian Government in establishing a system to combat the trade in conflict diamonds.

The conflict significantly reduced manufacturing and services. Local manufacturing is mainly foreign-owned, small in scope (light manufacturing, construction materials and beverages), and suffers from unreliable domestic utilities, very low investment and a lack of skilled/technical labour. Services cover mainly trade, transport, communication, construction and finance. Monrovia's electricity infrastructure and the hydroelectric plant with a total output of 174 megawatts (MW) was looted and is in disrepair. Donors have initially focused on emergency rehabilitation assistance in the utility sector. With the NGoL in place, an Emergency Electricity Programme (EPP) One, was put in place by the donors; it provided limited coverage in the capital but fulfilled the political goal of assisting the President deliver on her electoral promise of bringing some lights to the city within six months. A follow-up programme called EPP Two was signed in December 2006

but it remains focused in Monrovia and will not provide a sustainable solution at an affordable price.

There is an increasing shift towards assisting the NGoL to develop medium-to-long-term sector policies and undertake legal, regulatory and institutional reforms. Presently less than 10% of the Monrovia population has access to electricity, produced at high cost by privately owned diesel generators. Outside Monrovia, municipal town generators are not much used. Most of the country uses natural resources (wood, charcoal) for energy. Even in peaceful times, the state-owned Liberia Electricity Corporation (LEC) suffered from poor management, overstaffing, lack of funding and high revenue leakage.

Prior to the war, Monrovia and several urban cities outside the capital were served by a piped water supply system via communal and individual water points. Monrovia had a sewerage network. Much of this was lost during fighting. In 1999, only 2% of Monrovia households had access to piped water in their own dwelling, and another 9% of the households had access to piped water from a public tap or a neighbouring house. Only 31% of households had access to safe drinking water, with the rest drinking from dug wells, springs, ponds or rivers. The renewed fighting in 2003 reduced these statistics through looting, vandalism and neglect. Monrovia's water treatment plant is semi-operational, with the pipe network in poor condition. Piped water is available only in small pockets. Monrovia's wastewater treatment plant and pump stations are non-operational. The water utility, Liberia Water and Sewage Company (LWSC), never operated at cost recovery, and has financial and managerial capacity difficulties. Illegal connections are numerous and add to the already significant amount of water lost due to system leakage and chronic under-maintenance. Recently there have been some improvements led by LWSC, but the task of supplying these services is a demanding one.

The state telecoms provider, Liberia Telecommunications Corporation (LTC), is not operational and its future is still not decided. Liberia has no fixed line service. The mobile phone sector is owned by private, mostly non-Liberian, entities and is growing as the main and only form of communication, but there is no nationwide coverage yet for the 390 000 users connected in 2006. International roaming is still difficult and expensive. Competition between the four companies has led recently to substantial price reductions. Although a sector policy has been adopted and a regulator set up, the regulatory framework is underdeveloped.

The transport sector is greatly reduced from pre-war days and in very poor condition. Roads are the main transport sub-sector within Liberia. The country's rural and urban road networks providing vital farm-to-market access have not been maintained or repaired for decades and are thus in poor condition. Liberia has one of the highest rainfall rates in the world and during the season large areas are totally sealed off from the rest of the country. The NGoL has no capacity to develop, maintain and manage the road networks, as well as the associated data and documentation, facilities, equipment and plants. By 2006 only 730 km of paved roads and 1 600 km of unpaved roads were in operation out of an approximately previous total of 10 000 km. The limited rail network, whose prime aim was to link mines to the ports, no longer exists, with vital parts of the tracks having been looted. The railway network has been non-operational for nearly 20 years. Contracts with returning mineral companies will be the only way to re-vitalise this sector from mine to port. There are five ports in Liberia: Monrovia, Buchanan, Greenville, Harper and Robertsport. Before the war Monrovia and Buchanan handled all the bulk iron ore exports,

while Buchanan and Greenville were responsible for most of the timber exports. Civil war and international sanctions severely disrupted port operations, while extensive looting rendered most of the facilities useless. Today, nearly 100% of the dry-bulk, containers trade and fuel imports are now handled through Monrovia, thus making it Liberia's economic life-line. The international airport, Roberts International Airport (RIA), functions but much of its safety and operational methods are below minimum international standards. Only two intercontinental carriers make stops at RIA. There are regional companies operating international routes, but most of them are unreliable. Security at RIA continues to be the full responsibility of UNMIL.

Re-establishment of confidence in Liberia's key economic institutions and improving the business climate is crucial to securing sustained external support and attracting private investment. Most of the foreign business community fled the country at the outbreak of the war. The private sector is now largely informal, which impedes competition; investors face administrative barriers, fees and taxes. While the legal framework is broadly suited to the private sector, there is a culture of case-by-case decisions made for application of laws, and an expectation of obtaining individual deals and exemptions. Judicial decisions regarding business disputes, especially those related to land, are slow and often not enforceable. For small businesses, a special tax regime is in place that is a good theoretical alternative, but in practice it does not function well in terms of coverage as many companies cannot afford to pay, so they continue to operate outside the official economy (*Annex 7*).

## *II. 2.2 Structure and Management of Public Finances*

After several years of fiscal mismanagement and systemic corruption (Taylor years followed by the NTGL), the IC responded by assisting the NGoL to put in place a Governance and Economic Management Assistance Programme (GEMAP). The key features of GEMAP are: (i) improving financial management and accountability in all key budgetary institutions and the CBL, by deploying international experts with binding co-signature authority alongside Liberian counterparts; (ii) strengthening the judicial system, and combating corruption; (iii) providing technical assistance to rebuild local capacity in economic management; and (iv) joint oversight over implementation of the programme by the Economic and Governance Steering Committee (EGSC) chaired by the President, and comprising key ministers and local donor representatives. GEMAP became fully operational by mid-2006, following the full deployment of the international experts at key institutions, and could remain in place until Liberia reaches the completion point under the enhanced Highly Indebted Poor Countries (HIPC) initiative. Fiscal management also played a central role in the Article 96/97 EU Consultation Process as part of Good Governance and continues under Article 8 negotiations. One particular area hindering cooperation was Liberia's classification as an un-cooperative 'tax heaven'. But the Organisation for Economic and Cooperation Development (OECD) recently removed Liberia from its list.

In the light of external and domestic financing constraints, the authorities agreed that the budget should remain balanced for some time. The second full cash-based budget under the NGoL for the FY2007/08 of US\$199 million was approved in July 2007. It allowed for an increase in civil servant salaries to an average of about US\$26 per month, debt and arrears servicing and a focus on essential services such as health and education. To improve the process, the GOL intends to enhance transparency and accountability through various measures.

Estimates of civil servants on the payroll range from 38 000 to 40 000. This figure has been reached after attempts, over the past couple of years, to eliminate ghost workers. Studies have taken place under the auspices of the GRC, looking essentially at reforming both the civil and public service. GEMAP also focuses improving governance in Liberia and efforts are being made by Liberia's partners to support the work of the GRC and that of the Civil Service Agency (CSA) and the Liberian Institute of Public Administration (LIPA). Moreover, civil service performance is slowly improving, benefiting from the return of some trained nationals and the acquisition of equipment from donors.

Liberia's external public debt situation is clearly unsustainable. According to preliminary data for end-2006, the stock of external public debt, most of which has been in arrears, and of which the NGoL services only 0.6%, amounted to US\$3.7 billion in nominal terms equivalent to 790% of GDP and 3 040% of exports on a Net Present Value (NPV) basis. These numbers are well above the relevant HIPC debt sustainability threshold of NPV of debt of 150% of exports. From the total external debt, about 44% is multilateral, 26% bilateral and 30% commercial. Concerning the first category, Liberia is in arrears to the World Bank (WB) (\$530 million), the International Monetary Fund (IMF) (\$740 million), the African Development bank (AfDB) (\$255 million) and the EIB (\$9 million). The authorities indicated that they would not contract or guarantee any new public sector external debt before the debt overhang has been resolved. This is a positive development, but it prevents Liberia from borrowing for key infrastructure and social projects.

Reactivating multilateral finance or being eligible for HIPC debt relief requires the implementation of an arrears clearance plan. IMF policy provides for some flexibility on the level of payments for post-conflict countries. The establishment of a track record of implementing reforms and prudent policies would be a key progress indicator towards resolution of the debt overhang. An agreement was reached during 2006 with the IMF leading to a Staff Monitoring Programme (SMP) through to December 2006. The quality of data hampers effective surveillance and efforts are under way to rebuild a core statistical database. A second SMP was agreed at the IMF board meeting in February 2007 and numerous bilateral donors cancelled debts at the recently held Washington DC Partners Forum (PF) if and when HIPC is approved, and pledged to seek a solution to the multilateral debt.

### *II. 2.3 Assessment of the Reform Process*

For monetary policy, the key actions in the period ahead include strengthening the CBL and the banking system, and introducing additional monetary policy instruments to enable a more active policy over the medium term for maintaining low inflation. Regarding fiscal policy, Government has been able to increase its limited revenues but the country still needs additional funding to be able to address poverty-reducing objectives in different sectors. Additional revenues should initially derive from the country's principal tax sources, through more aggressive, prioritised and proactive expenditure controls, and increased transparency and accountability. It is clear that for this Liberia will continue to need technical assistance, training and equipment. Efforts to strengthen public revenues are expected to raise the ratio relative to GDP to around 15% in the coming years. Establishing a strong track record of implementing reforms and prudent policies will lead to progress towards resolving the debt overhang. The key element of the NGoL strategy in the short

and medium term would be to achieve significant progress in rebuilding key institutions, as envisaged under GEMAP. The importance of establishing an anti-corruption commission as a step in addressing the issue of financial mismanagement, and as a means to foster a culture of good financial governance, is imperative. An anti-corruption strategy, which should not be perceived as donor-driven but rather as nationally owned, has just been finalised.

One of the main impediments to reform in Liberia is the lack of technical capacity in the civil service. Extremely qualified individuals can be brought in to head up these institutions as national experts under international funding, but they, in turn, very much rely on the mid-to-lower levels of the civil service to deliver. A discussion is ongoing in order to create a “Senior Executive Service” (SES).

Decentralisation is planned by the NGoL. However, it will require significant donor support over a long period of time to achieve. Support for decentralisation, both politically and economically, would contribute to the peace dividend. The UNMIL civil affairs unit is active in this area. A local government capacity assessment study was launched in November 2005 that presented a provisional rationale and recommendations for decentralisation. Nonetheless, a Strategic Policy Framework for Public Service Reform and for Decentralisation in particular still needs to be developed.

#### *II. 2.4 Trade Policy and External Environment*

Liberia’s external competitiveness has been severely eroded by the destruction of infrastructure and loss of human capital. The external trade deficit increased sharply in the immediate post-conflict period to about 33% of GDP. Exports have remained depressed, mainly due to the continued UNSC ban on timber and diamond exports and a gradual decline in rubber production resulting from the neglect of rubber plantations. A high level of imports has been sustained, driven by humanitarian aid, donor assistance and the large presence of UNMIL officials in the country. With gradual declines in rubber exports and further increases in donor-funded imports, the trade deficit is projected to widen further (*Annex 9*).

The GOL has expressed its intention to pursue trade reform and will seek to become a member of the World Trade Organisation (WTO). Regarding imports, the Ministry of Commerce and Industry (MoCI) has limited capacity to monitor world prices but plans to finalise a National Export Strategy. The influx of sub-standard goods onto the market due to lack of standard facilities and quality assurance is another challenge. Import tariffs are set at moderate levels ranging from 2.5 to 25%. Revenues from customs and excise revenues have historically contributed between 12 and 16% to the national budget, but have also been the subject of serious abuse. Concerning exports, many markets are inaccessible as a result of not being a member of the WTO. The harmonisation of a trade regime within the regional Economic Community of West African States (ECOWAS) will be a step towards international harmonisation and fast-track membership of the WTO. Liberia should benefit from the Economic Partnership Agreement (EPA) under discussion with the EC and ECOWAS. Liberia also benefits from the USG African Growth Opportunities Act (AGOA).

## ***II. 3 Social situation, including decent work and employment***

### ***II. 3.1 Humanitarian Situation***

The majority of the 500 000 Internally Displaced persons (IDPs) have returned while half of the 353 000 Liberian refugees still live in Guinea, Sierra Leone, Côte d'Ivoire or Ghana. On the other hand, 3 500 Sierra Leone and 7 500 Côte d'Ivoire refugees shelter in Liberia. Unaccompanied children continue to be identified in Liberia and neighbouring countries. UNMIL security permitted almost complete access to the country by the end of 2005 but this access is hindered during the rainy season due to poor roads affecting the humanitarian efforts. The transition from emergency assistance could leave a humanitarian needs gap if development projects do not take over some of the costs that the GOL will be unable to meet in the medium term, especially in health and education.

### ***II. 3.2 Poverty and Social Situation***

Liberia emerged from the civil war in 2003 as one of the poorest countries in the world, with a GDP per capita of US\$135 and a level of unemployment estimated at 86%. Due the intervention of donors and humanitarian organisations, access to basic services improved but continues to be limited and will continue to determine the pace of repatriation and reintegration activities in rural areas (*Annex 6*).

The Liberian education system is one of the weakest in Sub-Saharan Africa. More than 50% of children are out of school, and the differential between boys' and girls' primary enrolment rate has increased considerably because of gender-based violence (GBV) and sexual exploitation. The drop-out rate is high. The overall management capacity of the Ministry of Education (MoE) is weak. The current curriculum and its related teaching and learning materials have not been revised since the 1980s, except for adapting primary school textbooks used for the Accelerated Learning Programme in 1997. There is a lack of an effective performance monitoring system. Thus, schools are not supervised, the information on school performance is not collected, and the impact of education activities on access to education and quality of teaching is not assessed. Once educated the opportunities to be adequately rewarded are almost non-existent.

The Ministry of Health and Social Welfare (MHSW) is responsible for the nation's health sector but its current capacity to fulfil this role is low. Health indicators reflect the worsening of living conditions. Less than 10% of Liberians have access to healthcare, and only 26% of the population has access to safe drinking water. Malaria, acute respiratory infections, sexually transmitted infections (STI) and skin diseases are the most prevalent problems. In 2005, HIV prevalence was 2-5% in 15-49 years (UNAIDS 2006 report). Of concern are regular outbreaks of Lassa fever, yellow fever and cholera. More attention is starting to be paid to GBV as well as to mental health needs. The south-east of the country is the most deprived of health facilities. There are about 389 health facilities currently operating, 77% of them supported and rehabilitated by Non-Governmental Organisations (NGOs) and other agencies. Other clinics have low qualifications and irregularly/inadequately paid staff and suffer from serious shortages of basic equipment and drugs. Secondary healthcare services are few and only the main hospital in Monrovia and Phebe Hospital in central Liberia are functioning referral hospitals. Drugs can be bought through the National Drug Service (NDS), a non-profit service previously supported by the EC, but it is not yet capable of providing drugs in a reliable and sustainable way.

A food security and nutrition survey found in 2006 that only 9% of Liberians were food-secure, 41% moderately vulnerable, 40% vulnerable and 10% completely insecure. With a high dependency on imported foodstuffs, especially rice, a large percentage of the population is vulnerable to even small price increases. Income-generating opportunities are limited as a result of the destruction incurred during the conflict, resulting in a narrow economic base particularly in the rural areas. The recovery of agricultural activity, constituting the largest pre-war export commodity and employer, is hampered, also due to the slow return of IDP and refugees to rural areas. The previous agricultural cooperative structures no longer function and the added value from agricultural production is low.

## ***II. 4 Environmental situation***

Liberia comprises four distinct geographical zones: coastal plain, rolling hills, plateau and table lands and the northern highlands; plus it has the largest rainforest in West Africa which lies in part of the Upper Guinean Forest zone that is one of the world's priority conservation areas due to its rich biodiversity and the world's highest diversity of mammals. However, Liberia's natural environment has suffered due to the war and fighting to refill the war chests of the warring factions. Water and air pollution around urban centres is high. While legislation exists for environmental protection, it is not implemented and environmental impact assessments are carried out by agencies at their own discretion. There is an Environmental Protection Agency (EnPA) (*Annex 10*).

## ***II. 5 The country in the international context***

### ***II. 5.1 Liberia in the Regional Context***

The recent conflict and political situation in Liberia had significant regional dimensions. Ethnic allegiances that transcend national identities became the basis of militia or mercenary forces. The trade in blood diamonds constituted a significant threat to stability in West Africa. The regional conflicts also meant cross-border movement of mercenaries and weapons and resulted in large influxes of refugees between countries. Increased monitoring of Liberia's borders remains essential, given the volatile situation in the sub-region. There is increasing cooperation between UNMIL, the United Nations Integrated Office in Sierra Leone (UNIOSIL) and the United Nations Operation in Côte d'Ivoire (UNOCI) to develop joint plans and arrangements for more effective border control and information sharing. Recognising the importance of the regional dimension, the NGoL is making consistent efforts to improve relations with neighbouring countries and actively supports ECOWAS. The International Contact Group on Liberia (ICGL) established in September 2002 aims to consolidate efforts to promote peace and reconciliation in the Mano River Union (MRU) in general and in Liberia in particular. The ICGL continues to play a role in maintaining political dialogue that promotes peace and stability.

### ***II. 5.2 Liberia in the International Context***

Liberia has suffered from massive and uncontrollable population flows due to irregular migration and refugees, human trafficking and the brain drain. The majority of the diasporas live in the USA. Many are educated but few have the incentive to return, having left some time ago and settled down. Some have returned to join the NGoL, but the question is for how long, with their families and children being in the USA. Concerning the regional and trans-regional migrations, there are three main movements, constituted by the Mandingo (usually Moslems) from their original settling areas in Guinea, the Lebanese and more recently the Chinese due to their temporary deployment in the cooperation

programme with Africa. In addition, there are considerable numbers of expatriates (UNMIL in excess of 15 000), a feature of temporary migration that impacts not only on the economy but also on its social fabric (*Annex 11*).

### *II. 5.3 Poverty Reduction Analysis*

Poverty in Liberia over the last quarter of a century has spread and deepened, with thousands losing their livelihoods and becoming displaced. It is estimated that 76% of the population live below US\$1 a day (an increase from 55% in 1997) and 52% live in extreme poverty of under US\$0.50 a day. Poverty exists in all the rural and urban towns, with only a slight improvement in Monrovia. Liberia has a very young population (50% under 18) and much of the youth has migrated to the towns and cities, specifically Monrovia, leaving an elderly population in the rural areas. Therefore, poverty is most acute in these areas (86% of the rural population live in poverty and 64% live in extreme poverty). The only (limited) reliable and recent statistical data available are in the Human Development Report of 2006, but it reveals how far Liberia lags behind the MDG and suggests that, in the best-case scenario, only half of the goals could potentially be achieved by 2015, and none in the health sector or water/sanitation sector. The lack of statistics was identified in the iPRS as a fundamental cross-cutting issue. Government agencies not only lack the capacity to maintain, collect and analyse data but looting during the war caused the loss of much previous data. In 2004, the Liberian Institute for Statistics and Geo-Information Services (LISGIS) was established. In addition, the National Information Management Centre (NIMAC) assisted under the United Nations Development Programme (UNDP) will help implement a WB-sponsored roadmap and respond to the immediate information needs.

## ***II. 6 The Recipient Country's Development Strategy***

### *II. 6.1 Overall Development Strategy*

During the PF held in Washington DC in February 2007 the iPRS for Liberia was officially presented. It covers an 18-month period until mid-2008. It follows on from the "150 day" deliverable action programme the President adopted at her inauguration and the dry season deliverable programme adopted on the 159th Anniversary of Liberian Independence in July 2006. The EC assumed an important role and strongly supported the NGoL, within the "150 day" programme, aiming to underscore the President's credibility with an urgent electricity project in Monrovia ended in July 2006.

The iPRS is built upon the two-year Results Focused Transitional Framework (RFTF) which was based on a United Nations (UN)/NTGL Joint Needs Assessment (JNA) carried out in 2003. The pillars aim to (i) enhance national security, (ii) revitalise economic growth, (iii) create appropriate structures of governance, underpinned by the rule of law, and (iv) rehabilitate infrastructure and deliver basic services. In addition, there are also cross-cutting issues: capacity building, conflict-sensitive development and human rights, youth, environment, HIV/AIDS and the lack of statistics. The iPRS is the first step towards a more holistic approach to implementing strategies that will promote economic and social development, with an emphasis on ensuring equal opportunities for all, protecting civil rights and achieving the MDGs, while enhancing national security and peace. This short implementation period underlines the necessity to remain flexible during the immediate post-conflict period. It should be replaced by a full PRS by mid-2008 (for four years) which aims to bring Liberia to the HIPC decision point and eventually completion point.

The end of the iPRS and the start of a full PRS could coincide with the possible starting date of an EC Development Programme financed under the 10th EDF.

## *II. 6.2 Sector Strategies*

In parallel to the iPRS process and in preparation for the last Partners' Forum several sector policies and strategies have been initiated, however very few are complete and most are in various stages of preparation.

The NGoL has indicated that rural development is central not only to food and nutrition security but also to economic revitalisation and employment generation, which together will lead to overall security. An Agricultural Policy Intent Statement (APIS) was drawn up, whose main goal is to transform the sector to ensure pro-poor growth: ensure food security, reduce the pressure on prices and inflation, attract the unemployed into efficient agricultural activities, and provide inputs for an agro-processing sector. A Liberian Agriculture Initiative similar to the Liberian Forestry Initiative (LFI) is to be launched. Since 2004, the LFI group of national and international stakeholders, including the EC, has been working on reform of the forestry sector in Liberia based around the three Cs approach: community, conservation and commercial. Following a public announcement nullifying all existing forestry concessions in January 2006, the NGoL plans to reallocate future concessions using the PPCC Act 2005 guidelines by late 2007 and in a transparent manner.

In order to have the diamond sanctions lifted (April 2007) and to join the Kimberley Process (May 2007) the NGoL authorities had to establish an effective Certificate of Origin regime for trade in Liberian rough diamonds that was transparent and internationally verifiable.

President Johnson-Sirleaf promised electricity to Monrovia within 150 days of her inauguration as a political stabilisation policy. To underscore the credibility of the NGoL, the donor community proposed a first EPP to restore partial electricity, including street lighting, in selected parts (25%) of the city. An extension of this service is ongoing under EPP II. However, this limited programme will not solve Monrovia's energy shortage, much less the country's. A comprehensive energy strategy is under preparation, including medium-term solutions to bridge the gap between immediate but small-scale EPP activities and the long-term perspectives of more economic production of energy and use of renewable resources.

Immediately post-war, the LWSC assumed the de facto role of policy-maker, regulator and operator for water in Monrovia. It has developed a 150-day master plan focusing on emergency repairs. LWSC presented a draft long-term strategy for 2007–2010 to feed into the iPRS process. This document will serve as the basis for a sector policy that, however, has to be a result of a much more broad-based process rather than just involving the utility drafting it. There is a need to develop a comprehensive water and sanitation sector policy led by the line ministries, the Ministry of Lands, Energy and Mines (MLME) and Ministry of Public Works (MoPW), to address issues such as sector reform, sustainable water delivery and a tariff policy that allows for cost recovery while still serving the needs of the most marginalised.

In early 2006, the NGoL developed a policy on telecommunications and information technology to liberalise and privatise the sector, so as to promote rehabilitation of the infrastructure and provide greater access to such services across Liberia. The NGoL is working towards accepting the WTO Reference Paper on Regulatory Principles in Telecommunications. Domestic and private investment in telecommunications operators is to be encouraged; telecom businesses should be profitable, but prices must also be reasonable and affordable. An independent regulator, the Liberian Telecommunications Agency (LTA), was set up in 2005 and started developing regulation, negotiating licence and frequency fees. A draft telecom act was published in June 2007 and is under discussion in the Legislature.

The NGoL has identified efficient road connections between Monrovia and the rest of the country as central, not only to support the security and long-term peace process, but also to accelerate the process of social and economic rehabilitation, provide employment and field-to-market access for rural communities and foster economic growth. This requires carrying out emergency work on the vital major routes in the short term, as well as developing and strengthening the capacity of MoPW to effectively manage and maintain the road network. A Road Task Force (RTF) is chaired by the MoPW and assisted by the UNMIL which coordinates road rehabilitation. The process is largely UN-driven as there is not yet an overall transport policy in the country that would deal with roads, ports, airports and waterways.

Building on previous documents such as the Education Master Plan (2000), Education for All (EFA) Action Plan (2004) and National Policy on Higher Education, the NGoL has started to make progress towards developing a more comprehensive education policy. Under support from donors within the partnership framework of the EFA Fast Track Initiative (FTI), a first Liberian Primary Education Recovery Plan (LPERP) was developed in 2007, which will form the basis for work over the coming year to develop a more comprehensive sector plan. While such a sector plan will be necessary to gain full support under FTI, the LPERP forms a sound basis for Government efforts and donor support in the interim. A more comprehensive plan will further outline strategy for other sub-sectors, while accounting better for both sector financing needs and institutional development both at central and peripheral levels.

The process now underway towards this will also raise a number of key policy issues that will need to be addressed.

The NGoL is trying to re-establish a functioning health system, and in January 2007 issued a draft National Health and Social Welfare Plan 2007 to 2011(NHSWP) that identified insufficient resources, limited planning, management and logistics capabilities, plus highly centralised management structures and shortages of qualified staff as the major sector constraints. Early drafts of an implementation plan are currently being updated.

## ***II. 7 Analysis of the viability of current policies and the medium-term challenges***

### ***II.7.1 Analysis of Overall Development Strategy***

In contrast to a strong and committed leadership, the overall administration is weak and civil servants poorly remunerated and motivated, putting limits on absorptive capacity. In the absence of a strong Government, ownership is lost as documents are donor-influenced

and in some cases donor-driven. As a result inter-ministry/donor coordination mechanisms are sometimes ineffective and incoherent.

UNMIL has an extensive mandate, which extends its authority over an important part of the national infrastructure, including airports and ports. National and civil security, the re-establishment of the rule of law, protection of human rights and the disarmament of combatants are some of UNMIL's major roles. Through its civil affairs arm it has in many regions de facto assumed the role of local administrations. As UNMIL plans to draw down, the NGoL is facing the challenge to take over.

Although Liberia is experiencing a period of relative calm, it is a fragile state. Sources of instability include former members of the Liberian armed forces and members of the security agencies who are dissatisfied with severance and payment benefits, the vast number of unemployed ex-combatants, ex-combatants who are occupying and continue to illegally exploit the country's resources, political groups marginalised by the recent changes in the Liberian political landscape, and those who stand to lose influence as a result of the inauguration of President Johnson-Sirleaf. Ethnic tension also remains an issue in parts of Liberia, often based on land issues. The sub-regional situation, such as instability in the Ivory Coast and Guinea, requires attention, since potential inflows of refugees from neighbouring countries could cause further ethnic tensions. The Government's inability to exercise state authority in remote areas of the country remains an area of concern. Hence, sustainable peace and stability are not yet guaranteed.

## *II. 7.2 Analysis of Sector Strategies*

As indicated in section II 3.2 above, the formulation of sector policies and strategies is at an early but crucial stage. They will evolve over the next 18 months and as preparation for the full PRS.

## **CHAPTER III: Overview of past & present EC cooperation, complementarity and consistency**

### ***III. 1 Support for Liberia – lessons learned***

EC support for Liberia since 1990 amounts to more than €240 million (€184.9m already committed under the 6th to 9th EDFs, and more than €55m from the Budget). This period coincided with the period of the civil war which had two distinct phases, 1989 to 1996 and 1999 to 2003. During the war the EC kept its office in Monrovia open. Other donors reduced their presence in Liberia. However, the EC transferred (1994) NAO powers back to the Chief Authorising Officer (CAO) because of violations of international human rights, corruption, failure to respect the rule of law and non-adherence to democratic principles and institutions. The lessons learned from the early part of this period are not necessarily applicable to a six-year development cooperation programme between 2008 and 2012, but the lessons learned from the later phases (8th EDF and Article 255) have greatly influenced the continuation of activities and the 9th EDF programme. Evaluations of the 8th EDF programme (*Annex 12*) and an evaluation of the DDRR programme (*Annex 13*) have been used in continued support of the electricity and water utilities, the health sector and the 9th EDF County Development Project (CDP). The wider lesson is that without political stability and economic growth no project will have any lasting benefits. It is useful to recall that from the early nineties until now the EC has financed the rehabilitation of rural and urban infrastructure but the programmes were interrupted by the war, even in Monrovia itself.

A separate evaluation (*Annex 14*) of the Institutional Strengthening Component (ISC) of the Post-Conflict Rehabilitation and Capacity-Building Programme have been used in preparing the 9th EDF Institutional Strengthening and Capacity-Building Project (ISCBP). The long-term and short-term approach was applauded. The evaluation recognised that a more equitable distribution of resources, with oversight by a more efficient, slimmed-down and transparent public service, was essential to avoid a relapse into war.

### *III. 1.1 9th EDF Focal Sectors and Macroeconomic Support*

On 25 August 2003 a Council Decision made available from 9th EDF sources €50 million for the 2003–2009 period to support the Peace Process. It financed two programmes: 9.ACP.LBR 02: Support for the Peace Process in Liberia (€5 million) and 9.ACP.LBR.03: Post-Conflict Rehabilitation and Capacity-Building Programme (€45 million), both supporting areas prioritised in the ACPA. A detailed description and progress report of this programme is in *Annex 15*.

After the inauguration of the NGoL in January 2006, the 9th EDF CSP was signed, earmarking €68.4 million (€44.4 million A- and €24 million B-envelope). Funding was to be committed within 18 months. Consequently, Liberia did not participate in a mid-term review of the IP 9th EDF. The End-of-Term Review completed in late 2006 increased resources by €5 million for potential budgetary support and recommended keeping the strategic priorities and the amounts allocated. A budgetary support study suggested it was premature to even consider targeted budgetary support. Consequently, those €5 million plus uncommitted funds (€2.2 million) and de-commitments (€4.7 million) are now to be used for the Technical Cooperation Facility (TCF) of €1.5 million, to increase the support for the ongoing project within the electricity sector under the 9th EDF (€5.9 million) and to clear debt arrears (€3.5 million) owed to the EIB from EDF resources.

#### **Focal Sector 1: County Development Programme (€25 million)**

This project was recently approved. The CDP will build on lessons learned from post-conflict interventions by balancing immediate needs with a gradual shift to longer-term sustainable development. This four-year programme is organized around three components: 1) Community-Driven Development to develop basic services and job/income generation, through a contribution to the Local Community Empowerment Project II financed by the World Bank; 2) Larger scale infrastructure to ensure access to safe water in Monrovia and rehabilitate critical sections of rural roads, through a contribution to the Agriculture and Infrastructure Development project financed by the World Bank; 3) Institutional support and local governance to foster deconcentration, local development consistency with sector policies, and eventually decentralisation by contributing to the County Support Teams and Liberia programme for Decentralisation and Local Development of the UNDP. In addition, a Technical assistant will be contracted in order to strengthen the consistency between the three components and general coordination of the programme as well as to provide technical expertise and visibility.

#### **Focal Sector 2: Education (€12 million)**

Although the project was approved in mid-2006 by the EDF Committee, the project is not yet under implementation. . The overall objective of this project is to contribute to eradicating extreme poverty through empowering children and youth to actively participate

in Liberian society. The specific objective of the ECSEL is to ensure that learners in Liberia benefit from improved relevance, quality and provision of education. The expected implementation period of this project is 36 months, starting from the mobilisation of the long-term technical assistance .

### *III. 1.2 Projects and Programmes outside Focal Sectors*

The entire resources of the non-focal sector were set aside for the ISCBP (€7.4 million). This is a follow-up project to the ISC. A further financing proposal based upon the recommendations from evaluation of the ongoing ISC was submitted for funding and approved. The programme will focus on improving institutional capacities and governance, increasing available revenues and fighting corruption through targeted and sustainable institutional support and capacity building in the framework of reconstruction and development. It will also strengthen the Ministry of Planning and Economic Affairs in its role as the future National Authorising Officer in improved development planning and co-ordination, and in particular in programming and implementation of EC funded interventions. Finally, the programme will render support to effective social sector service delivery, in particular related to the health sector.

### *III. 1.3 Utilisation of Envelope B*

€24 million from the B-envelope of the 9th EDF was used, first to finance a 3rd contribution to the UNDP DRR Trust Fund (€9.1 million). Second, funds were allocated for the Electricity Grid Rehabilitation in Monrovia (€6.5 million) project, and thirdly €8.4 million to the European Commission Humanitarian Office (ECHO) to respond to the increasing needs of reinstalling internally displaced people and Liberian refugees moving back to their areas of origin, and to address the specific needs of children affected by the armed forces. Specifically, the allocations were: €4.3 million in 2004, €1.7 million in 2005 and €1.4 million in 2006.

### *III. 1.4 Other Instruments*

**Budget Lines:** Liberia has benefited from the Democracy and Human Rights, the Environment, the Health Sector, the Food Security and Food Aid budget lines. Between 2003 to 2005 the latter amounted to €19 million via the World Food Programme (WFP) pipeline in the form of foodstuffs, support for air logistics, as well as through NGOs. Regarding all-ACP budget lines, Liberia participates in the Global Fund for AIDS, Tuberculosis and Malaria, and the ACP Fisheries Sanitation health project (*Annex 16*).

**Humanitarian Assistance:** From 2003 until 2006, €63 million were spent on humanitarian assistance in Liberia, out of which €38.6 million was financed by the ECHO budget line and €8.4 million by the 9th EDF B-envelope. For 2007, a further €12 million global plan has been allocated to Liberia, with €4.6 million for food aid an ECHO responsibility from 2007. Health nutrition (34%), water/sanitation (25%) and repatriation (18%) are the main areas of ECHO-funded activity. This will continue in 2007. ECHO also supports regional programmes amounting to €1.65 million in 2003–2006 for Liberia (*Annex 17*).

In 2005 the **Rapid Reaction Mechanism (RRM)** was used to fund the project “Media Support for the Peace Process in Liberia and the Mano River Region – Star Radio”. The RRM provided start-up costs for a radio station and training for journalists. **In 2006 a further request** (€1.4) was approved to complete the first cycle of training of 3 500 new recruits to the LNP.

**Intra-ACP Facilities:** Liberia is yet to benefit from Inter-ACP Water, Energy or Peace Facilities, mainly due to the lack of interest of international NGOs in the country, the low capacity of local institutions, NGOs and CSOs to submit proposals, and their difficulties in finding co-financing.

**Education-for-All Fast Track Initiative:** regarding the Liberian education system, the capacity of the MoE to develop and implement cost-effective and financially sustainable education policies will mainly affect its ability to achieve Education for All. There are ongoing discussions, which have advanced greatly, on how Liberia could benefit from this initiative.

**Forestry Law Enforcement, Governance and Trade (FLEGT) Initiative:** the recent legal reforms in forestry in Liberia provide an excellent platform from which to develop a Voluntary Partnership Agreement (VPA), as they enshrine the principles of transparency, accountability and community rights as well as establishing technical requirements for a chain of custody. The cancellation of all existing timber concessions on 2 February 2006 provides a clean slate on which to build a reformed forest sector. A VPA would provide a unique opportunity to back up reforms with trade controls and ensure that timber exports are properly regulated before bad practices have a chance to return.

The **EIB** financed a number of projects between 1978 and 1984 in various sectors (energy, financial, mining, agro-industry) for a total amount of about €10 million. Since then, the civil war, combined with the accumulation of arrears by various Governments, has not allowed EIB to consider new interventions. The issue of arrears will have to be addressed with the new GOL, as well as the EC and its Member States, for EIB to resume operations in Liberia. So far, the general investment climate has not been attracting much foreign investment, nor has it created an appropriate environment to support local private investment in Liberia. No loan requests for financially sustainable projects have been submitted to the EIB by private investors so far.

### ***III. 2 Information on the programmes of the Member States and other donors***

EU Member States' (EUMS) presence is limited. Germany is fully represented, and France has just upgraded to full representation in 2007. Sweden and the United Kingdom (UK) have one-person postings with limited support staff. EUMS funding is mainly disbursed through the UN agencies and Trust Funds, the DDRR and Liberian Emergency Governance Fund (LEGF), and for humanitarian assistance through NGOs. **Germany** funds roads, bridges, water, agriculture and an employment-generation programme (€10.75 million in 2006–2007). The **UK** has supported Liberia since the signing of the ACPA, providing humanitarian aid of £14 million. In FY2006/7 the Department for International Development (DFID) plans to provide an additional £3.5 million in humanitarian assistance, but such aid will be gradually phased out. In addition, DFID's contribution to DDRR and security sector reform amounted to £3 million. In July 2006, DFID increased its current levels of annual funding from £7.5 million to £10 million, the increase being split between the health and water sanitation sectors to improve financial management. **Sweden** is an active donor of humanitarian aid, with a €16 million contribution a year through the Swedish International Development Agency (SIDA). There are also plans under discussion to provide assistance to the justice sector, especially in improving women's access to justice, as well as security sector reform. **France** is supporting language education, the TRC, equipment and capacity building to better control border crossing to

Ivory Coast, and is considering activities in the health and/or governance sector as targeted budgetary support (€1 million).

**The United States Government** is currently the largest donor in the country and has committed US\$190 million for FY2006/07, of which about \$35 million for humanitarian assistance, \$40 million for security sector reform through the Department of Defense, and \$115 million for development assistance through the United States Agency for International Development (USAID). A similar allocation is expected for FY2007/8. While in most sectors the EC and the USG provide complementary assistance (education, community development, governance), in others it was considered that one should take the lead if it had a comparative advantage, for example the EC in urban water together with the WB, and the USG in security sector restructuring and judicial reform.

Liberia currently has a non-accrual status with the **WB**, so it is not eligible for regular International Development Assistance (IDA) credits. Instead, Liberia is supported via pre-arrears clearance grants. The ongoing WB grant portfolio of about US\$60 million includes assistance in economic management and institutional capacity building, community empowerment and infrastructure, namely roads, ports, airports, water, electricity and telecom. The WB is in the process of drafting an Interim Country Strategy (2007-mid 2008) to tie in with the iPRS. Its contribution to Liberia will remain US\$35 million per fiscal year in the upcoming years. The sector focus will largely remain, with most funding going towards labour-intensive infrastructure and visible-impact projects and a smaller portion towards good governance reform. A new area being considered is public sector reform: restructuring the civil service and state-owned enterprises. Cross-cutting issues to be supported will cover capacity building, decentralisation, gender, statistics and pilot projects on rule of law and justice. The **IMF** opened an office in the country in 2006 and is working towards a second SMP, provided the GOL can meet the required conditionality. The **AfDB** is in the process of programming jointly its 10th fund for US\$12.5 million with the WB. The Institutional Support Programme has been allocated US\$4.5 million for economic management and good governance in the Bureau of the Budget (BoB), Ministry of Finance (MoF), MPEA and the Judiciary Court system. The programming of the remaining US\$8 million is ongoing, but is likely to include employment-intensive infrastructure, including roads, water sector and port works. The return of the AfDB depends on clearance of debt arrears.

The challenge in attracting bilateral donors to the country remains and was an objective at the PF. Few are represented in Monrovia, which constrains implementation. Consequently, a multi-donor trust fund for infrastructure and basic services is being considered so as to bridge this gap. **Norway** is providing humanitarian assistance, support for the police through UNDP trust funds, and has signed the Second Emergency Power Project MoU. **China** is renovating the National Stadium, plans to renovate the university campus with the USA, is to be involved in malaria control and is building three schools. Finally, the EC also closely coordinates with other international development partners such as **ECOWAS**, **the African Union** (AU) and representatives of **Ghana** and **Nigeria**. A current and prospective financial donor matrix is contained in *Annex 18* to the CSP for information.

### ***III. 3 Other EC policies***

Through its regional programmes the EC will support Liberia in its efforts to enhance its **trade and investment environment**, so as to effectively participate in the multilateral trading system and in the global economy and take full advantage of the EPA process Components

such as respect for human rights and strengthening the rule of law are key elements in Liberian-EU relations. EU policies in this regard are contained in development cooperation and are complemented through the European Initiative for Democracy and Human Rights, and through political dialogue. CFSP considers Liberia to be a country of concern where peace is vital for regional stability and growth.

### ***III. 4 Description of the political dialogue with the partner country***

In 2001, in response to concerns about the Government's record in the areas of human rights, democracy and good governance, the EU opened consultations with Liberia in accordance with Articles 96 and 97 of the Cotonou Agreement. As a result of these consultations it was decided that the normal EC-ACP relationship could no longer be applied. The decision to lift the appropriate measures under Article 96 of the Cotonou Agreement was adopted by the Council on 27 June 2006, and political dialogue continues under Article 8 of the ACP-EC Partnership Agreement. Special attention will be afforded to the follow-up of GEMAP, progress made by the TRC and the INHRC, justice and security sector reform and prosecution of those involved in violations of human rights.

As regards the wider political dialogue, the local branch of ICGL includes the EC, France, Germany and the UK but also a much wider cross-section of the international community based in Monrovia. The EGSC overseeing GEMAP includes all EUMS with representations in Liberia (Germany, France, Sweden and UK). However not all EUMS are represented on the LRDC. The last two committees meet monthly under the chairmanship of the President. The LRDC will be overseeing implementation of the iPRS. Close cooperation among the EC and the EUMS in these forums has proved to be essential in moving the political agenda forward on sensitive issues such as security and governance. EU Heads of Mission meet on a monthly basis.

### ***III. 5 Description of the state of partnership with the recipient country and progress towards harmonisation***

Until March 2006, overall donor coordination was ensured through the RFTF, as well as sector-specific coordination mechanisms such as the Humanitarian Action Committee or the GEMAP or EGSC for governance. The NGoL established the LRDC to oversee four sub-committees based upon the four pillars of the LRDC, each functioning as a coordination platform between the NGoL and international partners. The four pillars are security, economic revitalisation, governance and the rule of law, and basic infrastructure. This concept of coordination is to be carried over into the iPRS phase, using the same four pillars. However, the degree of effectiveness of the pillars differs and some attempt has been made recently to standardise the way they function and how they report. The poor performance of this system has meant that in practice donor coordination has happened along sector working groups initially convened by the main donors in the sector, but eventually chaired by the relevant line ministries.

## **CHAPTER IV: Response strategy**

### ***IV. 1 Introduction: LRRD in the context of Post-Conflict Fragile States***

The challenges in Liberia are daunting and require broad-based assistance. Achieving the MDGs within the known timeframe (2015) is an unrealistic challenge. There is a continued need for a conflict-sensitive strategy to avoid returning to war. A post-conflict situation requires urgent action and flexibility without losing sight of the longer-term development

objectives. As a result, in January 2006 the NGoL embarked upon a strategy that focused on immediate needs under a 150-day programme, targeted the next dry season for another push to address these needs, and set about designing an iPRS. Preparing the iPRS was a challenging exercise, involving the participation of numerous stakeholders, including donor partners, civil society and the private sector. The EC, contributed to the process through the technical committee in charge of drafting the iPRS.

**The EU's Strategy for Africa coincides with the priorities outlined by the NGoL in its iPRS**, namely support for (i) strategies considered prerequisites for attaining the MDGs, such as peace, security and good governance; (ii) areas that create the economic environment necessary for achieving the MDGs, such as economic growth, trade and interconnection; and (iii) areas directly targeting the MDGs, such as social cohesion, decent work, gender equality and environment. The development of the EC's CSP for Liberia has, therefore, embraced the iPRS process and utilised its participatory approaches to ensure broad stakeholder consultations. A series of overarching and participatory consultations and workshops was held throughout the country (*Annex 19*).

Prior to setting the response strategy for the Republic of Liberia, the following aspects, requiring a maximum degree of flexibility, need to be taken into consideration:

A full PRS will be finalised by July 2008 and should be operational by 2009; however, for this more information at the macroeconomic, sectoral and structural levels is still needed to provide a full understanding of the challenges confronting the Government and Liberian citizens, as well as to help to put credible, affordable, poverty-reducing responses and programmes in place over the next three to five years. For this reason, there is a risk that the EC development programme prepared two years in advance could be inappropriate at the time of implementation. At the time of formulating this CSP, the Monrovia Office is highly understaffed but discussions are currently ongoing in order to strengthen the Office's capacity and upgrade it to a fully fledged Delegation. There is a growing perception that development results will take longer than anticipated, while humanitarian assistance departs. There is a real danger of suffering a cruel gap between the humanitarian phasing-out and the development policy entering into force. Development actions should then build on humanitarian interventions so as to close the gap created by emergency intervention phase-out and ensure a smooth transition towards longer-term sustainable activities. Even if the different Ministries are making efforts in terms of adequate staffing and resources, the capacity within the Liberian Administration remains extremely limited. Actually, the NAO functions and responsibilities are covered by the Delegation in the Ivory Coast, Monrovia being a regional office. It is foreseen that the Government should gradually assume these functions during the 10<sup>th</sup> EDF, following support given to the Ministry of Planning and Economic Affairs under the Institutional Support and Capacity Building Programme of the 9<sup>th</sup> EDF. Donors are really few and the presence of EU Member States is very limited. However, the interest is increasing at European and international level if disbursement mechanisms that cut transaction costs can be identified. Implementation mechanisms such as co-financing, pool funding and Multi-Trust Donor Funds remain exceptions but are being discussed. Only very limited budget support (general or sectoral) has been provided to-date and is excluded by most of the different donors in the current circumstances.

In conclusion, the situation is evolving very fast and will require a high degree of flexibility and different adaptations/realignments if we want to deliver as we are supposed

to do. Therefore, because of this need of flexibility in a post-conflict environment, the spread of sectors covered under the LRRD strategy proposed below (IV.2) is rather broad. A streamlining will be decided at the appropriate time on the basis of finalized PRS, complementarily, readiness, absorption capacity, national sector policy developments, relative capacities of the stakeholders, etc.

## ***IV. 2 The Response Strategy itself***

In the light of the above, in accordance with the lines agreed in Ouagadougou in 2006 and on the basis of the structured dialogue between the NGoL and the EC, it is proposed to follow a flexible approach of Linking Relief Rehabilitation and Development (LRRD) in the context of Post-Conflict Fragile States. Rehabilitation (basic physical infrastructure and provision of social services) and Governance as a cross-cutting theme in all actions such as institutional support and capacity building will be the key drivers of this needed flexible LRRD strategy. It is understood that this strategy will be reviewed at the mid-term review (MTR) when a four-year full PRS could have been in place for 18 months and HIPC completion point reached. LRRD is a strategy and it is the response as listed below under sector rehabilitation that will be reviewed.

### ***IV. 2.1 Rehabilitation***

The general objective of supporting rehabilitation is to foster national integration and economic recovery through sustainable provision of utility services and by improving communication and transportation. Reducing poverty by improving the education and health status of the population through more effective, efficient and equitable access to education and to healthcare will be also pursued. It is specifically aimed at (i) rapidly improving the quality of life of people living in both urban and rural areas by expanding access to vital social and economical services; (ii) stimulating the economy and private sector development by facilitating the free movement of people and goods, and by access to essential inputs such as water and energy; (iii) fostering regional integration by interconnecting Liberia with the rest of the region; (iv) contributing to the implementation of the Government's National Health and Education Policies and any associated implementation plans; (v) expanding access to basic services of acceptable quality. The EC support will focus on availability of funds at county level for continuous delivery of basic services and rehabilitating essential facilities in under-served areas; (vi) supporting the restructuring, rationalisation and development of human resources and management capacity of the public health and education systems.

The strategy of the EC in this area will reinforce the efficiency and sustainability of basic health and educational services by contributing to building systems able to address long-term challenges. The rehabilitation of basic utilities (water and electricity) will facilitate economic activities and combat poverty. Without adequate transportation infrastructure the ability to reduce poverty will be severely hindered. The reconstruction of such infrastructure has the potential to provide employment and develop national income, with further multiplier effects on economic reconstruction and poverty reduction. The programmes will target in particular vulnerable or marginalised groups (women, children, minorities/excluded groups, the disabled), and facilitate their participation in the identification, planning and implementation of activities.

## Alignment with Government Strategy

The Government's effort to rebuild the country started with the 150-Day Plan and the dry season deliverables. The scale of interventions in this framework continues to fall very short of the President's expectations and the population's needs for the period covered by the iPRS. The Government has decided to prioritise, among others, infrastructure and basic service delivery. Another priority stated in the iPRS is reinvigorating basic health and education services to accelerate human resources development so as to restructure these sectors, which are currently fragmented, under-resourced and unable to address the enormous needs of the Liberian population.

As regards complementarity and EC value added, the EC has to-date supported the post-emergency infrastructure rehabilitation as well as efforts to start the formulation of policies, legal and regulatory frameworks and medium-term economic and sector strategies for the provision of utility services. The EC has so far been the lead donor in the infrastructure sector in Liberia, primarily focusing on Monrovia for water and electricity, and the countryside for feeder roads.

EC support for infrastructure in Liberia will link up with regional programmes in this area (ECOWAS).

As regards health, the EC has been among the most pro-active donors in these sectors and will build on the experience acquired so far (8<sup>th</sup> EDF, ECHO, support to the NHP under the 9<sup>th</sup> EDF, etc.). As regards education, while the current EC support includes some quick impact components, to respond to most urgent needs, the current project is designed to address longer term strategic development of and capacity building for the education system. It is unlikely that these areas will be fully achieved within the time span of this project which will form the basis for longer term support. An evaluation will indicate specific areas needing continued support under a second phase of EC support, aligned with the comprehensive sector strategy once agreed and harmonised with other external assistance to the sector as well as with broader governance reforms.

The implementation mechanisms that could be used in the rehabilitation field can be of a different nature. On the back of the PF Washington 2007, trust-fund and pool-funding arrangements are being discussed with the Government. The project approach may be appropriate, either with or without a co-financer interested in sectors such as education and health. The efficient and effective allocation of sector budget and/or pool funds will have to embed an approach making it possible to take into account the difficulties linked to progressive recovery, during the transition period, from the former decay of state management systems, the unreliable nature of the information available and questionable priority-setting habits.

### ***IV. 2.2 Governance***

The general objective is to strengthen the current and future capacity of public institutions to effectively formulate, implement and monitor sound and sustainable economic governance that is both pro-growth and developmental in its focus and application. However, this task is enormous and the EC should focus on specifics. The specific objectives are: (i) to support the formulation and effective implementation of the public administration reform and decentralisation; (ii) to rehabilitate the capacity of the public administration to collect, process and manage data and information essential for policy

definition, implementation and monitoring; and (iii) to assist in the definition and implementation of a policy and legal framework that will foster broad-based economic growth through private-sector and trade development.

As regards alignment with Government Strategy, since the President's inauguration the NGoL has underlined its determination to strengthen **public financial management and enhance governance**, including the installation of effective anti-corruption measures and building the management capacity of public-sector State-Owned Enterprises (SOEs). Linked to the national reform efforts, the Government intends to define and implement a strategic **decentralisation** programme. It requires a strategic review, clear institutional and legal frameworks, matching resources to cover local government functions, and strong development of organisational capacities for decentralised planning, management and accountability, and monitoring. Another aspect essential to these reforms and to the further development and implementation of policies, poverty-responsive programmes and accountability, is the need to address the severe lack of **data, statistics and information and monitoring systems**. This requires building the capacities of LISGIS, the main national agency with responsibility for collecting and publishing official statistics, the MPEA and key line ministries. Moreover, public administration reform is complementary to the definition and implementation of **sector strategies** which will be decisive for the sustainability of intervention to support the provision of utility services, the roads sector and the decentralisation process.

As regards complementarity and EC value added the proposed strategy builds upon previous and ongoing interventions in institutional support and capacity building in Liberia, most notably those activities financed by the ongoing ISP component and the ISCBP under the 9th EDF. The specific focus on supporting the establishment of good governance in Liberia has been a unique feature of the EC's intervention and should be for some time to come. The experience acquired and lessons learned from these programmes regarding aspects such as the state of local governance, capacity development needs, interlinkage between local development and sector policies, will benefit the EC support for the definition and implementation of the policy and legal frameworks. The reinforcement of government institutions' data-collection and management capacity will reinforce the capacity for prioritisation, coordination, monitoring and evaluation at local and central levels and linkage with the goals and indicators of the MDGs.

Gender approaches and those favouring children and minority/indigenous groups' rights will focus on assisting their greater presence in the administration and in their participation in public affairs. All efforts will be made throughout the EC's work to promote anti-discrimination approaches and policies.

Given the cross-cutting nature of the activities and the variety of beneficiaries and the need to coordinate closely with other donors, the only mechanism possible for implementation at this stage seems the project approach.

#### ***IV. 2. 3 Non focal areas: TCF and NSA support***

The general objective is to strengthen the current and future capacity of the Ministry of Planning and Economic Affairs and non-state actors/civil society.

The specific objectives are:

- to support the NAO designated office through the TCF, and
- to foster good governance through the independent use of non-state actors/civil society.

Alignment with Government Strategy and complementarity with EC activity:

Actually, the NAO functions and responsibilities are covered by the Delegation in the Ivory Coast, Monrovia being a regional office. It is foreseen that the Government will gradually assume these functions during the 10<sup>th</sup> EDF, following support given to the Ministry of Planning and Economic Affairs under the Institutional Support and Capacity Building Programme of the 9<sup>th</sup> EDF and future support under the 10<sup>th</sup> EDF.

#### ***IV. 3 The Response Strategy and Risks and Mitigating Measures***

**Risks and Mitigating Measures.** The urgency of the NGoL shows commitment in breaking with the past, implementing the strategy outlined in the iPRS and addressing the problems of poverty. The President has announced zero tolerance on corruption. The Government, with the support of its partners, is putting in place systems and structures to control and monitor expenditures and accounts (i.e. GEMAP). Results so far have been positive but the risk is that they will not remain positive. An anti-corruption strategy is about to be enacted. However, the pervasiveness and depth of the problems calls for a sense of national urgency, given the fact that deepening poverty is a threat to peace and security. The constraints and uncertainties mentioned in IV.I reflect the need for a flexible approach if the expectations of Liberians are taken into account seriously and we seek to provide employment, livelihoods and dignity. Another main risk stems from the fact that almost all facets of governance in Liberia have suffered in a major way over the past two decades or more. Public-sector finances hardly cover recurrent expenditures, allowing only for a very limited development budget, and capacity at all levels of the public administration is very low. By ensuring ownership and including capacity building in all interventions under the 10th EDF, it is aimed to address some of the human capacity gaps.

**Conflict prevention.** All activities will be designed keeping in mind the societal rifts which have led to and fuelled conflict, to ensure they have in-built mechanisms for the peaceful resolution of differences and for addressing the particular needs of women, children, vulnerable and marginalised groups. This will be done through consultation, and participation in decision-making, implementation and monitoring of projects and policies. Projects will be targeted to these groups whenever possible or prioritise their considerations.

**Complementarity with MS and other donors.** The EU Strategy for Africa calls for fast and steady implementation of the aid effectiveness agenda in Africa. This new political framework calls for better division of labour aimed at greater complementarity as well as at ensuring a minimum EU presence in fragile countries. Given the funding needs of this LRRD strategy, a multi-donor approach is a necessity. Donor coordination between NGoL and donors is already ongoing in the LRDC, but a more coordinated stance on important issues is required, and that should come about in the recent initiative to improve coordination at the level of principals. The EU Strategy also calls for joint actions and therefore stances on governance and policy issues through more intensive use of co-

financing. An effort has been made to identify focal partners as a first step towards finding lead donors. Given the enormous needs, and the very limited current presence of EUMS or other bilateral support, discussions have started on a multi-donor trust fund. Such a mechanism, managed by a multilateral, could help mobilise bilateral donor funding, including some from new EUMS such as Germany. France has provided limited budget support and is planning to support the Bureau of Immigration, and DfID (UK) will concentrate on the reform of the Civil Service and other economic governance issues to dovetail with those of the EC and USAID.

**Coherence with other EU policies.** In line with the recent Commission Communication ‘Europe in the World’ regarding coherence, efficiency and visibility of EU external policy, the CSP aims to create coherence between the EU first, second and third pillars, as well as internal and external policies. For instance, security under the EU’s second pillar will be enhanced both directly through instruments such as the RRM and continued EC participation in the DDRR process until the end of the programme or the ICGL; and indirectly through addressing the basic needs of the population, including ex-combatants. Issues related to migration (Annex 11) have also been assessed. Linkages between internal and external policies are made through mainstreaming issues such as environment, human rights and gender throughout the programme.

**Regional framework.** Once the new GOL machinery begins to operate as it should under the newly elected democratic Government, Liberia will begin to take its place in the regional setting. Since its role will be a reflection of the resources it will have at its disposal, it may well require donor support to strengthen its participation. 10th EDF regional orientations should principally be based on peace and stability, reinforcement of ECOWAS capacities, economic integration and EPA, interconnectivity and support for trans-border initiatives and good governance.

**Innovative financing.** As per the EC Communication on Financing for Development and Aid Effectiveness, the CSP will also explore innovative financing arrangements for development such as debt relief, with specific measures for post-conflict countries with external arrears which, therefore, have not yet met the criteria for the HIPC initiative. Under IMF policies, the Board will need to evaluate Liberia’s progress on policy cooperation; and equally, the financing for the arrears clearance and HIPC debt relief costs would need to be paid by the donors. The EC recently approved a project that covers arrears to the EIB.

**Aid Effectiveness.** The objectives, stated in the Paris Declaration of Aid Effectiveness, of having more predictable aid mechanisms, namely budget support for NGoL, is currently being studied. A recent action to identify focal partners has been undertaken and discussions on better harmonisation are underway. Coordination with NGoL should continue under the LRDC structure as the country moves from the iPRS to a full PRS in late 2008.

## **PART 2: INDICATIVE PROGRAMME**

### **CHAPTER I: Indicative Programme**

#### **I. 1 Introduction**

On the basis of the cooperation strategy presented in Part One and in accordance with Article 4 of Annex IV to the Cotonou Agreement, the Indicative Programme has been drawn up as a set of tables showing the intervention framework, the financial programming timetable and a detailed schedule of activities for all listed programmes over a rolling three-year period. Amounts mentioned in this chapter indicate the overall breakdown of funds. The breakdown may be adjusted in the light of the operational, mid-term, final or ad hoc reviews. However, for any adjustment resulting in a substantial change to the structure of the response strategy, a formal decision in the form of an addendum to the strategy document will be required.

#### **I. 2 Financial instruments**

The implementation of the EC's cooperation strategy with the Republic of Liberia will be financed from several financial instruments. The following is an indication of their mobilisation as currently envisaged.

##### **I. 2.1 10th EDF, A-envelope**

An amount of €150 million has been allocated to Liberia: This envelope will cover operations under the strategy, and in particular:

AREA	ENVELOPE TOTAL : € 150M (100%)	FINANCIAL INSTRUMENT
<b>ONE FOCAL SECTOR</b> LRRD in a post-conflict fragile state  <ul style="list-style-type: none"><li>• <i>Rehabilitation (basic infrastructure and basic services)</i></li><li>• <i>Governance (institutional and capacity building)</i></li></ul>	<b>€ 145M (97%)</b>  <i>€125 M</i>  <i>€20 M</i>	Project/Programme/sector approach with the possibility of using trust/pool/co financing mechanisms
NON FOCAL SECTOR	<b>€ 5M (3%)</b>	Project approach

The allocation of these resources offered to Liberia includes those under the Incentive tranche (*Annex 20*) and have been spread over both components of the LRRD strategy but primarily under the governance/institutional/capacity-building cross-cutting issues.

### *I. 2.2 10th EDF, B-envelope*

€11.8 million: this envelope will cover unforeseen needs such as emergency assistance where such assistance cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate adverse effects of instability in export earnings. In accordance with Article 3(5) of Annex IV to the Cotonou Agreement, this amount may, if necessary, be increased in the light of the operational or ad hoc reviews.

### *I. 2.3 Investment Facility*

In addition to the financial instruments mentioned above, of which the A-envelope is the main programmable basis for the IP, the 10th EDF also includes an Investment Facility, which is an instrument managed by the EIB. The Investment Facility is not part of the NIP. Some specific activities may be supported by the Centre for the Development of Enterprise and the Centre for the Development of Agriculture (CTA).

### *I. 2.4 10th EDF programmable resources for West Africa*

A regional indicative programme is available under the regional strategy for West Africa. The allocation is not part of the Indicative Programme but may have repercussions at national level depending on the participation of the Republic of Liberia in the programmes proposed under the regional framework.

### *I. 2.5 Other financial instruments*

Specific activities may be supported by external actions funded by the general budget of the European Community carried out under the financial framework for 2007–2013 (e.g. thematic budget lines, sugar protocol, etc.) and out of the own resources of the EIB. However, this financing is subject to special procedure and depends on the availability of funds.

### *I.2.6 Monitoring and evaluation*

Monitoring of results and evaluations of impact of individual activities (programmes, projects, sectors) under this CSP will be undertaken in line with the Technical and Administrative Provisions that are attached to each individual Financial Agreement prepared to implement this CSP.

The results and impact of the Community's cooperation with Liberia implemented through the NIP and through other external actions funded by the general budget of the European Community, will be assessed by means of an independent external evaluation. This country-level evaluation may be undertaken jointly with EU Member States and possibly also with other donor agencies.

***I. 3 ONE FOCAL SECTOR: Linking Relief to Rehabilitation and Development in the context of a Post-Conflict Fragile State €145m***

***I. 3.1 REHABILITATION of Priority/Basic Infrastructure and the provision of basic social services: €125m***

**I. 3.1.1 Priority/Basic Infrastructure**

The overall objective is to rehabilitate the country's network infrastructure – roads, electricity and water – so as to better integrate the economy, allow for basic service delivery and interconnect the country with the region. The following specific objectives will be pursued:

- rapidly **improving the quality of life** of people living in both urban and rural areas by expanding access to vital social and economical services;
- **stimulating the economy and private-sector development** by improving transportation infrastructure to facilitate the free movement of people and goods, access to essential inputs such as water and energy; and
- **fostering regional integration** by interconnecting Liberia with the rest of the region and the also the world economy.

The aim is to restore basic utility energy and water/sanitation services in both urban and rural locations and to rehabilitate the roads system. Without a dramatic improvement in the provision of basic services the likelihood of a return to conflict will not be reduced. Without adequate infrastructure the ability to reduce poverty would be severely hindered. Both the restoration of utilities and the rehabilitation of infrastructure have the potential to provide employment and develop national income, with further multiplier effects on economic reconstruction and poverty reduction. Activities in this sector will give special emphasis to labour-intensive works, while not sacrificing the quality of the infrastructures thus built and rehabilitated. In this framework, building on its past and current involvement in the rehabilitation of utility services provision, the EC will support sector reforms both through infrastructure repair and contributing to sector strategy and regulatory environment definition and implementation. They will contribute towards addressing the immediate needs of the poorest people and the displaced population through increased access to basic services, food and markets, since poor infrastructure and limited access to markets are among the major causes of food insecurity in Liberia.

The main indicative actions proposed are:

**Electricity:** formulation of an energy sector strategy (National Energy Strategy) and the corresponding implementation plan.

- Establishment of a legal and regulatory framework suitable for competitive provision of services and private participation.
- Provision of generation capacity in Monrovia through public-private partnership.
- Finalise the construction of the transmission and distribution network to cover Monrovia.

- Provision of generation capacity and rehabilitation of the electricity network of at least some secondary cities.
- Study, pilot and support arrangements for renewable energy sources, especially for rural service provision.

**Water:** Formulation of a water and sanitation sector policy, including the corresponding implementation and financing plan.

- Establishment of a legal and regulatory framework suitable for cost-effective and sustainable provision of services, including possible private participation.
- Rehabilitate the water treatment plant and further explore groundwater sources in Monrovia to provide safe potable water for the population.
- Finalise rehabilitation of the trunk mains and reconstruct the secondary and tertiary pipe network of Monrovia.
- Establish efficient collection and payment systems for cost-recovery of service.
- Rehabilitate piped water provision in at least some secondary cities.
- Study, pilot and support arrangements for rural service provision and financing.
- Support the implementation of sanitary measures as identified by the policy (e.g. sewage system).

**Transport:** Formulation of a transport policy and a road master plan, including the corresponding implementation and financing plan

- Rehabilitation/construction of at least one main axis road of national importance focusing on critical passage points and including bridges that would allow for interconnection with regional roads.
- Rehabilitation/construction of several secondary and tertiary feeder roads (including bridges) using labour-intensive methods to create employment and improve access to market and basic services.
- Capacity building at the Ministry of Public Works and other agencies overseeing the national transport sector.
- Establishment of a road maintenance fund/system to ensure sustainability.
- Legal and institutional assistance to regulate the use and financing of road usage (fiscal measures, maximum truck size regulations, etc.).
- Study and pilot and support alternative modes of transport (waterways, railway, etc.).

The main implementing instruments will be project support and co-financing/pool funding if considered appropriate. There are ongoing discussions with the Government and other donors on the establishment of a multi-donor infrastructure trust fund that could be used as the main co-financing facility for the implementation of national infrastructure programmes, road maintenance funds or rural services funds.

The main sector policy measures to be taken by the Government as a contribution to the implementation of the response strategy in this field are: Electricity: there are ongoing discussions among relevant stakeholders to prepare a comprehensive energy sector strategy (which includes petroleum) encompassing financial viability, private-sector investment and improved service to customers by the end of the year. The proposed approach is a combination of continued emergency rehabilitation programmes and opening the sector up to competition. Private-sector participation is being sought and the legal framework adapted accordingly. The Government is to adapt a sector strategy, enact the necessary primary and secondary legislation, and possibly establish an independent sector regulator

and issue tenders for the award of concessions in the electricity sector. LEC must to be restructured to allow for competitive private entry. Water: LWSC presented a draft long-term strategy for 2007–2010 to feed into the iPRS process. There is a need to develop a comprehensive water and sanitation sector policy led by the line ministries (MLME and MoPW) to address issues such as sector reform, sustainable water delivery and a tariff policy that allows for cost recovery while still serving the needs of the most marginalised, rehabilitation of the sewage system, etc. The legal framework is to be revised to address the new sector landscape. LWSC is to be further restructured and its efficiency improved. Transport: the Government has identified the need for efficient road connections between Monrovia and the rest of the country as central, not only to support the security and long-term peace process, but also to encourage and accelerate the process of social and economic rehabilitation of the affected populations, provide employment opportunities and field-to-market access for rural communities, and foster economic growth. This requires carrying out emergency work on the vital major routes in the short term, as well as developing and strengthening the capacity of MoPW to effectively manage the road network. However, there is no overall transport policy in the country that would look at roads, ports, airports, railway and waterways, nor a Roads Master Plan that would need to be developed. The Government would need to take leadership over and ownership of the development of a comprehensive Transport Strategy/Roads Master Plan. Another area for a government contribution is road and other transport infrastructure maintenance where sustainable mechanisms are to be established (e.g. road maintenance fund), especially given the very high rainfall that necessitates constant repairs. Finally, necessary laws are to be enacted that regulate and control the use of roads and establish fiscal measures to finance recurrent costs of road maintenance. The main commitments by the Government to ensure mainstreaming of cross-cutting issues include consideration for the environment when restoring utilities and establishing a transport strategy. The appropriate type of environmental assessment (SEA or EIA) will be carried out. Renewable resources will be, where feasible, preferred.

### **I. 3.1.2 Provision of Basic Social Services**

The overall objective of the EC support under this component is to reduce poverty by improving the education and health status of the population through more effective, efficient and equitable access to education and healthcare.

Therefore, the specific objectives pursued will be to support implementation of the Government's National Health Policy and Implementation Plan by:

- expanding access to basic healthcare of acceptable quality;
- supporting the restructuring, rationalisation, development of human resources and management capacity of the public health system.

And the specific objectives to support the Government's comprehensive educational plan entail:

- improving human resource management;
- developing management information systems;
- improving financial management;
- improving institutional and implementation organisation.

#### The main indicative actions in the Health Sector

Building on the experience acquired, the assessments and initial capacity building undertaken, but keeping in mind the post-conflict context and specificities, **the EC approach will remain flexible** in order to best coordinate/dovetail with other donor's support yet to be identified. At this stage it is not yet feasible to detail the EC contribution beyond the main areas of actions as identified in the Government's strategy: **EC intervention** will consolidate and develop the initial contribution provided through the 9th EDF.

#### The main actions in the Education Sector

The main activities will centre on the main focus of the ongoing ECSEL project that embraces the organisational and institutional capacity aspects of the current education sector strategy.

The main implementing instruments for health and education could be a **sector policy support** approach using a combination of (i) decentralised EC procedures and (ii) centralised funding mechanisms.

The existing NHP and plan for the transition period, and the ongoing capacity-building technical assistance in key financial and technical fields (EC and DFID) should form the basis for a coordinated, multi-donor sector-wide approach. This will contribute to achieving consistency and coherence in the support furnished to the national health system in terms of policies, guidelines and procedures, interventions as well as in the budgeting and spending for health programmes. The type of support proposed could therefore consist of sector policy support, rationalising the allocation and the use of resources for health through pool funding wherever possible, and using decentralised EC procedures as complementary for TA and supervisors.

The Government is committed to pursuing, over the five-year transition period covered by the national health policy and implementation plan, different areas of health policy, involving increased financial contributions to the health budget, effective management of financial resources in the health sector and greater transparency and accountability in their use.

As regards education, the Government has also committed to pursuing, over the five-year transition period covered by the yet to be adopted national educational policy and implementation plan, the following areas of education policy: financing, policy planning evaluation and review, sector restructuring partnership and ownership legislation and regulation. These broad categories must address access to quality primary and secondary education, free compulsory primary education, educational training, vocational training and literacy training.

The main commitments by the Government to ensure mainstreaming of the cross-cutting issues are:

- Poverty, equity and gender: to organise services so as to ensure equal access and benefits for both men and women, giving particular recognition to the special needs of the most vulnerable and taking concrete measures at all levels of healthcare provision. The Ministries have decided to suspend the application of user fees at the primary level, and intend to mobilise additional funding to facilitate implementation of this measure. The suspension will remain in place until the

socioeconomic situation improves, and financial management systems perform to a level that ensures the proper collection, accounting and utilisation of revenues.

- Decentralisation: to prepare the ground for government decentralisation and the corresponding reforms, through: building functional systems at county level (responsible for health and education service delivery) and effective support systems at central level (which should focus on policies, resource mobilisation and allocation, aggregate planning, standard arrangements and regulation); reviewing and clarifying the mandates of the central and county authorities, and their mutual relationships; Assigning incrementally and pragmatically to county authorities responsibilities as they are equipped and capacitated to assume them; involving NGO/FBO partners in the reform.

**I. 3.1.3 Governance: an indicative amount of €20m is set aside for the following varied actions:**

***Governance, Institutional Support and Capacity-Building Cross-Cutting Programme***

The general objective is to strengthen the current and future capacity of public institutions to effectively formulate, implement and monitor sound and sustainable economic governance that is both pro-growth and developmental in its focus and application. The specific objectives are:

- to support the formulation and effective implementation of the public administration reform and decentralisation;
- to restore the capacity of the public administration to collect, process and manage data and information essential for policy definition, implementation and monitoring;
- to assist in the definition and implementation of a policy and legal framework that will foster broad-based economic growth through private-sector and trade development; including assistance to negotiate the EPA and FLEGT;
- to contribute to the effective implementation and sustainability of basic services delivery through support for the development plans of key Ministries;
- to foster good governance through implementation of anti-corruption<sup>1</sup> strategies, establishment of checks and balances and effective controls, including a follow-up to GEMAP.

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<sup>1</sup> The ratification by Liberia of the UN Convention against Corruption (UNCAC) took place in 2005.

The main actions will be spread over the period 2008 to 2013. It is planned and expected that the economic governance programmes initiated under the 9th EDF will be deepened, in particular as regards support provided to the Government in its key governance functions, such as procurement reform, public sector financial management, anti-corruption and governance reform. Cutting across all of these individual interventions will be the need to ensure that capacity is deepened and expanded, giving acknowledgement to a Government-led approach, but also allowing for continued donor dialogue, consultation and support.

Liberia is a difficult and costly country in which to operate and therefore a reserve is needed to insure against possible cost increases and contingencies.

Contributions to advance the preparation of regional programmes to the benefit of Liberia, in particular for Liberia's participation in the West African Power Pool and/or regional transport strategies.

No budget support is currently envisaged under the 10th EDF. However, in the light of changing circumstances, the possibility of using budget support will be considered if prospective eligibility improves. In this case an indicative amount of €40m would be reallocated from one or more focal sectors to general budget support. Such a decision would be subject to agreement between the National Authorising Officer and the Commission services, to be reached in the context of a mid-term or end-of-term review. It is understood that any agreement to reallocate funds should take the form of an addendum to the CSP. In such a case, general budget support would be implemented according to the eligibility conditions foreseen under the Cotonou Agreement.

Government ownership and leadership is the key to the success and sustainability of these measures, and in this regard interaction with the future NAO in the MPEA is vital along with capacity building and ownership. Therefore the main sector policy measures to be taken by the Government as a contribution to implementing the response strategy in these critical cross-cutting activities are:

Public sector reform: the destruction of the public institutions' capacities is a critical constraint to the achievement of governance and the rule of law, provision of equal opportunities and better management of the economy and national resources for the benefit of all. Addressing this issue entails defining and implementing a general public administration reform framework. The Government is committed to the reform process and to intensifying efforts to create institutional capacity for the public sector.

Constitutional and legal reform: under the 150-Day Plan assessments were conducted to prepare for defining a plan and timeline for constitutional and legal reform. With GEMAP the Government also started strengthening public financial management, enhancing governance, including the installation of effective anti-corruption measures and building public sector SOE management capacity.

The promotion of good governance and the rule of law by enhancing public financial management systems, fighting corruption, and establishing basic systems for governance and accountability is one of the Government's objectives.

Decentralisation: linked to the national reform efforts, the Government intends to define and implement a strategic decentralisation programme. This is a critical element of the GOL agenda to improve democracy, governance, management and accountability. It

requires a strategic review, clear institutional and legal frameworks, matching resources to cover local government functions, and strong development of organisational capacities for decentralised planning, management and accountability, and monitoring.

Statistics: another aspect essential to these reforms and to the further development and implementation of policies, poverty-responsive programmes and accountability, is the need to address the severe lack of data, statistics and information and monitoring systems. This requires building the capacities of LISGIS, the main national agency with responsibility for collecting official statistics, the MPEA and key line ministries.

Private-sector development and trade policy: in order to reinforce synergies and effectively tackle poverty reduction, there is also a need to better link business and trade policies with development policy. Therefore, key actions in support of economic revitalisation under the first and particularly the second focal area of the 10th EDF IP must be underpinned by the development of an enabling policy, legal and regulatory environment for development of the private sector and trade.

### **I. 3.1.4 Non-Focal Sector**

The general objective is to strengthen the current and future capacity of the Ministry of Planning and Economic Affairs and non-state actors/civil society.

The specific objectives are:

- to support the NAO designated office through the TCF, and
- to foster good governance through the independent use of non-state actors/civil society.

The main actions will be twofold, viz:

*Technical Cooperation Facility.* This will allow the financing of short-term studies, technical assistance and programme-related training activities; seminars, training and workshops organised in the ACP countries on EC priorities and procedures concerning development and trade issues; as well as participation in conferences, seminars and short-term training activities organised by other bodies on issues of development and trade.

Actually, the NAO functions and responsibilities are covered by the Delegation in the Ivory Coast, Monrovia being a regional office. It is foreseen that the Government will gradually assume these functions during the 10<sup>th</sup> EDF, following support given to the Ministry of Planning and Economic Affairs under the Institutional Support and Capacity Building Programme of the 9<sup>th</sup> EDF and future support under the 10<sup>th</sup> EDF..

*Institutional Support for Non-State Actors.*

Support for Non-State Actors is eligible for funding as defined in Article 6 of the Cotonou Agreement and Article 4 (1) (d) of Annex IV to the revised agreement. Depending on their mandate, support to Non State Actors may cover activities including, inter alia, capacity building, advocacy, research, awareness raising, monitoring and delivery of services to the population.

In supporting Non State actors, the EC **may make use** of article 15 (4) which allow it to be the Contracting Authority.

## ***I. 4 Intervention Framework and Performance Indicators***

### ***I. 4.1. Linking Relief to Rehabilitation and Development in post Conflict Fragile State : the rehabilitation of priority basic infrastructure and the provision of basic services***

	<b><i>Intervention Logic</i></b>	<b><i>Objectively Verifiable Indicators</i></b>	<b><i>Sources of Verification</i></b>	<b><i>Assumptions</i></b>
<b>Overall Objectives</b>	Foster national integration and economic recovery by improving transportation and the sustainable provision of utility services.	GDP growth GINI index on income distribution Urban versus rural poverty indicators	National accounts IMF WB Humanitarian assessments	Peace and stability Improved governance
<b>Programme Purpose</b>	Improving the quality of life of people by expanding access to vital social and economical services Stimulating private-sector development by improving transportation infrastructure to facilitate the free movement of people and goods, access to essential inputs such as water and energy Fostering regional integration by interconnecting Liberia with the rest of the region and also the world economy.	Access to transport and utility services (km of paved and unpaved roads, % of population with access to electricity, potable water, etc.) Utility and transportation cost of business (% of these inputs in overall production costs, price of utility services) Regional trade (share of regional trade in overall export and import, volume of goods crossing the borders, etc.)	PRS indicators  WB, UNDP, UN etc. sector reports Line ministry – MOPW MLME – reports  Annual Reports from utilities (LEC, LWSC) on coverage and pricing Interviews with private-sector representatives, small and medium enterprises Customs data from BCE	National budget earmarks sufficient funds for covering recurrent costs (e.g. road maintenance) Government pays salaries of civil service responsible for policy setting, regulation or operation of the service targeted Efficient and transparent fiscal system established
<b>Results</b>	Transport National transport strategy Legal and regulatory framework established One main axis road rehabilitated/constructed Several secondary and feeder roads rehabilitated Road maintenance system	Policy documents adopted and published  Primary and secondary legal texts prepared and adopted Independent regulator(s) established % of population in and outside Monrovia with access to electricity and water services Km of roads; HV, MV and LV electricity network; primary and secondary pipes for water	National Assembly discussions Legal registry Line Ministry sector reports Other donor reports Utility annual reports	Government committed to sector reform, including opening up the markets to competition, private-sector participation and restructuring of the existing utilities (including the possibility of closing them down completely) Government committed to

	<p>established and MOPW staff trained</p> <p>Electricity</p> <p>Energy sector strategy</p> <p>Legal and regulatory framework established</p> <p>Monrovia has grid-based electricity provision</p> <p>Efficient and sustainable provision of service</p> <p>Service provision outside Monrovia launched</p> <p>Water</p> <p>Water sector policy</p> <p>Legal and regulatory framework established</p> <p>Monrovia has piped water</p> <p>Service provision outside Monrovia launched</p>	<p>Technical and commercial losses of utilities (unaccounted for water, bills unpaid etc.)</p> <p>Life time of roads rehabilitated</p> <p>Number of private sector actors in sector</p>		<p>decentralised provision of services and extension of services beyond the capital, possibly through subsidising rural service provision</p>
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	<i><b>Intervention Logic</b></i>	<i><b>Objectively Verifiable Indicators</b></i>	<i><b>Sources of Verification</b></i>	<i><b>Assumptions</b></i>
<b>Overall Objective</b>	To reduce poverty by improving the health status of the population through more effective, efficient and equitable healthcare	Health status: infant mortality rate; under-5 mortality rate; maternal mortality ratio; life expectancy at birth; HIV/AIDS prevalence rate; malnutrition /wasting/stunting, etc.  Effectiveness, efficiency and equity: population with access to safe drinking water/sanitation facilities; population having access to basic primary healthcare; total health expenditure by county, rural/urban; bed occupancy rate, by level of care; availability of tracer essential drugs; waste of medicines, etc.		Peace, stability and continuity of Government. Improvement of the governance environment  Economic recovery and expansion of state revenues; sustained support of external donors and other partners  Donor support coordination strengthened through sector approach based on NHP and implementation plan, and largely using fund channelling  Proper financial control mechanisms are put in place
<b>Programme Purpose</b>	To expand access to basic healthcare of acceptable quality; to support restructuring, rationalisation, development of human resources and management capacity of the public health system	Resource availability and allocation: GoL health expenditure/capita; total health expenditure/capita, investment/recurrent and level of care; private health expenditure/capita; absorption of budgeted funds, etc.  Healthcare outputs and coverage: number of facilities providing the full basic primary healthcare; number of hospitals providing emergency (24/7) surgical services; beds per 1 000 inhabitants; immunisation coverage/6 childhood diseases; contraceptive prevalence rate; coverage of deliveries assisted by skilled staff/ by county and level of care  Organisation, human resources management and capacity: counties' development plan; counties with key social welfare services; counties with HR management plan; % of personnel trained by category and county; staff workloads, etc.	NHP annual implementation report, mid-term and final evaluation; county annual implementation report  HMIS and data collection and monitoring system  Agencies and implementing partners report	Progressive improvement of the national infrastructure, particularly in rural areas  Implementation capacity of MHSW has been initiated and is pursued on the job to allow it to play its role; development of capacity is timely implemented at all management levels to avoid obstacles to implementation  MHSW ensures coordination and consistent leadership, NHP and plan are regularly reviewed and their implementation properly monitored
<b>Results</b>	Human Resources for Health	HR unit within MOHSW established, equipped; HR	HR primary data collection;	Progressive improvement of the

Coordinated approach to HR planning and management	strategic plan in place; HR unit and % of HR county-level focal points trained; HR Information System developed and operational and used by HR unit	strategic plan; protocols and guidelines; annual HR unit reports and human resource information service data	national infrastructure, particularly in rural areas
Enhanced recruitment, performance, productivity and retention	Scheme of service with career plans for each category of health worker developed; monitoring and supervision in place (performance appraisal system, managers trained); motivation schemes/compensation packages in place	Career progression guidelines, protocols and information for personnel; job descriptions for personnel; performance supervision protocols; annual staff career and performance reports	Implementation capacity of MHSW has been initiated and is pursued on the job to allow it to play its role; development of capacity is timely implemented at all management levels to avoid obstacles to implementation
Increased number and more equitable distribution of trained health workers	Prioritised training institutions operational; % of county management teams and central-level managers trained; prioritised training institutions accredited and programmes standardised; % of in-service/pre-service training curricula reviewed; % of total training budget allocated to training institutions; % of personnel in urban/rural areas; initiate plans of re-engagement/recruitment of health professionals	Reviewed training programmes and job descriptions; certification protocols; training institutions annual reports; MHSW recruitment and staff registers; gender guidelines	MHSW ensures coordination and consistent leadership, NHP and plan are regularly reviewed and their implementation properly monitored
Increased women's participation at management level and gender equity in employment of health workers	Gender guidelines in place; % of positions occupied by women, including management	Training programmes; annual training reports	Despite needs and political pressures, priorities are well established and respected to ensure coherence in enforcing the policy and the implementation plan
Decentralisation of support systems	Core support systems training programmes developed; technical guidelines for BPHS developed and implemented; number countries and % of management staff trained/county, % of central management staff trained	MHSW staff registers, budgeting and financial reports, ST and LT county development plans; coordination meetings minutes; plan implementation annual review with inputs from all levels; comprehensive HSW policy	Government policy on decentralisation and civil service reform is pursued and coordinated with sector plans
Training modules developed for support systems	Number of qualifications and structure of HR allocated/county; material and financing resources allocated/county; timeliness of resource allocation; financial management protocols and guidelines in place		Mechanisms are put in place and effectively implemented to ensure and coordinate participation of stakeholders (public and private sector, NGOs/FBO etc.) in assessment and implementation
Adequate allocation of resources (equipment, financing) ensured	County health plans developed and implemented; NHP and CHP indicators regularly compiled, analysed, provided to central level and feedback to counties; M&E of NHP in place and contributed to by central and county levels; regular coordination on		
Planning & coordination training implemented; short and long-term County Development Plans drawn up			
Remaining core support systems			

	<p>training implemented</p> <p>Experience and improvement of framework and methodology harnessed for expansion to other counties</p> <p>Basic package of health services and infrastructure</p> <p>Infrastructure rehabilitated and minimal equipment levels restored for prioritised training and administration facilities</p> <p>Decentralisation process supported through targeted contribution to the basic package</p>	<p>CHP and resources, including NGO-managed projects</p> <p>Support systems training programmes developed; number of countries and % of management staff trained/county, % of central management staff trained; logistics and communication policies/standard plans and equipment lists/systems to receive and distribute essential drugs and supplies/HR plan for health clinics and centres, developed and implemented</p> <p>Supervisory checklists for district and health facilities developed and regularly used by central and county-level managers; HR information on health facilities/staff regularly compiled, analysed and provided to central level; improved protocols and guidelines developed based on decentralisation process evaluation; effectiveness of BPHS delivery to health facility</p> <p>Infrastructure inventory and rehabilitation plan of CHP developed and used to update HMIS database; type and location of infrastructure rehabilitated and equipment provided as compared to plan</p> <p>% of health facilities providing BPHS; % of counties having access to supplementary funds based on plan and implementation monitoring</p>	<p>Training programmes; annual training reports; guidelines and plans for logistics &amp; communication, facility &amp; equipment maintenance, and human resources management</p> <p>Supervision reports; annual county reports and indicators compilation; annual and mid-term NHSWP report; county financial and management audit reports</p> <p>Infrastructure rehabilitation and equipment standards; CHP rehabilitation and equipment plans; CHP and NHP annual reports</p> <p>CHP annual reports and audits; supervision reports</p>	
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	<i>Intervention Logic</i>	<i>Objectively Verifiable Indicators</i>	<i>Sources of Verification</i>	<i>Assumptions</i>
<b>Overall Objective</b>	To reduce poverty by improving the education status of the population through more effective, efficient and equitable access to education	Education indicators, total enrolment, male/female enrolment ratio, staff/student ratio		Peace, stability and continuity of government. Improvement of the governance environment Economic recovery and

		Effectiveness , efficiency, and equity Access to education Education expenditure by county district Availability of teaching materials		expansion of state revenues; sustained support of external donors and other partners Donor support coordination strengthened through sector approach based on education policy and implementation plan, and largely using fund channelling Proper financial control mechanisms are put in place
<b>Programme Purpose</b>	To expand access to primary and secondary education of an acceptable quality  To support the restructuring /rationalisation development of human resources and management capacity of the public education system.	Resource availability and allocation by GOL, by total, by county and by district Educational outputs at the primary and secondary level, by gender Schools/child population ratios at urban county and district level ; teacher/child ratios at urban county and district level; textbook and other materials/child ratio at urban county and district level All at primary and secondary level Human resource management and capacity, county education and implementation plans, level of fully/ partially trained staff by category and county	MoE reports on the National Education Policy and Implementation Plan Agency and implementing partners' progress reports Project monitoring and evaluation reports	Progressive improvement of the national infrastructure, particularly in rural areas Improvements in the implementation capacity of the MoE Ensuring coordination and consistent leadership to implement national policies and implementation plans To ensure government policy on decentralisation and civil service reform is pursued
<b>Results</b>	<u>Human resources for education</u> Review of county and district education officer qualifications, both professional and management Improved human resources management system to address teacher recruitment, productivity and performance  Annual performance staff reviews,	Minimum qualifications at recruitment for each category grade level  Prioritised training programmes, career plans, promotion, mobility, etc.	Training programmes annual training reports  MoE career development plan report	Follow-up on recommendations  Promotion and mobility on merit  Unbiased and independent

<p>both professional and administrative</p> <p>Increased ratio of women/men teachers</p> <p><u>Better use of financial resources for education</u></p> <p>A management system of financial resources which transfers those resources into best practices in financial management in a decentralised system</p> <p>Improved procurement guidelines and practices</p> <p><u>Governance in schools</u></p> <p>Establishment of various coordination committees</p> <p>Improved communication within MoE and reporting on achievements and indicators</p> <p>Education management system concentrating on M and E</p>	<p>Independent annual assessment, including compulsory annual training plans as part of promotion/grading</p> <p>Guidelines to encourage women into the profession</p> <p>Increasing % of annual budget spent on education, broken down by counties and districts</p> <p>Guidelines and their transparent use</p> <p>Parent-Teacher and School Management Committees, Education Development Partners Programme Steering Committees</p> <p>Teacher/pupil ratios</p> <p>School density by population within acceptable distance for mode of travel</p> <p>Material availability</p> <p>A management information system</p>	<p>Staff assessment reports</p> <p>Annual MoE implementation plan reports by county and district</p> <p>MoF budgets and annual reports</p> <p>Internal and external to MoE controls and post-verification by GAC MoF, etc.</p> <p>Minutes of meetings made public and therefore available to those interested in the management of a particular school</p> <p>MoE annual reports measured against education policy and implementation plan by clearly stated indicators and targets</p> <p>MDG indicator reports</p>	<p>without favour. Nepotism.</p> <p>Increasing numbers of females completing secondary and tertiary education standards</p> <p>Increased revenue base and priority given to social services to address MDGs</p> <p>Assumes administrators and teachers receive a living wage comparable to what they could earn in the private sector</p> <p>Capacity to compile without interference and at an acceptable standard at all schools by persons without a self-interest in the product</p> <p>MoE annual plans realistic and measurable</p>
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#### I. 4.2 Cross-cutting Issues of Good Governance, Institutional Support and Capacity Building

	<i><b>Intervention Logic</b></i>	<i><b>Objectively Verifiable Indicators</b></i>	<i><b>Sources of Verification</b></i>	<i><b>Assumptions</b></i>
<b>Overall Objective</b>	Foster national integration and economic recovery by improving governance and capacity at all levels of society	GDP growth GINI index in income distribution	National accounts IMF WB	Peace and stability  Economic recovery and expansion of state revenues  Proper financial control mechanisms are put in place  Political will to improve governance
<b>Programme Purpose</b>	Improving the quality of life of people via more efficient use of financial and human resources within both the public and private sectors	Per capita incomes	National accounts	Increases in the implementation and development capacity of the public sector are timely  Requires coordinated and consistent leadership at all levels

<b>Results</b>	<p>Slimmer but more effective public service</p> <p>Reduction in the number of persons involved in providing service to the public</p> <p>Increase in transparency in service to the public</p> <p>Increases in decentralised system of government</p> <p>Increases in accountability in public service</p> <p><u>Establish a code of conduct for civil servants and involve civil society in monitoring</u></p>	<p>Numbers of civil servants</p> <p>Streamlining the steps to obtain a service and publicising it by constant public awareness campaigns</p> <p>Publication of manuals of operation Regulatory frameworks</p> <p>A devolved system of local government</p> <p>Audit accounts; corruption case successfully brought to court</p> <p>Code of conduct</p>	<p>National Accounts</p> <p>For each Ministry and government parastatal institution</p>	<p>Mandate of ministries moves towards policy formulation and less implementation</p> <p>Government policy on decentralisation and civil service reform is pursued and coordinated at sector levels</p>
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# ***I. 5 Indicative timetable for commitments and disbursements***

## ***I. 5.1 Indicative timetable of global commitments***

	Indicative allocation	2008		2009		2010→	
		1	2	1	2	1	2
<b>FOCAL SECTOR – Linking Relief to Rehabilitation and Development, with cross-cutting governance, institutional strengthening and capacity-building activities</b>	<b>€145m</b>						
- utility sector rehabilitation and reform	€30m		20			10	
- transport sector support and reform	€55m			40			15
- health sector support	€30m		20				10
- education sector support	€10m				10		
- governance, institutional strengthening and capacity-building activities	€20m			8			12
<b>- non-focal sector</b>	<b>€5m</b>			5			
<b>Total Commitments</b>	<b>€150m</b>	<b>0</b>	<b>40</b>	<b>53</b>	<b>10</b>	<b>10</b>	<b>37</b>
<b>Total Cumulative Commitments</b>		<b>0</b>	<b>40</b>	<b>93</b>	<b>103</b>	<b>113</b>	<b>150</b>

*I. 5.2 Indicative timetable of disbursements*

	Indicative allocation	2008		2009		2010→*	
		1	2	1	2	1	2
<b>FOCAL SECTOR – Linking Relief to Rehabilitation and Development with cross-cutting governance, institutional strengthening and capacity-building activities</b>	<b>€145m</b>						
- utility sector rehabilitation and reform	€30m			4	10	5	5
- transport sector support and reform	€55m				20	10	10
- health sector support	€30m			4	6	8	5
- education sector support	€10m					3	2
- governance, institutional strengthening and capacity-building activities	€20m				2	3	2
<b>- non-focal sector</b>	<b>€5m</b>				1.0		1.5
<b>Total Commitments</b>	<b>€150m</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>39</b>	<b>29</b>	<b>25.5</b>
<b>Total Cumulative Disbursements*</b>		<b>0</b>	<b>0</b>	<b>8</b>	<b>47</b>	<b>76</b>	<b>101.5</b>

\*The table does not show disbursements beyond 2010, therefore the total cumulative disbursed amount is below the total commitment

## I. 6 Schedule of activities

Only focal sector Linking Relief to Rehabilitation and Development with cross-cutting governance, institutional strengthening and capacity-building activities €145m	Indicative allocation	2008				2009				2010→			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
- utility sector rehabilitation and reform	€30m			FP	FD	□	□	□	□	□	□	□	□
- transport sector support and reform	€55m				FS	FP	FD	□	□	□	□	□	□
- health sector support	€30m			FP	FD	□	□	□	□	□	□	□	□
- education sector support	€10m					FP	FD	□	□	□	□	□	□
- governance institutional support and capacity building	€20m				FS	FP	FD			□	□	□	□
- non-focal sector	€5m						FP	FD					

FS: Feasibility Study

FP: Financing Proposal

FD: Financing Decision

□: Project Implementation

# **Liberia 10th EDF - Country Strategy Paper**

## **Annexes**

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## **Annex 1. Liberia Historic Timeline**

**1822:** The first American Blacks settle in Monrovia, Liberia, the country's future capital.

**1847:** Black settlers declare the territory of Liberia an independent Republic. The freed slaves are sent back to Liberia with the help of white Americans, some of them pro-slavery, anxious to avoid racial mixing among Whites and free Blacks. Liberia's constitution is modelled after the American constitution but the country is ruled as a one-party state in which indigenous Africans are not allowed to participate.

**1911:** Liberia is placed under U.S. protection because of bankruptcy and internal disorder.

**1917:** Liberia joins World War II, declaring war on Germany and giving the Allies a West African base.

**1926:** Firestone opens a rubber plantation in the country, and rubber production becomes the cornerstone of the Liberian economy.

**1936:** Forced-labour is abolished.

**1943:** William Tubman, a descendent of American slaves, is elected president. He pushes foreign investment and local participation in government.

**1951:** Women and indigenous landowners vote in a presidential election for the first time.

**1980:** American-Liberian dominance of the country ends when Sergeant Samuel Doe executes President William Tolbert and 12 of his aides following riots over food prices. The People's Redemption Council takes power and suspends the constitution. Instability follows as Doe's arbitrary rule leads to economic collapse and a civil war.

**1984:** Doe allows the return of political parties following pressure from the United States and other Western nations.

**1985:** General elections intended to return Liberia to civilian rule are held. Samuel Doe and his newly formed Democratic Party of Liberia claim to have won 51 percent of the vote despite widespread allegations of election fraud. It is believed that former Minister of Education Jackson Doe won. Samuel is sworn in the following January.

**1989:** The National Patriotic Front of Liberia (NPFL) begins fighting to overthrow Doe's government. It is lead by a young Charles Taylor.

**1990:** Other West African nations decide to intervene in the Liberian civil war under the auspices of ECOWAS. Liberia's civil war has left thousands of civilians dead and threatens to destabilise the region.

**1990:** Doe is captured by a group of rebels led by a young Charles Taylor after venturing out of his residence. His torturing and murder are caught on videotape and later televised. Hundreds of arbitrary executions follow. Almost immediately, new rebel groups form, splinter, and begin fighting each other, the Liberian army and West African peacekeepers.

**1991:** ECOWAS and the NPFL agree to disarm and set up an interim government. The deal later falls through and the NPFL begins fighting to throw West African peacekeepers out of the country. Their efforts fail and they are pushed out of the capital.

**1993:** Yet another peace agreement between the NPFL and ECOWAS falls through and fighting resumes.

**1994:** The warring sides agree on a time frame for disarmament and set up a joint interim governing body.

**1995:** Ceasefire and peace agreements are reached, leading to Taylor's election as president.

**1996:** Factional fighting resumes and once again approaches the capital.

August 1996: West African peacekeepers initiate disarmament, clear land mines and reopen roads. Refugees begin to return.

**1997:** Presidential and legislative elections are held. Taylor wins in a landslide and his National Patriotic Party wins a majority of the seats in the National Assembly.

International observers declare the elections free and fair.

**1999:** A number of West African nations accuse Taylor of fuelling the civil war in neighbouring Sierra Leone.

**2001:** The U.N. Security Council imposes an arms embargo lifted earlier. The aim is to punish Taylor for trading weapons for diamonds with Sierra Leone rebels.

**2002:** More than 50,000 Liberians and Sierra Leoneans flee fighting along the countries' mutual border. In February, Taylor declares a state of emergency.

**2002:** Taylor lifts an eight-month state of emergency and a ban on political parties after the threat from rebels reduces in his eyes.

**March 2003:** Rebels come within seven miles of the capital. Tens of thousands of civilians are displaced.

**June 2003:** Taylor is indicted by a U.N.-backed war crimes tribunal for his alleged role backing rebels during Sierra Leone's civil war and trading arms for diamonds. Peace talks in Ghana aimed at reaching a ceasefire begin. Rebels from the south also approach the capital. Fighting continues despite a ceasefire agreement.

**July 7, 2003:** The United States sends military experts to Monrovia to determine what sort of intervention, if any, American forces would participate in. ECOWAS countries also agree to provide peacekeepers.

**July 21, 2003:** Forty-one U.S. Marines arrive in the capital of Monrovia as fighting escalates, and more than 60 people are killed. The U.S. Embassy is under siege and the troops rescue dozens of U.S. citizens.

**August 2003:** Nigerian peacekeepers arrive. Charles Taylor leaves Liberia after handing power to his deputy Moses Blah. US troops arrive. Interim government and rebels sign peace accord in Ghana. Gyude Bryant is chosen to head the interim administration.

**September-October 2003:** US forces pull out. UN launches major peacekeeping mission, deploying thousands of troops.

**February 2004:** International donors pledge more than \$500m in reconstruction aid.

**October 2004:** Riots in Monrovia leave 16 people dead; the UN says former combatants were behind the violence.

**June 2005:** UN extends a ban on Liberian diamond exports - a source of funding for the civil war.

**September 2005:** Liberia agrees that the international community should supervise its finances in an effort to counter corruption.

**9<sup>th</sup> September 2005:** Liberia agrees that the international community should supervise its finances in an effort to counter corruption by signing the Governance and Economic Management Assistance Programme (GEMAP).

**11th October 2005:** National Parliamentary and Presidential elections held- international observers call them free, fair and an example to others.

**23rd November 2005:** Ellen Johnson-Sirleaf becomes the first woman to be elected as an African head of state. She takes office the following January.

**February 2006:** Truth and Reconciliation Commission is set up to investigate human rights abuses between 1979 and 2003.

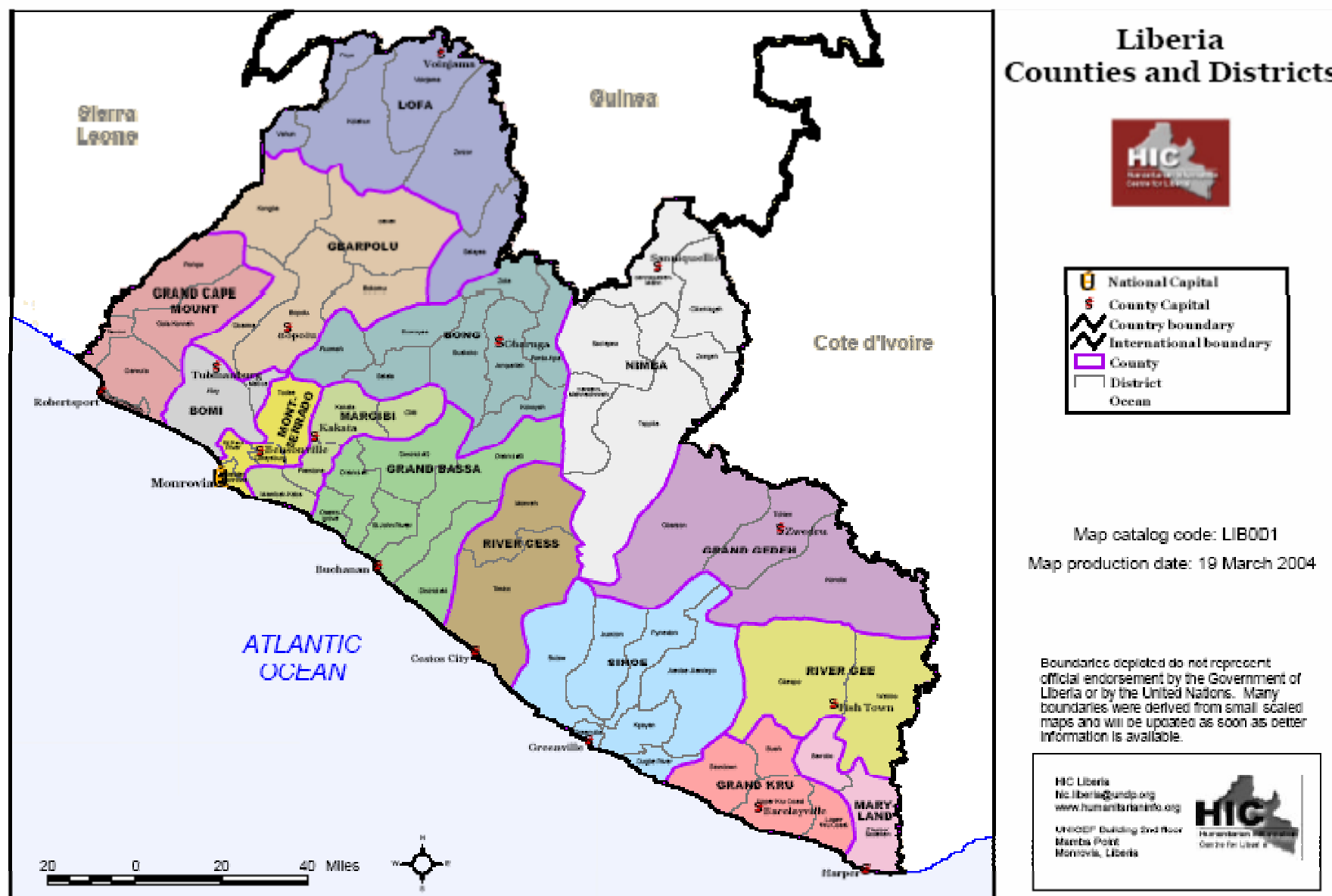
**April 2006:** Former Liberian president, Charles Taylor, appears before an UN-backed court in Sierra Leone on charges of crimes against humanity.

**June 2006:** the UK offers to imprison Charles Taylor if convicted.

**June 2006 –** UN Security Council temporarily lifts sanctions on timber exports, with the provision that they will remain lifted if a new forestry law is passed within 90 days.

**September 2006 –**New Forestry Law passed.

## Annex 2. Map of Liberia



### **Annex 3. Update on Five Commissions**

The **National Elections Commission (NEC)** was re-constituted by the NTGL and received international support to carry out the 2005 elections. The NEC, assisted by UNMIL, the EC and others, administered the elections in a professional, transparent and impartial manner. The NEC corrected a number of shortcomings brought to its attention following the first round particularly in regard to assistance to voters. Only one example of intentional fraud was confirmed, following appropriate investigation by the NEC.<sup>i</sup> Since the elections, NEC has been undergoing a re-structuring in view of its changing role and drying up of international funding. It has reduced its staff numbers and has developed a strategy to build capacity for voters and to carry out further elections effectively.<sup>ii</sup> However it has a long way to go to implement the recommendations by various election missions, including that of the EU and bring Liberian election system up to international standards while reducing the costs of running elections. Recommendations include changing the current election timetable in order to reflect existing realities in Liberia including climate changes and infrastructural limitations. In accordance with the findings of the NTLA Standing Committee on Elections and Inauguration on 21 October 2004, the tenure of offices for the President and Vice President should be reduced to four years, and the term for House representatives should be reduced to four year which would be in line with International standards. According to the EU Election Observation Mission to Liberia, 2005, the term for Senators should be reduced to five years and the title and status of all senators should be equal. Furthermore, rather than resorting to by-elections, a system should be considered where the second placed candidate be awarded a particular seat if an elected representative or senator is unable to complete his/her term. Since the elections of 2005, three by-elections have been conducted in Liberia, which demanded enormous financial recourses from the GOL and Liberia's international partners. The issue of absolute majority should also be addressed in order to reduce the financial burden associated with the scheduling and carrying out elections.

The **Truth and Reconciliation Commission** was constituted by the NTGL and then re-constituted by the new government in 2006. It has begun activities to fulfil its mandate to ascertain the extent of human rights abuses committed between 1979 and 2003 and to promote national reconciliation, but faces financial difficulties. After a preparatory phase, the TRC started sensitizing the population by visiting the various counties and explaining the process and mandate of the TRC. In September and October 2006, 192 statement takers were recruited, trained and deployed throughout Liberia to collect statements from both victims and perpetrators of the Liberian conflict. However, due to financial limitations, the statement taker process had to be suspended after one month. A series of management and organisational issues have also manifested themselves that could jeopardize the Liberian reconciliation process. The absence of an executive secretariat, lack of communication between the commissioners, and absence of two of the designated International Technical Assistance (ITAC) team members, are just a few of the issues that need to be solved for the TRC to be able to effectively and efficiently carry out its mandate. The EC supports the TRC through the 9<sup>th</sup> EDF ISP aiming to assist in overcoming some of the capacity and budgetary constraints, however poor staffing of the Delegation has resulted in delays that in turn have interrupted funding of the TRC on some occasions.

The **Independent National Human Rights Commission (INHRC)** was established in January 2004 in order to monitor compliance with basic human rights guaranteed in the peace agreement as well as promote human rights education throughout the various sectors of Liberian society, including schools, the media, and the security sector. The approval and signature into law, on 23 March 2005 of the Act creating the INHRC ensured the credibility of the Commission.<sup>iii</sup> However, the slow selection process of potential Commissioners makes it unlikely that the Commission will be fully operational until mid 2007. The Panel of Experts are still trying to select 15 potential candidates to be presented to the President, who will select seven candidates to be forwarded to the Senate for

vetting and possible confirmation. The current legislative is in recess until January 2007. This is unfortunate since currently there are only a limited number of human rights protection institutions within the GOL.<sup>iv</sup> The EC will fund the INHCR through its ISP as soon as the Commissioners have been confirmed and inaugurated into office.

The **Governance Reform Commission (GRC)** was set up during the transition period chaired then by the present President. However, lack of NTGL support, financial as well as technical, led to a heavy reliance on international partners for support and was identified under GEMAP as key body for support. GRC is now rethinking its role and its future mandate. Its current work plan and existence has been set out by Executive Order Number 2, signed in March 2006, highlighting among other areas, continuation of its current work in the development of an anti corruption strategy, finalisation of a public and civil servant code of conduct, as well as the need for a national consultation process and dialogue about future tenants of good governance in Liberia. It has been the government institution that has been leading the development of a national anti-corruption policy and strategy. It is also working on judicial reform and security sector reviews, as well as on drafting an Act to create a Governance Commission (together with a proposed mandate and structure) which are expected to be presented to the Legislature early 2007. The EC supported the GRC with a scoping and management study, and is currently subsidising its running.

The **Contracts and Monopolies Commission (CMC)**, renamed **Public Procurement and Concessions Commission (PPCC)**, was also set up during the NTGL and is being supported by the international community (EC, WB) to monitor the implementation of the new Public Procurement and Concession Act (PPCA) to ensure more transparency and accountability in the procurement process, the use of public finances and the use of the country's natural resources. Political interference, lack of commitment and pressure from vested interests prevented the CMC from really being fully effective, but they did manage to draw up and create the Interim Public Procurement Policy Procedures (IPPPP). In parallel, the donor (WB) funded Public Procurement Reform Steering Committee (PPRSC) was set up (on which the CMC was represented) and the PPC Act was passed at the end of 2005, with a successor institution to the CMC being the PPCC. The PPCC has made a slow start. Difficulties have been caused by capacity problems and continued unwillingness on behalf of many agencies and institutions of the government to reform their procurement practices. Improved training, monitoring and compliance activities, and awareness within government institutions of how the new procurement rules work is required. In addition, under the GEMAP, provision has been made for a review of all contracts and concession signed by the NTGL, in order to determine whether or not these contracts are of economic value to Liberia. As Liberia has suffered from appalling procurement practices, the purpose of the review is to re-consider the method by which many of these contracts were awarded (in accordance with the procurement regulations), the technical specifications of the contract (is it technically appropriate), the technical operations of the contract (is it currently working and how), and the economic advantage to the people of Liberia provided by the contract. This so called Contract and Concession review is being co-ordinated by the PPCC and is supported by the EC, as well as other GEMAP partners. As requested by the President, the work on the contracts and concessions review is to be finished by 31 December 2006. The EC funds the GRC and the PPCC through its ISP under the 9<sup>th</sup> EDF, unfortunately, the slow processing of technical assistance and payments, given shortage of staff at the Delegation, has often jeopardised the operations of these commissions.

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<sup>i</sup> Final Report on the Presidential and Legislative Elections, EU Election Observation Mission to Liberia, 2005

<sup>ii</sup> Strategic Plan 2006- 2011, National Elections Commission, June 2006

<sup>iii</sup> International Fact Finding Mission N°436/2 January 2006.

<sup>iv</sup> The Ministry of Justice has a HRU but currently it is not functional. - Report of Rule of Law Taskforce, May 2006

#### Annex 4. Country Position in Relation to Key International Conventions

Name	Subject	Ratification etc	Date of Signature	Date of Ratification/ Accession	Date of entry into force	Date of Notification	Status
<b>Multilateral Treaties</b>							
Protocol Establishing the West African Regional Group							
Treating establishing the African Economic Community	Africa; International Trade		03/06/1991	23/06/1993	29/06/1993		
Articles of Association for the establishment of an Economic Community of West Africa. Done at Accra on 4 May 1967 Came into force on 4 May 1967	International Trade and Development: Charters- Constitutions- Statute; ECOWAS; Legal matters; West Africa	Definitive signature	04/05/1967			04/05/1967	Registered
Non-aggression and security co-operation treaty among the Governments of Liberia, Sierra Leone and Guinea signed in Monrovia 20 November 1986.	Pacific Settlement of International Disputes; Non-Aggression		20/09/1986				
United Nations Convention against Corruption	Penal Matters	Accession		16/09/2005		16/09/2005	Registered
Georgetown Agreement on the organisation of the African, Caribbean and Pacific Group of States (ACP). Concluded at Georgetown on 6 June	Africa; African Caribbean and Pacific; Caribbean; Charters- Constitutions- Statute; Georgetown Agreement; Pacific	Definitive Signature	13/11/1975		12/02/1976		

1975 Came into force on 12 February 1976							
ACP-EEC CONVENTION SIGNED AT LOME ON 28 February 1975	International Trade; Commodities						Instrument of ratification dated 16 February 1976
Second ACP-EEC Convention (with protocols, final act and minutes of the Convention).	International Trade and Development	Ratification		20/01/1981	01/03/1981		
Third ACP-EEC Convention (with protocols, annexes, final act, exchange of letters, minutes of signature, declaration of signature dated 30 April 1985 and memorandum of rectification dated 8 May 1985). Concluded at Lomé# on 8 December 1984 Came into force on 1 May 1986	International Trade; Africa; Caribbean; Imports-Exports; Investments; Lomé; Most-favoured-nation clause; Pacific; Trade	Ratification		24/01/1986	01/05/1986		
Fourth ACP-EEC Convention. Concluded at Lomé# on 15 December 1989 RATIFICATIONS and ACCESSION ( a ) Instruments deposited with the Secretary-General of the Council of the European Union	International Trade and Development	Ratification		20/05/1992	01/07/1992		

<b>Commodities and Natural Resources</b>							
International Natural Rubber Agreement, 1979 (with annexes). Done at Geneva on 6 October 1979 Came into force provisionally in respect of the following States on 23 October 1980	Commodities; Rubber	Signature	30/06/1980				
International Tropical Timber Agreement, 1983 (with annexes). Concluded at Geneva on 18 November 1983 Came into force provisionally on 1 April 1985	Commodities; Wood	Ratification		29/03/1985	01/04/1985	29/03/1985	registered
International Tropical Timber Agreement 1994	Commodities; Wood	Definitive signature	09/12/1994			09/12/1994	registered
<b>GATT</b>							
General Agreement on Tariffs and Trade and Agreements concluded under the auspices of the Contracting Parties thereto III. (d). Protocol modifying Part I and article XXIX of the General Agreement on Tariffs and Trade. Signed at Geneva on 14 September 1948 Came into force on 24 September 1952, all the Governments which were at that date Contracting Parties to the General	GATT; Trade						

Agreement on Tariffs and Trade having deposited, in accordance with the provisions of paragraphs 3, 4 and 5 of the Protocol, instr							
The Annecy Protocol of Terms of Accession to the General Agreement on Tariffs and Trade	International Trade and Development	Withdrawal	14/04/1953				
<b>ILO</b>							
Convention (No. 29) concerning forced or compulsory labour, adopted by the General Conference of the International Labour Organisation at its fourteenth session, Geneva, 28 June 1930, as modified by the Final Articles Revision Convention, 1946 and 1961 Came into force on 28 May 1947	Labour; Labour--compulsory; Human rights;						Contains copy of report form but not of the Convention
Convention (No. 87) concerning freedom of association and protection of the right to organise. Adopted by the General Conference of the International Labour Organisation at its thirty-first session, San Francisco, 9 July 1948	Labour	Ratification			25/05/1962 with effect 25/05/1963		

Convention (No. 98) concerning the application of the principles of the right to organize and to bargain collectively. Adopted by the General Conference of the International Labour Organisation at its thirty-second session,	Labour	Ratification			25/05/1962 with effect 25/05/1963		Hard Copy
Convention (No. 105) concerning the abolition of forced labour. Adopted by the General Conference of the International Labour Organisation at its fortieth session, Geneva, 25 June 1957 RATIFICATION Instrument registered with the Director-General of the International Labour Office on: 25 May 1962 Liberia (With effect from 25 May 1963.)	Labour	Ratification			25/05/1962 with effect 25/05/1963		
<b>Social and Human Rights</b>							
Protocol to the African charter on human and peoples' rights on the establishment of an African Court of Human and people' Rights	Africa; African Union; Human Rights	Signature	09/06/1988				
Protocol to the African charter on human and peoples' rights on the rights of women in Africa	Africa; African Union; Human Rights	Signature	16/12/2003				

Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment	Human Rights	Accession		22/09/2004		22/09/2004	registered
International Convention on the Suppression and Punishment of the Crime of Apartheid	Human Rights	Accession		05/11/1976		05/11/1976	registered
Convention on the Elimination of All Forms of Discrimination against Women	Human rights	Accession		17/07/1984	16/08/1984	17/07/1984 with effect 16/08/1984	registered
Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women	Human rights	Signature	22/09/2004			22/09/2004	new record
Convention on the Rights of the Child	Human Rights	Ratification	26/04/1990	04/06/1993		04/06/1993	registered
Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict	Human Rights	Signature	22/09/2004			22/09/2004	new record
Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography	Human Rights	Signature	22/09/2004			22/09/2004	new record
International Convention on the Elimination of All Forms of Racial Discrimination	Human Rights	Accession		05/11/1976		05/11/1976	registered
Convention on the non-applicability of statutory	Human rights	Accession		16/09/2005		16/09/2005	registered

limitations to war crimes and crimes against humanity. New York 26.11.68 (IV-6)							
Convention on the Prevention and Punishment of the Crime of Genocide. Adopted by the General Assembly of the United Nations on 9 December 1948 Came into force on 12 January 1951	Human Rights; Criminal matters; Genocide	Ratification	11/12/1948	09/06/1950		09/06/1950	registered
International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families	Human Rights	Signature	22/09/2004			22/09/2004	new record
Agreement for the Repression of Obscene Publications	Obscene Publications	Accession		16/09/2005			LON
Tripartite Agreement for the voluntary repatriation of Liberian refugees between the Governments of, Ghana and Liberia and the Office of the United Nations High Commissioner for Refugees	Refugees	Definitive Signature	22/09/2004		22/09/2004		
Tripartite Agreement for the voluntary repatriation of Liberian refugees between the Governments of, the Republic of Sierra Leone and the Republic of	Refugees	Definitive Signature	27/09/2004		27/09/2004		

Liberia and the Office of the United Nations, High Commissioner for Refugees							
Agreement for the voluntary repatriation of Liberian refugees between the Governments of, Côte d'Ivoire and Liberia and the Office of the United Nations High Commissioner for Refugees	Refugees	Definitive Signature	27/09/2004		27/09/2004		
Tripartite Agreement for the voluntary repatriation of Liberian refugees between the Governments of, Guinea and Liberia and the Office of the United Nations High Commissioner for Refugees	Refugees	Definitive Signature	27/09/2004		27/09/2004		

## **Annex 5. Reintegration of Children formerly Associated with Fighting Forces.**

According to official figures, children who were demobilised by the end of the formal disarmament process in December 2004 were 11,780 (9,042 boys and 2,738 girls). These children represented 11% of the total of 103,019 individuals who were disarmed in the Disarmament, Demobilisation, Rehabilitation and Reintegration (DDRR) process. Specific lessons learned concerning the process of disarmament and demobilisation in Liberia for children included<sup>1</sup>:

- Security Council resolutions and peace accords authorising the DDRR process should provide clearer directions on the process for children. It was been assessed that the Comprehensive Peace Agreement signed in Accra 2003 and the Security Council Resolution 1509 (2003) provided no direction on the process for children and made no specific references to the Cape Town Principles<sup>2</sup>.
- Ensure that the Cape Town Principles are adopted at the earliest stage of planning disarmament and demobilisation. National authorities and peacekeeping missions need to be knowledgeable of the principles and the provisions for including all children associated with the fighting forces and not only those carrying arms and ammunition.
- Allow sufficient time for planning. In Liberia the DD process was hurried and did not allow child protection agencies enough time to prepare communities to accept children.
- Strengthen information flow to assure that children are protected throughout the process. Lack of clear information sharing led to confusion which had an overall detrimental effect on the process.
- Address the needs of girls in the planning and implementation of the DD process. In Liberia, far fewer girls who had been associated with fighting forces showed up for disarmament due to fear of stigma, misinformation from commanders, or misunderstanding by international and national authorities. Special efforts are needed by all stakeholders to ensure that girls are included in the formal process. Excluding girls from the DD process is assessed to have negative long term impact on the reintegration process.
- Understanding the reasons why a child joined the fighting forces in the first place. Whether a child was abducted or joined the fighting forces willingly should determine the type of psychological care that is provided in the DD. Also, the root cause that exists at the family and community level will need to be addressed if the child is to be successfully reintegrated after the completion of the DD process.

Children should not be paid cash benefits for disarming. In Liberia, the payment of the 350 US\$ Transitional Safety-net Allowance (TSA) had significantly negative impact on children. The TSA exposed children to additional abuse and exploitation by their commanders who wanted to share the cash benefit. The TSA has impaired the process of reintegration into their communities, where the general sentiment is that the children were rewarded for fighting. The payment of TSA also threatens to serve as an incentive for children to join fighting forces in the future, especially in neighbouring countries, where active recruitment of children is a real threat.

The European Commission provided €2.5 million to support the reintegration of 2,700 children associated with fighting forces (CAFF) in Liberia. The project provides community-based skills training and apprenticeship to the CAFFs and other war affected children in order to accelerate their social reintegration.

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<sup>1</sup> Evaluation of the Disarmament and Demobilisation Programme for Children Associated with the Fighting Forces in Liberia, Draft-2.

<sup>2</sup> The Cape Town Principles are actions to take by governments and communities in affected countries to end the violation of children. These principles were agreed upon by the NGO working group on the Convention of the Rights of the Child and UNICEF during a symposium in Cape Town (South Africa) from 27 to 30 April 1997.

A total of €1,695,667.80 (74%) of the funds has so far been disbursed. Owing to limited capacity to implement skills training in the country, the training has been organised in two batches. The first batch consisted of 1,310 children and of these 1,295 (855 male, 440 female) attended the training on a regular basis. A total of 979 children have already graduated while the rest are expected to graduate in October and November 2006. Mobilisation of children to participate in the second batch of training is underway and 978 out of the targeted 1,851 children have so far been verified and enrolled.

However, owing to delay in project implementation occasioned mainly by the unexpectedly long-winded process of mobilisation and verification of eligible children, United Nations Children Fund (UNICEF) is seeking a no-cost extension of implementation period by three months. This request has been formally made to EU as part of the Interim Reporting which covered the period September 2005 to August 2006. The Fourth Progress Report, provides only additional information on progress made during the third quarter 2006 that was not covered in the Interim Report.

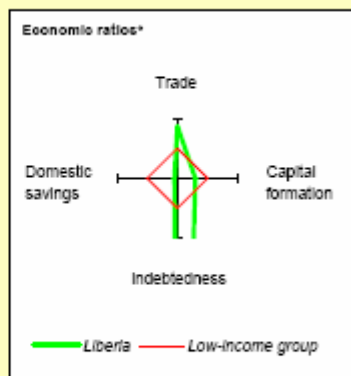
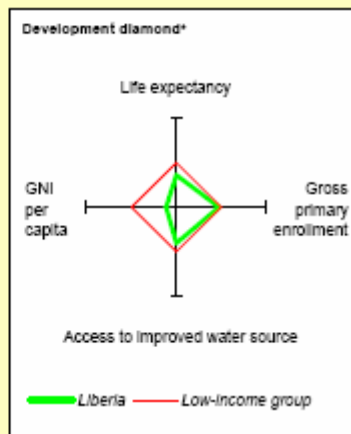
## Annex 6. Macroeconomic and Social Indicators

### Annex 6.1 County at Glance, August 2006

# Liberia at a glance

8/13/06

POVERTY and SOCIAL				
	Liberia	Sub-Saharan Africa	Low-Income	
<b>2005</b>				
Population, mid-year (millions)	3.3	741	2,353	
GNI per capita (Atlas method, US\$)	130	745	580	
GNI (Atlas method, US\$ billions)	0.43	552	1,364	
<b>Average annual growth, 1999-05</b>				
Population (%)	2.0	2.3	1.9	
Labor force (%)	1.8	2.3	2.3	
<b>Most recent estimate (latest year available, 1999-05)</b>				
Poverty (% of population below national poverty line)	..	..	..	
Urban population (% of total population)	58	35	30	
Life expectancy at birth (years)	42	46	59	
Infant mortality (per 1,000 live births)	157	100	80	
Child malnutrition (% of children under 5)	27	29	39	
Access to an improved water source (% of population)	61	56	75	
Literacy (% of population age 15+)	..	..	62	
Gross primary enrollment (% of school-age population)	99	93	104	
Male	115	99	110	
Female	83	87	99	
<b>KEY ECONOMIC RATIOS and LONG-TERM TRENDS</b>				
	1985	1995	2004	2005
GDP (US\$ billions)	0.93	0.13	0.50	0.55
Gross capital formation/GDP	..	..	12.2	15.9
Exports of goods and services/GDP	49.9	..	34.5	36.6
Gross domestic savings/GDP	-0.3	..	-0.6	2.3
Gross national savings/GDP	..	..	28.4	18.3
Current account balance/GDP	..	..	-13.2	-21.4
Interest payments/GDP	1.1	0.0	0.0	..
Total debt/GDP	132.9	1,598.2	544.6	..
Total debt service/exports	8.6	..	0.6	..
Present value of debt/GDP	..	..	614.3	..
Present value of debt/exports	..	..	2519.0	..
<b>(average annual growth)</b>				
GDP	-24.6	13.0	2.6	5.3
GDP per capita	-24.2	8.2	2.0	3.9
Exports of goods and services	..	..	..	..
<b>STRUCTURE of the ECONOMY</b>				
	1985	1995	2004	2005
(% of GDP)				
Agriculture	33.3	81.8	64.3	63.6
Industry	25.2	5.3	14.7	15.2
Manufacturing	4.5	2.7	11.8	12.0
Services	32.5	12.9	21.1	21.1
Household final consumption expenditure	75.7	..	91.0	86.9
General govt final consumption expenditure	24.6	..	9.6	10.8
Imports of goods and services	43.3	..	47.4	50.2
<b>(average annual growth)</b>				
Agriculture	..	..	..	..
Industry	..	..	..	..
Manufacturing	..	..	..	..
Services	..	..	..	..
Household final consumption expenditure	..	..	..	..
General govt final consumption expenditure	..	..	..	..
Gross capital formation	..	..	..	..
Imports of goods and services	..	..	..	..



Note: 2005 data are preliminary estimates.

\* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

*Annex 6.2 Key Macroeconomic Indicators, 2000 - 2005*

Table of Key Macroeconomic Indicators		2000	2001	2002	2003	2004	2005	Source
<b>Basic data</b>								
1	Population (in 1000)	3,065	3,161	3,206	3,222	3,241	3,283	WDI, 09/2006
	- annual change in %	5	3	1	1	1	1	WDI, 09/2006
2a	Nominal GDP (in millions USD)	561	543	559	435	497	548	WDI, 09/2006
2b	Nominal GDP per capita (in millions USD)	183	172	174	135	153	167	WDI, 09/2006
2c	- annual change in %	26	2.9	3.7	-31.3	2.4	8.5	WDI, 09/2006
3	Real GDP (annual change in %)	19	0	2	-32	2	4	WDI, 09/2006
4	Gross fixed capital formation (in % of GDP)	...	...	...	...	12.2	15.9	WB Country at Glance, 08/2006
<b>International transactions</b>								
5	Exports of goods and services (in % of GDP)	...	...	...	30.5	34.8	36.6	Context, WB Country at Glance, 08/2006
	- of which the most important: ... (in % of GDP)	...	...	...	...	...	...	IMF, 05/2006
6	Trade balance (in % of GDP)	-4.5	-5.0	3.8	-7.1	-33.1	-29.9	IMF, 05/2006
7	Current account balance (in % of GDP)		-24.5	-3.4	-18.2	-13.3	-19.9	IMF, 05/2006; 2005 Country at Glance 08/2006
8	Net inflows of foreign direct investment (in % of GDP)	...	...	...	...	...	...	No data source identified
9	External debt (in % of GDP)	...	...	546	773	752	667	IMF, 05/2006
10	Service of external debt (in % of exports of goods )	0.5	74.3	40.9	52.8	62.3	76.6	IMF, 05/2006
11	Foreign exchange reserves (in months of imports of goods and non-factor services)	...	...	0	-0.2	0.2	0.4	IMF, 05/2006
<b>Government</b>								
12	Revenues (in % of GDP)	...	12.8	13	11	14.1	17.7	IMF, 05/2006
	- of which: grants (in % of GDP)	...	0	0.7	0.2	0.7	4.0	IMF, 05/2006
13	Expenditure (in % of GDP)	...	...	14.3	10.3	14.3	14.8	IMF, 05/2006
	- of which: capital expenditure (in % of GDP)	...	...	9.7	4.7	2	1.7	IMF, 05/2006
14a	Deficit (in % of GDP) including grants	...	...	-1.3	0.6	-0.4	0.4	IMF, 05/2006
14b	Deficit (in % of GDP) excluding grants	...	...	-1.3	-0.1	-0.6	-0.3	IMF, 05/2006

15	Debt (in % of GDP)	552	582	587	807	744	...	IMF, 05/2006
	- of which: external (in % of total public debt)	...	...	...	...	...	60.1	Human Development Indicator for Liberia, October 2006
<b>Other</b>								
16	Consumer price inflation (annual average change in %)	5.3	12.1	14.2	10.3	3.6	15	IMF, 05/2006; 2005 Country at Glance 08/2006
17	Interest rate (for money, annual rate in %)	...	3.1	2	1.6	1.8	2.3	IMF, 05/2006
18	Exchange rate (annual average of national currency per 1 \$)	...	49.5	65	50.5	54.5	56.5	IMF, 05/2006
19	Unemployment (in % of labour force, ILO definition)	88	...	...	85	...	...	UNDP, Republic of Liberia, Millennium Development Goals Report, 2004
20	Employment in agriculture (in % of total employment)	...	...	...	...	...	...	No data source identified

**Annex 6.3 Key MDG Indicators, 1990-2015**

<b>Table of Key MDG Indicators</b>											
<b>Type</b>	<b>Indicator</b>	<b>1990</b>	<b>2000</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2013</b>	<b>2015</b>
Impact	1. Proportion of population living on less than USD 1 per day	...	...	...	...	...	...	...	...	...	27.5 (2)
	2. Prevalence of underweight children (under-five years of age)	...	26.5 (5)	...	...	...	...	...	...	...	7.4 (2)
	3. Under-five mortality rate	220 (2)	235 (5)	...	...	...	...	...	...	...	74 (2)
Outputs	4. Net enrolment ratio in primary education	32 (10/2)	34.7 (10/2)	34.7 (10/2)	...	...	...	...	...	...	60 (2)
	5. Primary Completion Rate	...	...	...	...	...	...	...	...	...	80.6 (2)
	6. Ratio of girls to boys in:	...	...	...	...	...	...	...	...	...	
	primary education	39.4/65.02 (2)	40.8/59.2 (2)	...	...	...	...	...	...	...	100 (2)
	secondary education	33.3/66/7(2)	41.0/69.5(2)	...	...	...	...	...	...	...	100 (2)
	tertiary education	...	27.6/72.4 (2)	...	...	...	...	...	...	...	100 (2)
	7. Proportion of births attended by skilled medical personnel	91 (6/2)	50.9 (5)	89.1 (2)	...	...	...	...	...	...	97 (2)
	8. Proportion of 1 year old children immunised against measles	40 (9/2)	52 (5)	42 (13)	...	...	...	...	...	...	100 (2)
	9. HIV prevalence among 15 to 24 year old pregnant women	12.9 (2)	...	...	...	...	...	...	...	...	12.9 (2)
	10. Proportion of population with sustainable access to an improved water source	56 (1)	26 (8/2)	...	...	...	...	...	...	...	63 (2)

*Annex 6.4 Detailed MDG Indicators, 1990 – 2015*

Millennium Development Goals and Other Socio-Economic Indicators										TARGETS
	1990	1997	1999	2000	2001	2002	2003	2004	2005	2015
<b>Goal 1: Eradicate extreme poverty and hunger</b>										
Population below \$1 a day (%)	...	55.1 (7/2)	...	...	76.2 (2)	...	...	...	...	27.5 (2)
Prevalence of underweight in children (under five years of age)	...	14.8 (7/2)	6.8 (9/2)	26.5 (5)	...	...	...	...	...	7.4 (2)
Population below minimum level of dietary energy consumption (%)	...	42 (1)	...	...	...	...	46 (1)	...	...	0.35 (2)
<b>Goal 2: Achieve universal primary education</b>										
Population with access to education (%)	...	...	40 (2)	40 (2)	...	...	...	...	...	...
Gross primary enrolment ratio (%)	78 (10/2)	...	...	56.2 (10/2)	56.2 (10/2)	...	...	...	...	78.1 (2)
Net primary enrollment ratio (% of relevant age group)	32 (10/2)	43.9 (1)	...	34.7 (10/2)	34.7 (10/2)	34.7 (10/2)	...	34.7 (10/2)	...	60 (2)
Proportion of pupils starting grade 1 who reach grade 5	...	...	...	...	31.2 (10/2)	31.2 (10/2)	...	...	...	80.6 (2)
Adult literacy rate (% of people 15 and older)	...	...	37 (6/2)	...	...	...	55.9 (1)	...	...	80 (2)

Youth literacy rate (% ages 15-24)	32.9 (10/2)	33.2 (10/2)	...	...	34.7 (10/2)	34.7 (10/2)	...	...	...	...
<b>Goal 3: Promote gender equality and empower women</b>										
Gross primary enrolment ratio for girls (%)	...	...	...	72.5 (10/2)	...	35.5 (10/2)	...	...	...	...
Net primary enrollment ratio for girls(%of relevant age group)	...	...	...	18.7 (10/2)	...	14.5 (10/2)	...	...	...	...
Ratio of girls to boys in primary and secondary education	...	72 (1)	...	71.9 (1)	...	...	...	...	...	...
Primary education	39.4/65.02 (2)	...	...	40.8/59.2 (2)	40.8/59.2 (2)	...	...	...	...	100 (2)
Secondary education	33.3/66/7(2)	...	...	41.0/69.5(2)	71.9 (2)	...	...	...	...	100 (2)
Tertiary education	...	...	...	27.6/72.4 (2)	27.6/72.4 (2)	...	...	...	...	100 (2)
Adult literacy rate for women (% of people 15 and older)	...	...	24 (6/2)	26 (2)	26 (2)	...	...	...	...	...
Youth literacy rate for women(% ages 15-24)	26.3 (10/2)	14.7 (10/2)	...	...	...	...	...	...	...	...
Ratio young literate females to males (%ages15-24)	20.3/42.3 (2)	...	...	14.9/20.0 (2)	14.9/20.0 (2)	...	...	...	...	100 (2)
Share of women employed in the nonagricultural sector (%)	...	...	11.4 (2)	...	...	...	...	...	...	50 (2)

Proportion of seats held by women in national parliament (%)	5.6 (2)	...	11.1 (2)	8 (1)	8 (13)	8 (13)	8 (1)	8 (1)	13 (13)	25 (2)
<b>Goal 4: Reduce child mortality</b>										
Immunization, measles (% of children under 12)	40 (9/2)	...	...	52 (5)	69 (9/2)	57 (13)	52 (5)	42 (13)	...	100 (2)
Infant mortality rate (per 1,000 live births)	114 (2)	...	117 (2)	157 (5)	...	...	157 (5)	...	...	39 (2)
Under 5 mortality rate (per 1,000)	220 (2)	...	194 (2)	235 (5)	...	...	235 (5)	...	...	74 (2)
<b>Goal 5: Improve maternal health</b>										
Maternal mortality ratio (modeled estimate, per 100,000 live births)	260 (6/2)	...	578 (8/2)	1370 ( 9/2)	...	...	...	...	...	65 (2)
Births attended by skilled health staff (% of total)	91 (6/2)	80 (7/2)	...	50.9 (5)	...	...	...	89.1 (2)	...	97 (2)
<b>Goal 6: Combat HIV/AIDS, malaria, and other diseases</b>										
Population with access to health services (%)	...	...	69.4 (2)	69.4 (2)	...	...	...	...	...	...
Prevalence of malaria (%)	...	...	56.9 (2)	56.9 (2)	...	...	...	...	...	56.9 (2)
Death rate associated with malaria(%)	...	...	...	...	...	...	...	...	...	14.1 (2)

Incidence of tuberculosis (per 100,000 people)	204.3 (1)	227.8 (1)	...	238.7 (1)	...	...	250.1 (1)	250.1 (1)	...	...
Prevalence of tuberculosis (%)	...	...	...	...	...	...	...	...	...	...
Death rate associated with tuberculosis (%)	...	...	...	...	...	...	...	...	...	...
Tuberculosis cases detected and cured under DOTS (%)	...	46.2 (1)	40 (2)	...	...	...	...	...	...	60 (2)
Prevalence of HIV, total (% of population aged 15-49)	...	...	...	5.1 (1)	...	8.2 (2)	5.9 (5)	...	...	8.2 (2)
Prevalence of HIV, total (% of pregnant women aged 15-24)	...	...	...	12.9 (2)	...	...	...	...	...	12.9 (2)
Contraceptive prevalence rate (% of women ages 15-49)	5 (6/2)	...	16.8 (6/2)	10 (1)	...	...	...	...	...	60 (2)
Number of children orphaned by HIV/AIDS	...	1,500 (9/2)	...	28, 000 (1)	...	2,100 (9/2)	36,000 (1)	36000 (1)	...	2100 (2)
<b>Goal 7: Ensure environmental sustainability</b>										
Internal freshwater resources per capita(cubim m.)	...	...	...	...	...	62,377 (13)	59,284.0 (5)	61,717 (13)	...	...
Access to an improved/safe water source (% of population)	56 (1)	58.4 (8/2)	26 (8/2)	26 (8/2)	...	...	...	...	...	63 (2)

Population with access to improved sanitation (%)	...	16.9 (2)	36.3 (2)	36.3 (2)	...	...	...	...	...	67.9 (2)
Access to secure tenure (% of population)	...	...	54.3 (8/2)	54.3 (8/2)	...	...	...	...	...	91.8 (2)
CO2 emissions (metric tons per capita)	0.2 (1)	0.1 (1)	...	0.1 (5)	...	...	...	...	...	27.5 (2)
Forest (1,000 sq km)	...	...	...	34,810 (5)	...	...	...	...	...	...
Proportion of land covered by forest (Million Ha)	...	...	...	3.4 (2)	3.4 (2)	...	...	...	...	3.4 (2)
Forest Area as share of land area (%)	...	...	...	36 (13)	...	...	...	...	33 (13)	...
Deforestation (average annual %)	...	...	...	2 (5)	...	...	...	...	...	...
Nationally protected areas to maintain biodiversity (million hectar)	0.129 (11/2)	0.129 (11/2)	0.129 (11/2)	0.129 (11/2)	0.129 (11/2)	0.129 (11/2)	0.192 11/(2)	...	...	...
Nationally protected areas (% of total land area)	...	...	...	...	...	...	1.7	1.7	...	...
GDP per unit of energy use (KWT/hr)	21.3 (12/2)	...	...	...	5.55 12/2)	...	...	...	...	...
Proportion of population relying on traditional fuels	...	...	...	99.5 (2)	...	...	...	...	...	...

(fire wood, charcoal, palm oil) for energy use (%)										
<b>Goal 8: Develop a global partnership for development</b>										
Aid per capita (current US\$)	46.9 (1)	26.3 (1)	...	21.7 (5)	...	...	31.7 (5)	31.7 (5)	...	...
Present value of debt (current US\$ billion)	...	...	...	2.1 (4)	...	...	2.7 (4)	...	...	...
Short-term debt outstanding (current US\$ million)	...	...	...	699.3 (4)	...	...	1,100 (4)	...	...	...
Debt service (% of exports)	...	1 (1)	...	0.5 (4)	...	...	0.1 (4)	...	...	...
External debt (US\$) as % of GDP	...	...	...	...	...	...	707.8 (2)	...	...	...
Fixed line and mobile phone subscribers (per 1,000 people)	3.6 (1)	2.2 (1)	...	2.6 (5)	...	...	...	...	...	...
Internet users (per 1,000 people)	...	...	...	0.2 (5)	...	...	...	...	...	...
Personal computers (per 1,000 people)	...	...	...	...	...	...	...	...	...	...
Unemployment rate (%)	...	...	...	88 (2)	...	...	...	...	...	...
Unemployment, youth total (% of total labor force ages 15-24)	...	...	...	...	...	...	...	...	...	...

Unemployment, youth female (% of female labor force ages 15-24)	...	...	...	...	...	...	...	...	...	...
Unemployment, youth male (% of male labor force ages 15-24)	...	...	...	...	...	...	...	...	...	...
<b>Other</b>										
Surface area (sq. km thousands)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	111.4 (4)	...
Population, total (millions)	2.4 (1)	2.9 (2)	...	3.1 (5)	...	...	3.4 (5)	3.4 (5)	...	...
Population growth (annual %)	...	...	...	2.8 (5)	...	...	2.4 (5)	2.2 (5)	...	...
Fertility rate, total (births per woman)	6.6 (8)	6.2 (8)	...	7 (13)	...	7 (13)	5.8 (5)	7 (13)	...	...
Life expectancy at birth, total (years)	45.1 (1)	47.7 (2)	...	...	...	...	47.1 (4)	47.1 (4)	...	...

Sources:

- (1) World Bank, World Development Indicators Database, April 2005 (received from HQ)
- (2) UNDP, Republic of Liberia, Millenium Development Goals Report, 2004
- (3) UNDP Household Expenditure Survey, 2000
- (4) IMF, Art. IV Consultation Country Report, May 2006
- (5) World Bank, World Development Indicators, August 2005
- (6) Ministry of Planning and Economic Affairs
- (7) United Nations Common Country Assesment/UNDP, 1997/98
- (8) Ministry of Planning and Economic Affairs, Liberia Demographic and Health Survey, 1999/2000
- (9) Ministry of Health and Social Welfare and WHO, Report on safe motherhood needs assesments, 1999/2000
- (10) UNICEF and Ministry of Education surveys
- (11) Sayer et al. 1992 and Environment Protection Agency, 2003
- (12) Liberian Electricity Corporation
- (13) World Bank, DDI Indicators combining WDI and GEF, September 2006

## Annex 7. Business Environment

**Private sector and business environment:** Most of the once large foreign business community left the country at the outbreak of the civil war in 1990. The private sector is largely informal, impedes competition and has a strong negative impact on growth due to a lack of rule of law, especially during the years of fighting, administrative barriers, fees and taxes and a lack of information and capacity. While the legal framework is broadly suited to the private sector, there is a culture of case-by-case decisions made for application of laws, and an expectation to receive individual deals and exemptions. Judicial decisions regarding business disputes, especially those related to land, are slow and often not enforceable. For small businesses, the special tax regime is a good theoretical alternative, but in practice it does not function well in terms of coverage as many companies cannot afford to pay, so they continue to operate outside the official economy.<sup>3</sup>

**Legal Framework:** Apart from the new tax and customs code adopted in 2000, important laws like those on companies and other businesses, the FDI legislation, the law on work permits, the land law and sector legislation do not reflect best international practices. Little has been done in the last 30 years to update business laws. Most parts of business legislation need to be modernized via best international practices. Many laws allow discretion to the administration or they are, contrary to the text, applied in a discretionary fashion. Case-by-case decisions yield an uneven playing field among investors, and the expectations of the private sector to receive individual deals and exemptions. Nevertheless, business leaders, lawyers and judges are of the opinion that Liberia's legal framework for doing business is broadly adequate.<sup>4</sup>

**Judicial system:** Lawyers and businesses agree that the judiciary suffered much under the civil war in terms of diminished capacity, experienced and skilled judges, as well as independence. It still takes several years to resolve a dispute and receive a title from the courts. Poorly paid judges are often not motivated or lack the necessary skills to deal adequately with legal matters and the civil procedure law offers many possibilities to delay any judgment. The private sector complains that going to court is not worth the effort because it takes too long to receive an enforceable judgment. Several business associations have established ad hoc arbitration courts for their members as an alternative to the regular court system<sup>5</sup>.

**The tax system:** As specified by the 2000 Tax Law, there is a range of appropriate instruments and rates to cover large enterprises which have the capacity to meet compliance requirements. A notable exception is the corporate tax rate of 35%, which is above the regional average of 30%. For large businesses a key problem is the wide-spread use of discretion in both rates and application of the tax code, resulting in a significant reduction of GOL revenue collection.<sup>6</sup> The incentive system, last revised in 1975, is outdated and includes incentives known to be ineffective in encouraging investment (such as tax holidays), but effective in reducing GOL revenue. Legally, incentives are also subject to discretionary amendment by the MoF. All these features of the tax system result in a narrow tax base as well as low collection levels.<sup>7</sup>

**SMEs:** For small businesses, the special tax regime (4% turnover tax or 3-tier single payment) is a good alternative in theory, but in practice it does not appear to function well in terms of coverage. For those small firms not eligible for the single payment option, the main complaint is that the turnover tax option places a high burden on firms, financially and in terms of monitoring requirements. Today even the flat tax payment system is out of reach for most informal operators

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<sup>3</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006

<sup>4</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006

<sup>5</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006

<sup>6</sup> In particular, only about 65 percent of large taxpayers are actually paying taxes, and thousands of SMEs remain in the informal sector—many of which suspected to be viable taxpayers.

<sup>7</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006.

who lack capacity. The tax authorities face severe constraints in carrying out their mandate to raise revenue, due to the lack of computers and low levels of capacity.<sup>8</sup>

*Customs:* The Customs regime remains the major impediment to doing business by any firm engaged in cross-border trade. The non-computerized, non-harmonized system is rife with onerous red tape and procedural barriers, thus resulting in high time and financial costs for entrepreneurs. In addition, ad hoc valuation and categorization decisions by customs authorities and inspectors generate uncertainty and open avenues for corruption. Third, the customs code is not consistent with the WTO-compatible system used by pre-shipment inspections, thus generating additional fees for importers and extending the clearance time. Finally, the low capacity of staff, lack of computerization, and information dissemination among customs officials all add up to long clearance times, inefficient processes, and lack of ability monitor the flow of goods. These problems, in combination with porous borders and poor port infrastructure, have resulted in low efficiency, low trade tax collections, and high levels of smuggling (informal cross-border trade).<sup>9</sup>

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<sup>8</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006.

<sup>9</sup> Liberia Mini Diagnostic Analysis of the Investment Climate, Foreign Inventory Advisory Services (FIAS), March 2006.

## Annex 8. Debt Sustainability

Liberia's external debt is very large and clearly unsustainable. Preliminary estimates based on incomplete data indicate that Liberia's external debt amounted to about US\$3.7 billion in nominal terms at end-2005 (see Table 5 of the main text).<sup>10</sup> Of this total, it is estimated that US\$1.6 billion were owed to multilateral creditors (of which US\$740 million to the International Monetary Fund), US\$1 billion to the bilateral creditors (of which US\$830 million to Paris Club members), and about US\$1.1 billion (including accrued interest and penalty interest) to commercial creditors and suppliers. Almost all of this debt has been in prolonged arrears.

Calculations using the low-income country external debt template indicate that, at end-2005, the NPV of Liberia's external debt relative to GDP and exports of goods and services was 790 percent and 3,040 percent, respectively (Tables A1 and A2, Figure A1). These ratios are many times higher than the relevant debt burden thresholds of the LIC DSA framework.<sup>11</sup>

Under a baseline scenario that represents an extension of the staff's medium-term baseline scenario, the debt burden indicators decline over time owing to the assumed strong growth of the economy and exports but never come close to the debt burden thresholds.<sup>12</sup> Thus, the NPV of debt-to-GDP ratio declines to 460 percent by 2010 and 240 percent by 2024, while the NPV of debt-to-exports ratio declines to 1,540 percent by 2010 and 780 percent by 2024.

Alternative scenarios and stress tests underscore the unsustainability of Liberia's external debt.<sup>13</sup> Under a historical scenario, which sets important variables at their average values for 1999–2004, the debt burden indicators decline at a slower pace than in the baseline. Thus, the NPV of debt-to-GDP and to-export ratios are at 470 percent and 1,560 percent, respectively, in 2024, about twice their levels under the baseline. Under the most extreme stress test, represented by a one standard deviation shock to exports in 2006–07, the debt burden indicators first rise sharply and then converge slowly to the levels under the historical scenario, despite the larger decline in the stock and flow indicators relative to the baseline projections.

The application of the LIC DSA framework to the case of Liberia clearly illustrates that country's external debt is unsustainable situation. To address its external debt problem, Liberia will need to demonstrate a strong commitment to sound macroeconomic and structural policies but will also require substantial support, including exceptionally deep debt relief, from the international community.

Source: IMF Art. IV. Consultations Liberia Country report, May 2006

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<sup>10</sup> Most of Liberia's official records on external debt were lost during the years of conflict and the process of obtaining statements from creditors has not been completed. Data on debt to multilateral creditors are relatively complete but less so for bilateral and particularly commercial creditors. The latter reflect estimates by the authorities and staff.

<sup>11</sup> The thresholds for a country ranked as a poor policy performer according to the World Bank's CPIA index, as Liberia is, are 30 percent and 100 percent, respectively

<sup>12</sup> Under this baseline scenario, real GDP is assumed to grow at about 8 percent per year during 2006–10 and 5 percent per year thereafter. Exports are assumed to expand rapidly during 2006–10 as timber exports recover following the lifting of UN sanctions. Moreover, Liberia is assumed to continue to accumulate arrears and not have access to any new borrowing for the entire projection period.

<sup>13</sup> At this stage, it would be premature to present a scenario incorporating possible debt relief because of uncertainty regarding the timing of arrears clearance. This will depend on the mobilization of adequate financing assurances, and Liberia's success in building a track record of macroeconomic management and structural reforms. However, if and when debt relief becomes available, Liberia's debt sustainability outlook would, of course, improve dramatically.

Table A1. Liberia: External Debt Sustainability Framework, Baseline Scenario, 2002-2024 1/  
(In percent of GDP, unless otherwise indicated)

	Actual			Historical Average 6/	Standard Deviation 6/	Estimate					Projections				
	2002	2003	2004			2005	2006	2007	2008	2009	2010	2005-10 Average	2014	2024	2011-24 Average
<b>External debt (nominal) 1/</b>	<b>545.5</b>	<b>772.8</b>	<b>751.9</b>			<b>667.3</b>	<b>605.4</b>	<b>558.2</b>	<b>512.1</b>	<b>469.4</b>	<b>426.2</b>		<b>353.4</b>	<b>236.0</b>	
o/w public and publicly guaranteed (PPG)	545.5	772.8	751.9			667.3	605.4	558.2	512.1	469.4	426.2		353.4	236.0	
Change in external debt	-0.3	227.2	-20.9			-84.6	-61.9	-47.2	-46.1	-42.7	-43.2		-16.1	-8.8	
Identified net debt-creating flows	-13.8	174.9	-80.6			-35.1	-30.9	-30.0	-29.2	-27.2	-29.6		-6.9	-1.1	
<b>Non-interest current account deficit</b>	<b>-6.6</b>	<b>7.2</b>	<b>2.2</b>	<b>6.2</b>	<b>10.1</b>	<b>-13.4</b>	<b>-5.5</b>	<b>2.2</b>	<b>1.2</b>	<b>0.3</b>	<b>0.8</b>	-2.4	<b>5.6</b>	<b>6.4</b>	6.0
Deficit in balance of goods and services	-3.8	7.1	33.1			29.4	31.4	30.4	27.8	24.2	19.2		19.2	19.2	
Exports	37.3	31.9	27.4			25.9	22.9	22.3	23.9	26.3	30.1		30.1	30.1	
Imports	33.5	39.1	60.5			55.4	54.3	52.7	51.7	50.5	49.4		49.4	49.4	
Net current transfers (negative = inflow)	-11.3	-10.7	-48.8	-18.4	15.4	-56.7	-51.7	-45.7	-41.4	-37.6	-31.2	-44.1	-27.3	-19.6	-24.5
Other current account flows (negative = net inflow)	8.5	10.7	17.9			14.0	14.8	17.6	14.8	13.7	12.8		13.6	6.8	
<b>Net FDI (negative = inflow)</b>	<b>-1.3</b>	<b>1.4</b>	<b>1.8</b>	<b>-1.9</b>	<b>3.2</b>	<b>-1.1</b>	<b>3.7</b>	<b>-4.4</b>	<b>-3.6</b>	<b>-2.5</b>	<b>-2.6</b>	-1.7	<b>-2.6</b>	<b>-2.6</b>	-2.6
<b>Endogenous debt dynamics 2/</b>	<b>-5.9</b>	<b>166.4</b>	<b>-84.6</b>			<b>-20.6</b>	<b>-29.1</b>	<b>-27.7</b>	<b>-26.8</b>	<b>-25.1</b>	<b>-27.8</b>		<b>-9.9</b>	<b>-5.0</b>	
Contribution from nominal interest rate	10.0	11.0	11.0			15.2	16.3	15.3	14.2	13.1	12.1		7.3	6.5	
Contribution from real GDP growth	-19.5	219.4	-17.3			-35.9	-45.3	-43.0	-41.0	-38.2	-39.9		-17.3	-11.4	
Contribution from price and exchange rate changes	3.6	-64.0	-78.3			...	...	...	...	...	...		...	...	
<b>Residual (3-4) 3/</b>	<b>13.5</b>	<b>52.3</b>	<b>59.7</b>			<b>-49.5</b>	<b>-31.0</b>	<b>-17.2</b>	<b>-16.9</b>	<b>-15.5</b>	<b>-13.6</b>		<b>-9.1</b>	<b>-7.7</b>	
o/w exceptional financing	-15.0	-16.7	-16.9			-18.3	-18.9	-17.7	-16.3	-14.6	-12.7		-9.7	-4.9	
NPV of external debt 4/	...	932.2	900.0			788.6	702.1	632.6	568.8	520.1	463.5		367.9	236.5	
In percent of exports	...	2919.4	3282.3			3040.6	3068.5	2832.9	2381.6	1977.5	1537.4		1220.3	784.3	
<b>NPV of PPG external debt</b>	<b>...</b>	<b>932.2</b>	<b>900.0</b>			<b>788.6</b>	<b>702.1</b>	<b>632.6</b>	<b>568.8</b>	<b>520.1</b>	<b>463.5</b>		<b>367.9</b>	<b>236.5</b>	
In percent of exports	...	2919.4	3282.3			3040.6	3068.5	2832.9	2381.6	1977.5	1537.4		1220.3	784.3	
Debt service-to-exports ratio (in percent)	36.0	48.6	54.8			71.9	84.3	80.6	70.1	56.3	43.5		26.9	23.8	
<b>PPG debt service-to-exports ratio (in percent)</b>	<b>36.0</b>	<b>48.6</b>	<b>54.8</b>			<b>71.9</b>	<b>84.3</b>	<b>80.6</b>	<b>70.1</b>	<b>56.3</b>	<b>43.5</b>		<b>26.9</b>	<b>23.8</b>	
Total gross financing need (billions of U.S. dollars)	0.0	0.1	0.1			0.0	0.1	0.1	0.1	0.1	0.1		0.1	0.3	
Non-interest current account deficit that stabilizes debt ratio	-6.3	-220.1	23.1			71.2	56.4	49.4	47.3	43.1	44.0		21.6	15.3	
<b>Key macroeconomic assumptions</b>															
Real GDP growth (in percent)	3.7	-31.3	2.6	0.7	20.4	5.3	7.7	8.0	8.3	8.4	9.6	7.9	5.0	5.0	5.0
GDP deflator in US dollar terms (change in percent)	-0.7	13.3	11.3	3.8	8.2	4.9	5.7	3.8	4.0	3.9	3.6	4.3	1.9	1.9	1.9
Effective interest rate (percent) 5/	1.9	1.6	1.6	2.5	1.1	2.2	2.8	2.8	2.9	2.9	2.9	2.8	2.1	2.8	2.3
Growth of exports of G&S (US dollar terms, in percent)	29.3	-33.3	-2.0	13.4	39.5	4.4	0.4	9.4	20.5	24.0	30.2	14.8	7.0	7.0	7.0
Growth of imports of G&S (US dollar terms, in percent)	-0.5	-9.2	76.6	10.7	37.5	1.1	11.6	8.9	10.5	10.0	10.9	8.8	7.0	7.0	7.0
Grant element of new public sector borrowing (in percent)	...	...	10.9	...	...	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9
<i>Memorandum item:</i>															
Nominal GDP (billions of US dollars)	0.6	0.4	0.5			0.5	0.6	0.7	0.8	0.9	1.0		1.3	2.6	

Source: Staff simulations.

1/ Includes both public and private sector external debt.

2/ Derived as  $[r - g - \rho(1+g)]/(1+g+\rho+g\rho)$  times previous period debt ratio, with  $r$  = nominal interest rate;  $g$  = real GDP growth rate, and  $\rho$  = growth rate of GDP deflator in U.S. dollar terms.

3/ Includes exceptional financing (i.e., changes in arrears and debt relief); changes in gross foreign assets; and valuation adjustments. For projections also includes contribution from price and exchange rate changes.

4/ Assumes that NPV of private sector debt is equivalent to its face value.

5/ Current-year interest payments divided by previous period debt stock.

6/ Historical averages and standard deviations are generally derived over the past 10 years, subject to data availability.

Table A2. Liberia: Sensitivity Analyses for Key Indicators of Public and Publicly Guaranteed External Debt, 2005-24  
(In percent)

	Estimate	Projections						
	2005	2006	2007	2008	2009	2010	2014	2024
<b>NPV of debt-to-GDP ratio</b>								
<b>Baseline</b>	789	702	633	569	520	464	<b>368</b>	236
<b>A. Alternative Scenarios</b>								
A1. Key variables at their historical averages in 2006-24 1/	789	767	743	723	714	694	<b>607</b>	492
<b>B. Bound Tests</b>								
B1. Real GDP growth at historical average minus one standard deviation in 2006-07	789	942	1141	1026	938	836	<b>664</b>	427
B2. Export value growth at historical average minus one standard deviation in 2006-07 2/	789	704	635	571	522	465	<b>369</b>	237
B3. US dollar GDP deflator at historical average minus one standard deviation in 2006-07	789	776	759	682	624	556	<b>441</b>	284
B4. Net non-debt creating flows at historical average minus one standard deviation in 2006-07 3/	789	720	668	601	550	491	<b>392</b>	249
B5. Combination of B1-B4 using one-half standard deviation shocks	789	908	1040	936	856	764	<b>610</b>	388
B6. One-time 30 percent nominal depreciation relative to the baseline in 2006 4/	789	980	883	794	726	647	<b>514</b>	330
<b>NPV of debt-to-exports ratio</b>								
<b>Baseline</b>	3041	3069	2833	2382	1978	1537	<b>1220</b>	784
<b>A. Alternative Scenarios</b>								
A1. Key variables at their historical averages in 2006-24 1/	3041	3352	3329	3025	2715	2301	<b>2013</b>	1632
<b>B. Bound Tests</b>								
B1. Real GDP growth at historical average minus one standard deviation in 2006-07	3041	3069	2833	2382	1978	1537	<b>1220</b>	784
B2. Export value growth at historical average minus one standard deviation in 2006-07 2/	3041	4185	5720	4809	3993	3105	<b>2466</b>	1583
B3. US dollar GDP deflator at historical average minus one standard deviation in 2006-07	3041	3069	2833	2382	1978	1537	<b>1220</b>	784
B4. Net non-debt creating flows at historical average minus one standard deviation in 2006-07 3/	3041	3147	2991	2518	2091	1628	<b>1301</b>	826
B5. Combination of B1-B4 using one-half standard deviation shocks	3041	3372	3721	3132	2602	2025	<b>1617</b>	1028
B6. One-time 30 percent nominal depreciation relative to the baseline in 2006 4/	3041	3069	2833	2382	1978	1537	<b>1220</b>	784
<b>Debt service ratio</b>								
<b>Baseline</b>	72	84	81	70	56	44	<b>27</b>	24
<b>A. Alternative Scenarios</b>								
A1. Key variables at their historical averages in 2006-24 1/	72	92	95	89	77	65	<b>45</b>	52
<b>B. Bound Tests</b>								
B1. Real GDP growth at historical average minus one standard deviation in 2006-07	72	84	81	70	57	44	<b>28</b>	24
B2. Export value growth at historical average minus one standard deviation in 2006-07 2/	72	115	163	142	114	89	<b>56</b>	49
B3. US dollar GDP deflator at historical average minus one standard deviation in 2006-07	72	84	81	70	57	44	<b>28</b>	24
B4. Net non-debt creating flows at historical average minus one standard deviation in 2006-07 3/	72	84	82	73	59	46	<b>29</b>	27
B5. Combination of B1-B4 using one-half standard deviation shocks	72	91	103	91	73	57	<b>36</b>	33
B6. One-time 30 percent nominal depreciation relative to the baseline in 2006 4/	72	84	81	70	57	44	<b>28</b>	24
<i>Memorandum item:</i>								
Grant element assumed on residual financing (i.e., financing required above baseline) 5/	61	61	61	61	61	61	<b>61</b>	61

Source: Staff projections and simulations.

1/ Variables include real GDP growth, growth of GDP deflator (in U.S. dollar terms), non-interest current account in percent of GDP, and non-debt creating flows.

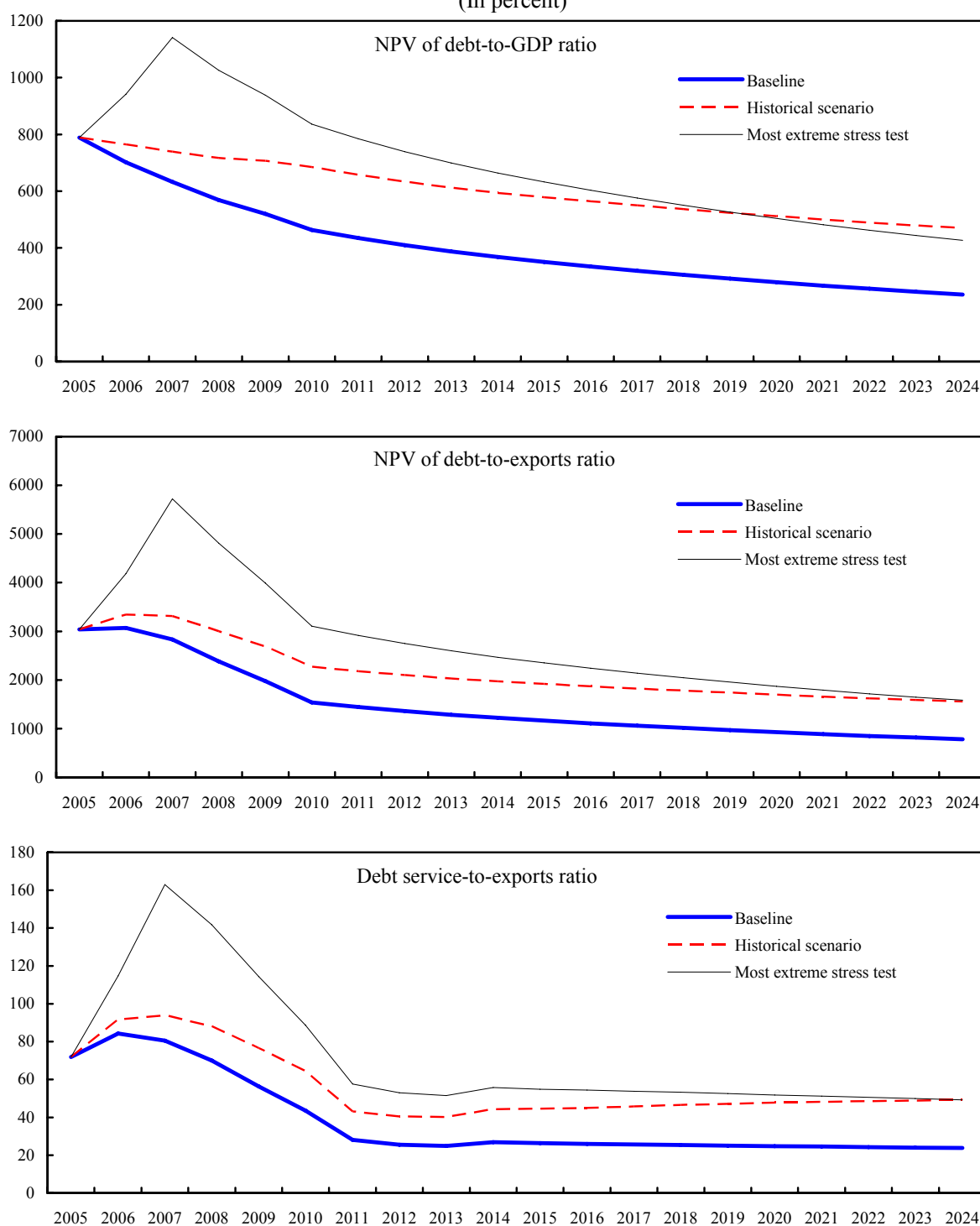
2/ Exports values are assumed to remain permanently at the lower level, but the current account as a share of GDP is assumed to return to its baseline level after the shock (implicitly assuming an offsetting adjustment in import levels).

3/ Includes official and private transfers and FDI.

4/ Depreciation is defined as percentage decline in dollar/local currency rate, such that it never exceeds 100 percent.

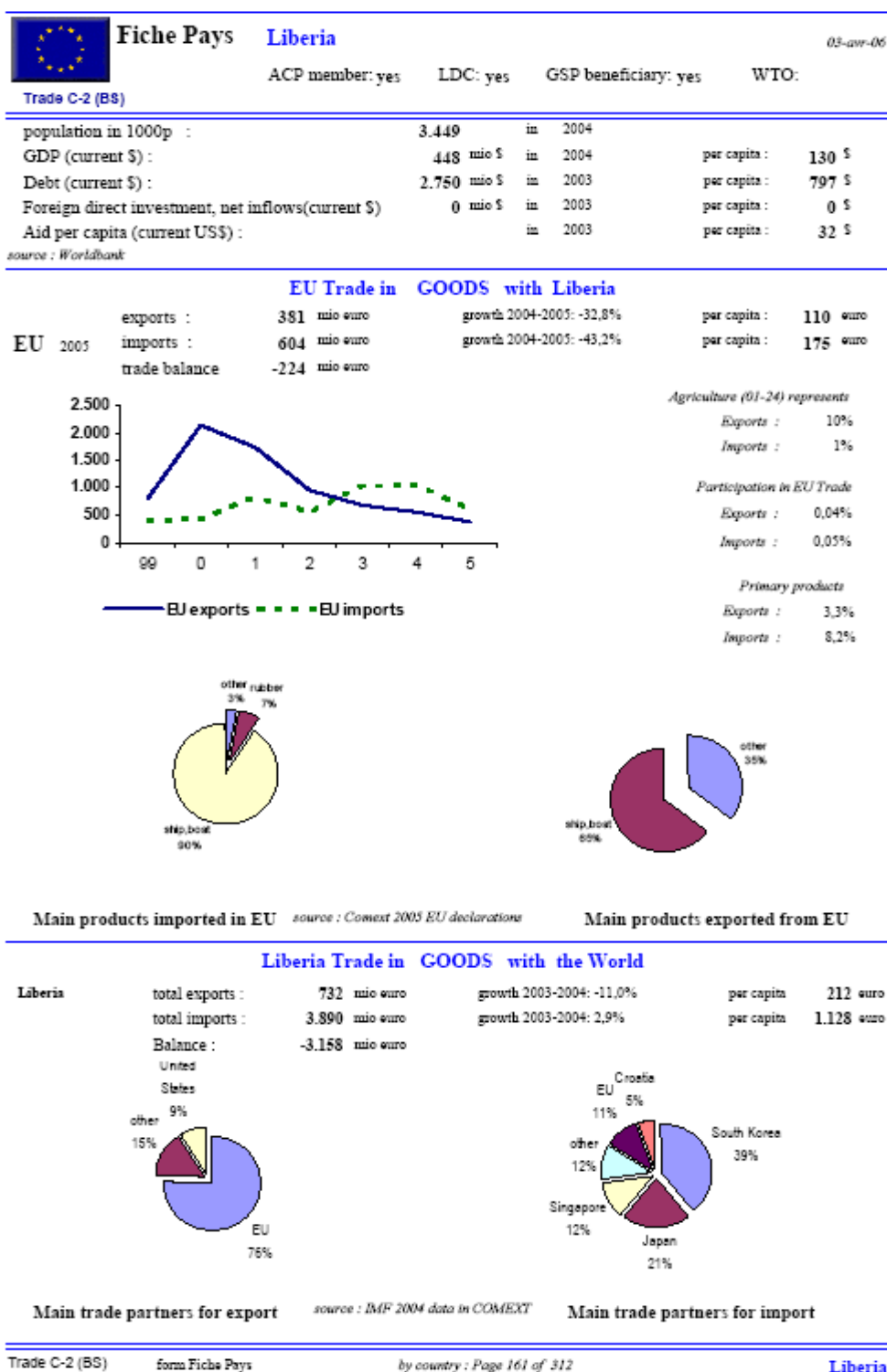
5/ Applies to all stress scenarios except for A2 (less favorable financing) in which the terms on all new financing are as specified in footnote 2.

Figure A1. Liberia: Indicators of Public and Publicly Guaranteed External Debt  
Under Alternative Scenarios, 2004-2024  
(In percent)



Source: Staff projections and simulations.

## Annex 9. Trade Data Sheet





## Fiche Pays Liberia

03-avr-06

Trade C-2 (BS)

ACP member: yes LDC: yes GSP beneficiary: yes WTO:

### HS4 main traded products imported into EU

EU imports rs4		source : Comext 2005	% total of country	cumul. % of total imp	1000 euro	Share of Extra-EU	tons
8901	CRUISE SHIPS, EXCURSION BOATS, FERRY-BOATS, CARGO SH		89,0%	89,0%	537.518	7,4%	502.731
4001	NATURAL RUBBER, BALATA, GUTTA-PERCHA, GUAYULE, CHI		6,5%	95,5%	39.519	2,6%	36.202
8903	YACHTS AND OTHER VESSELS FOR PLEASURE OR SPORTS; R		1,5%	97,0%	8.835	0,3%	504
total imports from Liberia			100%		604.126	0,05%	

### HS4 main traded products exported from EU

EU exports rs4		source : Comext 2005	% total of country	cumul. % of total imp	1000 euro	Share of Extra-EU	tons
8901	CRUISE SHIPS, EXCURSION BOATS, FERRY-BOATS, CARGO SH		60,2%	60,2%	229.135	4,2%	204.343
8903	YACHTS AND OTHER VESSELS FOR PLEASURE OR SPORTS; R		4,4%	64,6%	16.843	0,4%	645
2710	PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS		3,9%	68,5%	14.851	0,0%	61.413
9955	CONFIDENTIAL TRADE, NOT ELSEWHERE CLASSIFIED		1,6%	70,2%	6.146	0,2%	47
9406	PREFABRICATED BUILDINGS, WHETHER OR NOT COMPLETE		1,5%	71,6%	5.591	0,5%	3.035
3004	MEDICAMENTS CONSISTING OF MIXED OR UNMIXED PRODU		1,4%	73,0%	5.200	0,0%	210
total exports to Liberia			100%		380.536	0,04%	



## Fiche Pays Liberia

03-avr-06

ACP member: yes

LDC: yes

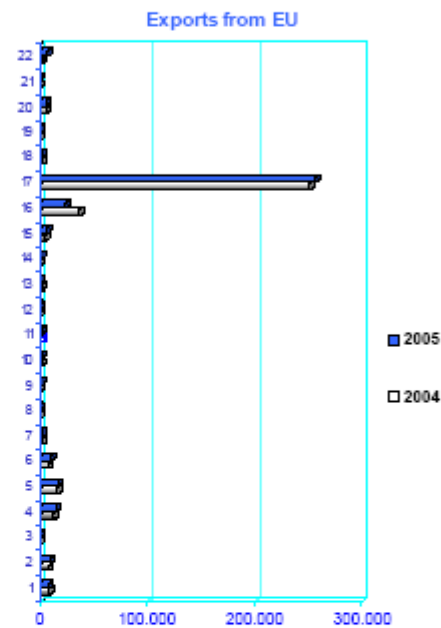
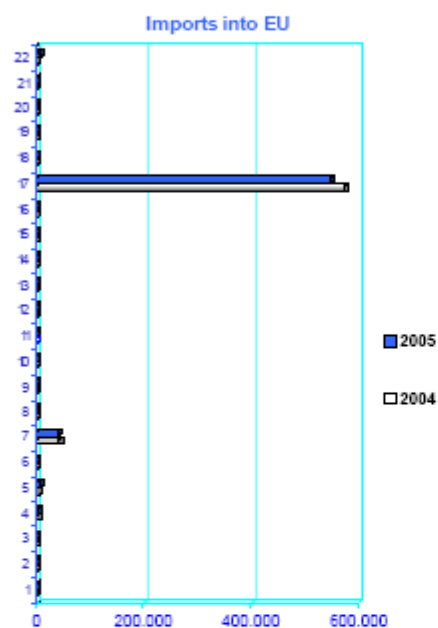
GSP beneficiary: yes

WTO:

Trade C-2 (BS)

EU - Liberia

2004-2005 Trade by TDC section in mio €



- 1 Live animals; animal products
- 2 Vegetable products
- 3 Animal or Vegetable Fats, Oils, and Waxes
- 4 Prepared foodstuffs, Beverages; tobacco
- 5 Mineral products
- 6 Products of the chemical or allied industries
- 7 Plastics, rubber and articles thereof
- 8 Hides, skins; leather, travel goods; handbags ...
- 9 Wood and articles of wood; cork; plating mat
- 10 Wood pulp; paper, paperboard, & article thereof
- 11 Textiles and textile articles

- 12 Footwear, headgear ...; artificial flowers; ...
- 13 Articles of stone or ceramics; glass and glassware
- 14 Pearls; precious stones and precious metals; jewellery
- 15 Base metals and articles of base metal
- 16 Machinery and mech. appliances; elect. equip. ...
- 17 Vehicles, aircraft, other transport equipment
- 18 Optic, photo, medical instruments; clocks, music. equip.
- 19 Arms and ammunition; parts and accessories thereof
- 20 Miscellaneous manufactured articles
- 21 Works of art, collectors' pieces and antiques
- 22 Not Classified

**Fiche Pays Liberia**

03-avr-06

Trade C-2 (BS)

ACP member: yes

LDC: yes

GSP beneficiary: yes

WTO:

**Breakdown of trade (in 1000 €) by MemberStates****Imports into EU**

Belgium	364.036	60,3%
Spain	102.981	17,0%
Poland	39.011	6,5%
Fr Germany	35.334	5,8%
Italy	16.455	2,7%
France	12.562	2,1%
Utd. Kingdom	9.491	1,6%
Czech Rep.	8.313	1,4%
Ireland	6.455	1,1%

**Exports from EU**

Spain	100.274	26,4%
Poland	56.491	14,8%
Fr Germany	52.879	13,9%
Italy	50.642	13,3%
France	25.816	6,8%
Netherlands	21.859	5,7%
Utd. Kingdom	16.515	4,3%
Lithuania	8.722	2,3%
Greece	8.705	2,3%
Sweden	8.416	2,2%
Ireland	8.407	2,2%
Belgium	7.822	2,1%
Denmark	7.333	1,9%

source : 2005 Context

## **Annex 10. Country Environmental Profile (Executive Summary)**

### ***The state of environment***

Liberia lies on the southwest corner of the West Coast of Africa, inside the belt of tropical rains, its land growing from the coastal plains through a region of rolling hills and inundated plateaus till the frontier mountains, reaching there m 1,380 above sea level. This territory is richly endowed by a *tropical hot-humid climate*, mineral ores of iron, gold and diamond, and biodiversity, enclosing some unique heritages as the larger patch of the moist *Upper Guinean forest zone*. Ecological zones are layered according to the altitude and are dominated by the fragile tropical latosols. Rainfall water refills 6 major river basins, including abundant and widespread aquifers, wherefrom urban and rural water supply is caught.

*Water supply and sewage disposal services* have been disrupted by the war and intense urbanization of coastal towns. Present coverage of safe water is 26% in urban areas and 4% of rural population. Available water is minimally used for economic activities, such as farming and electricity generation. Domestic sewage and garbage are mostly disposed in uncontrolled ways by the population, a few collection sites being run by public services. In Monrovia, about 10% of garbage is removed and burn. Energy production and distribution network have been heavily damaged. Fossil fuel is now the main source of electricity. Alternative energy sources, such as fuel wood and charcoal production are accounted among the causes of degradation of the forests and mangroves areas. Part of such biomass also supplies the markets of neighboring countries. Liberia varied ecosystems include forests, savannah grasslands, mangroves, wetlands, rivers, lakes and the continental shelf, hosting, among others, 2,000 plants species, 600 bird species, 125 mammal species, 74 reptile species and 1,000 insect species. This biodiversity is threatened by land degradation, over-exploitation of resources through excessive harvesting, fishing or hunting, introduction of exotic species and ineffective institutional arrangements. Artisanal fishery is often inefficient, but uncontrolled industrial fishing in Liberia' sea is the bigger threat to the refilling of the halieutic stock. Land is the focal point for both human survival and economic development as it provides diverse functions in support of ecosystem processes, livelihoods and food security. Such practices, as well as mining, uncontrolled logging, fuel wood and charcoal production, together with the lack of land-use planning and confusion in tenure system, have exacted their price on Liberia environment. During the war, primary forests have shrunk by among 0.6 and 1.5% per year. The two remaining dense forest areas are in the northwest and southeast of the country and are fragmented by the advances of shifting cultivation. Agriculture is split in small holdings, based on slash and burn practices, and commercial plantations. Poor practices in both cases are degrading soil fertility.

Society and the economy are dominated by the prolonged structural and institutional crisis. Loss of productivity is reflected in the degradation of human settlements and of the vulnerable sectors of the society, and in the over-exploitation of natural resources. The trade deficit, the heavy burden of the foreign debt and the overgrown public sector doesn't facilitate investments, much needed in order to restore productive capacities and business environment. So, Liberia convenience flag fleet has no relevant impact on local economic trends.

The Liberia crisis has ended with the deployment of an international force and the establishment of new institutions. Combatants' demobilization and reestablishment of democratic institutions have reduced the insecurity, also if robust migrants' flows are still swelling the population of coastal towns. Uncontrolled occupations of land also exist in natural resources rich spots, such as mineral ores rich mountains and forests, and former commercial plantations. Over 80% of the Liberian population suffers from income poverty, living below the universally established poverty line of US\$1/day, both in urban and rural areas. Such situation if reflected in malnutrition, high rates of communicable diseases, women victimization and low school enrollment rates.

By 2006 IDPs' camps have been closed and people has returned to their home or contributed to the growth of the urban areas of Monrovia and other coast towns. Disputes on land tenure and exploitation of nature are the symptoms of a difficult social and economic recovery. Approaches for conservation and use of biodiversity could partly relay on the knowledge and values enshrined in secret (religious) societies, traditional healers, hunters, traditional norms and taboos, sacred groves, and farming practices, at least in the rural areas, where the contact with the nature is direct.

### ***Environmental issues***

The key environmental issues of Liberia are: (1) natural resources degradation (land, forests, water) and, especially, loss of biodiversity; (2) socio-economic environment, such as dropping in socio-economic / MDG levels in health (high prevalence of communicable diseases, HIV/AIDS, safe water and education access). These issues fall within the framework of poverty reduction, which is the country's first priority at this stage of development and, thus, overshadows and incorporates all environmental considerations and efforts. A strict link exists between socio-economic and environmental degradation. Poverty induced pressures on the environment presently is the outstanding feature of Liberian life. Poor farming practices, uncontrolled forests and mineral ores exploitation threaten the sustainability of Liberia economic development.

Permanent forest shrinking is the most relevant effect of such process, with loss of biodiversity and soils degradation. People response to shrinking productivity is migration and urbanization.

The total collapse in growth had a devastating impact upon the livelihood of the Liberian people. Worse of all, the human capital was depleted by migration, death and lack of educational services. Degradation of hygienic conditions and health services are exacting a very high toll on the vulnerable sectors of society, such as women and children.

This biodiversity is being threatened by land degradation, over-exploitation of resources through excessive harvesting or hunting, introduction of exotic species and ineffective institutional arrangements. Land degradation from activities such as mining or poor agricultural practices, a lack of land-use planning and the current land tenure system have already exacted their price on Liberia environment. The main causes of environmental degradation in Liberia include shifting cultivation, uncontrolled logging, fuel wood harvesting, encroachment by human settlement, illicit fishing and unsustainable mineral and sand mining activities.

### ***National environmental policy, legislative and institutional framework***

The Government of Liberia has recently renewed (2003-2006) the legal framework, advocating the sustainable use and conservation of natural resources. Such policy is based on the assumption that future exploitation of the rich mineral ores and biodiversity will be used for reducing poverty (social stabilization) and promoting good practices that will enable the conservation the biodiversity and land. Implementation of such provisions is demanded to line ministries, with a thin coordination by the *Environmental protection agency* (EnPA), whose mandate is mostly directed to the harmonization of public interventions and supervision of environmental policies. EnPA activities started in 2004, but this agency is yet to embark on carrying out its duties and mandate. The financial, technical and organization endowment of line ministries, whose mandates include environmental management in their respective sectors, depends on the release of concessions to investors and the consequent collection of fees. The key actors in preserving natural resources are the *Ministry of land, mining and energy*, the *Forestry development authority*, and the *Ministry of agriculture*. The human environment preservation and upgrading is entrusted to a larger set of institutions such as the *Ministry of health* and, in the critical urban areas of the coast, the *Monrovia city corporation*, the *Liberian water and sewer*

*corporation* and the *Liberian electric corporation*. All of them lack most of the basic instruments to effectively develop and implement environmentally sound action plans.

Biodiversity conservation policy is mainly based on 2 rainy forest terrestrial ecosystems fully protected, 10 partially protected forest reserves and 5 wetlands designated under the Ramsar convention. Conservation policies in such areas are challenged by illegal exploitations, often undertaken by artisanal miners and timber loggers. Land tenure is also a disputed issue, due to the several changes of users induced by war, migrations and bad governance. Informal and traditional practices have been revitalized by the prolonged institutional crisis.

In light of food security issues and the requirement for long-term agricultural growth it is likely that the role of modern biotechnology in the economic transformation and sustainable development of Liberia will be the subject of intense debate.

Liberia is a signatory of the main international and regional conventions concerning the environment. Its contribution to the sustainable economic development is clearly related to biodiversity.

Following the *Environmental policy* provisions, institutions are developing links with the civil society and establishing coordination of their strategies. Development knowledge and skills among beneficiaries is intended to increase the consensus for the environmental sustainability. The *Liberia 2004 MDGs report* and other international surveys pointed to the need for the availability of reliable *environmental indicators*. A set of such indicators has been established, in order to monitor the state of environment in Liberia, based on MDGs recommendations and the situation on the ground. They are directly related to natural resources conservation, the human pressure on the environment and its relations with poverty.

### ***EC and other donor co-operation with the Country from an environmental perspective***

EC cooperation with Liberia has focused on the DDDR process, the reestablishment of governance, the assistance to the population affected by the conflict, recuperation of public utility services. Anyway, institutional support has included advice in shaping environmental policies, check ups and re-launching of public services in charge of their implementation. Positive results include the collection, elaboration and dissemination of inventories on forests and biodiversity, as well as assistance in capacity building of the people in charge of their supervision and monitoring. On the side of human environment, the main field of action has been the reestablishment of Watsan services in urban and rural areas and the assistance in shaping policies for the sustainable development of such utilities. In such effort, each donor has implemented its set of environmental standard, in coordination with individual counterpart institutions in the Government of Liberia and civil society. An uneven panorama is the result of such approach: while the participatory approach is usually adopted, only a few agencies operate environmental friendly methodologies such as the undertaking of EIA on prospected initiatives. Donors' coordination is not substantive in the environmental field, with the exception of the *Liberian forestry initiative*, heralded by the USA and concerned with forest production and conservation.

### ***Recommended priority actions***

The output of this study is a set of recommendations that sprawl across the different areas of intervention of international and EC cooperation and sectors of economic and social development. A first concern is that the environmental issues be addressed since the conception of sectorial interventions. For such purposes it is suggested that a *Strategic environmental assessment*, be applied. This framework will also foster greater donors' coordination. EC cooperation has two major vehicles for raising awareness and integrating environmental concerns and initiative in development programs: (1) institutions building at the central level and (2) DDDR/community development at the periphery. In the former case, the build up of

environmental specialistic skills will be grafted on the on-going and forecast rehabilitation and development plans. In the latter case, the participatory approach and integration of social and economic issues will facilitate the adoption of environmental friendly approaches to case by case development initiatives; such approach should be integrated at the micro-basin level, appropriate for the joint planning and management of human and natural assets.

The sectors of (a) human environment and pollution, (b) mining and land use and (c) agriculture are key components of the sustainable development / reduction of poverty strategy: the build up of knowledge and skills in such fields and integration of such outcomes in larger programs, will foster a pro-active approach to the relations between people welfare and the environment.

Natural resources study, conservation and valorization should include a wetlands/mangroves protected area, and be associated to the creation of income generating activities. A pilot eco-tourism project based on small scale initiatives can be supported through the tropical forest budgeline.

## **Annex 11. Country Migration Profile (Executive Summary)**

### ***Overall Appreciation***

- Liberia, as a state being the result of a targeted immigration of Americo-Liberians in the 19<sup>th</sup> century, but also having been touched by big historical West African migration routes, mostly stemming from the Mandingo and Fula populations of the great pre-colonial West African empires in what is now Mali and Senegambia, is much structured in its population stock, but also on its socio-economic fabric by this migratory influences
- Also, as in most West African countries, there has been an important Lebanese immigration, predominantly an economic migration pattern particular for petty traders, middlemen and other economic actors.  
Unlike in other (West) African countries, Lebanese immigrants (in spite of having present in the country over several generations) are deprived by the Liberian constitution opting for naturalization.
- Since the beginning of the Libarian crisis in 1980, forced migration has become, and remained so far, the major feature of migration for Liberia. This trend is likely to continue for some time even after the end of the crisis in Liberia, due to the volatile situation in neighbouring countries and the region: already now, numbr of refugees have arrived from Ivory Coast, and the situation in Guinea, according to Crisis Watch and other monitoring institutions, is at the brink of major internal strains and potential conflict, causing alrerady now an increased flow of migrants towards the northern counties
- The Liberian diaspora in general, and its greatest conglomeration in the USA in particular has so far not been subject to migration policy interventions, though they certainly represent a so far non-exploited resource in the context of migration and development. However, a number of yet rather modest projects addressed at the diaspora as a resource, have been either started recently, or have been suggested by some IOs and NGOs. In the absence of a particular government institution entrusted with a systematic communication and contact with the diaspora, the Ministry of planning is, for the time being, designated as the GoL partner in this field.
- Private remittances from abroad, if which the major part is likely to stem from Liberian emigrants, are providing a substantial to the GDP, reaching a surprising rate of almost 13% in 2006. More precise and target monitoring of these payments are necessary in order to render them a sustainable development option.
- The core of the conflict in Liberia is related, to a major part, to its migration history and patterns, and the social processes of inclusion and exclusion of immigrants, resp. the local population, or parts thereof, often along ethnic denominations. Appreciation of migration history, related causes and effects, of past, recent and also imminent and future migration movements are thus an important means of conflict resolution and conflict

### ***Main Problems***

- The general state of governance in general, and in view to possible migration programme and project implementation by GoL structures must be considered as insufficient, in particular as long as problems addressed in the ECOWAS report of economic crime (e.g. corruption) by GoL entities have not been clarified<sup>14</sup>. By no means should the EC consider, in the field of migration, a budget support approach.

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<sup>14</sup> ECOWAS: Final report of ECOWAS Team of Investigators into Economic Crime in Liberia, Monrovia June 2006

- Insufficient monitoring of, and lack of a database on migration movements, except for post-crisis forced migration (returnees, IDPs, refugees), where UNHCR and a number of international NGOs have set up an ongoing monitoring system and a respective database
- Internal migration of population towards Monrovia (rural exodus) is the predominant migration feature in this post crisis / rehabilitation setting. Though important numbers of IDPs having sought refuge in and around Monrovia have initially returned (organised relocations up to 4/2006), important (and visible) numbers have remained in the city and suburbs. Consequently, habitation, urban infrastructure (both physical and social) and services are insufficient, if at all existing
- There are indications of vagabonding of demobilised, but not re-integrated ex-combatants, including children soldiers, in the region and towards locations and areas of armed conflict (Ivory Coast, potentially also other volatile regions in Guinea and Sierra Leone). DDRR in Liberia, particular apparent shortcomings in its reintegration part, thus contributes possibly to insecurity in the neighbouring region
- Regional immigration of seasonal and permanent nature from neighbouring countries, mainly Guinea and Mali, in particular by petty traders, craftsmen and occasional seasonal farming, though being part of an traditional migration pattern in the region, from is perceived by the population as a new and threatening feature, referred to as “Mandingo immigration”. Given the prevailing negative, if not hostile attitude towards this migration, it’s monitoring, as well as suitable community awareness and communication in the issue are required in the context of a conflict prevention strategy
- There is a certain potential for irregular transit migration through Liberia towards the EU space (Canary Islands), not only by (West) African migrants but also referring to South Asian transit migrants.
- Remaining important numbers of Liberian refugees in the West Africa Region neighbouring (116.000 now, probably 60.000 after the end of UNHCR organised repatriation operation in 2007) are a considerable migratory population from which some secondary (irregular) migration towards the EU space can be expected, using existing transit networks existing in certain countries of actual asylum such as Ghana, Nigeria, Sierra Leone and Guinea.

## ***Recommendations***

### On development contributions of Diaspora:

*Support to ULAA in their effort to create and establish a “Diaspora Commission” to elaborate and promote an active government migration policy*

### On monitoring of movements ex-refugees in countries of first asylum:

Support establishments of monitoring systems in countries harbouring these ex-refugees, with the aim to identify solutions for their settlement, or targeted regular immigration to Europe (circular migration schemes, co-development)

### On internal migration monitoring and re-integration:

Maintain support to existing monitoring systems established, and database created on numbers, movements and situation of returnees and IDPs in the different counties, as a planning base for migration related development interventions beyond the post crisis-planning horizon

### On “Mandingo Immigration”:

The feature of “Mandingo”-immigration should be monitored, both in terms of migration control and in terms of social perception / attitudes towards this migration movement. In the context of conflict prevention, surveys applying suitable parameters deriving from the methodical repertoire of conflict early warning system should be undertaken

### On trans-regional migration monitoring:

EC to consider to assist government in monitoring actual and potential transit migration, through the recently established inter-ministerial commission on human trafficking, respectively the Task Force Migration (see next paragraph), and possibly by means of renewing / extending EC's migration research project CARIM to monitor African countries south of the Sahara as actual / potential countries of origin of transit migration towards Europe

On trafficking:

- Institutional support to the Task Force Trafficking (TFT)
- Technical advice / support to the TFT, in particular in the field of monitoring of actual and potential actors, trafficking routes, potential means etc. both in Liberia and its vicinity
- Technical advice / support to the TFT in the monitoring of actual, and analysis on potential irregular transit migration through Liberia

Implementing partners should preferably be international organisations experienced in the field of human trafficking (IOM, ICMPD)

On ex-combatants:

Efficient monitoring of the whereabouts of ex combatants registered under the DDRR programme, indicating numbers of ex combatants not reporting to, or not calling at support and reference centres, or services linked to the DDRR programme; case load analysis on the efficiency of the integration phase of DDRR

On general migration policy:

Strategies to be applied in the field of migration are rather directed at the continued return and re-integration of yet not repatriated refugees and other persons having left the country during the years of crisis.

Given the low level of formal education, but also the involvement of a great number of Liberian men in various armed factions, and the social deviative attitudes and habits resulting from that biographies, is not rendering young Liberians a promising pool for development orientated reservoir for labour migration into the EU.

## Annex 12. Lesson Learned from 8<sup>th</sup> EDF program evaluation

- *Health:* The contribution to fundamental health services was narrow in scope but effective as far as the impact of the rehabilitation of the Phoebe Hospital and the support to the NDS are concerned. In both cases, efficiency was less satisfactory since the sustainable structures and management required ensuring accessible and quality services were not established sustainability through these interventions. The evaluation recommended continued support for the subsidised provision of drugs to the poorest through a trust fund, reinforcement of the restructuring and of management of the Phoebe Hospital, and further support to health care provision through NGOs based on geographical considerations and focussed topics (health personal training, primary health care, etc.).
- *Community development:* As to lessons learned to guide future community development programmes, recent cooperation has been implemented in a very different context. During the emergency, conventional approaches to development – involving the beneficiaries in the planning process, institutional building, and ownership – were impossible. State structures were weak or absent, which obliged the donor to work through parallel systems, but the NGO service providers in Liberia were emergency, not development, specialists, and in any event, NGOs are never permanent solutions to a weak state. Moreover, in a crisis environment NGOs could not work to their traditional strength by building relationships with communities. Lastly, *the wider lesson is that without political stability and economic growth, no project will have any lasting benefits.* Therefore the challenge is to work to build up institutional capacity to improve state service provision while at the same time continuing to deliver tangible benefits to meet immediate needs. The Local Community Development concept of “small is beautiful”, the use of sector specialist ‘interface’ partners to work with the beneficiaries and net cash flow to assess project sustainability might prove to be an effective and replicable response to regenerating the rural economy. However, the evaluation underlined that a smaller reliance on final payments would improve the cash flow for the local implementing partners and greater capacity training would improve the long term sustainability of the SSP.
- *Electricity and Water:* For both water and electricity the progress on sectoral reforms has been insufficient. The previous GOL accepted the idea of privatising certain aspects of the management of public utilities, water and electricity, to improve financial management, allowing the programme to promote innovative and culturally appropriate responses to the problem of mismanagement in service delivery. Though the steps related to the water and electricity liberalisation processes were mainly satisfactorily managed at project level, the implementation of the sector strategies remained limited and unsatisfactory, mainly due to the transitional political situation and to lengthy procedural delays from the EC that in turn were caused by understaffing and the regionalised nature of the Liberia Delegation with Contract and Finance based in Abidjan.
  - Regarding electricity, evaluators recommended further focus to restructure LEC, or liquidation and creation of a new company, and to set up a Regulatory Board.
  - As to water, good points for the final model of the sector strategy were underlined (such as the establishment of concessions, more efficient private operations, and provisions to prevent water pilferage), but doubts exist regarding the possibility for a new public Transmission Company to operate in conflict with other parties in the sector, to determine prices and margins compatible with replacing infrastructures, affordable consumer price, and non-profit policy. Addressing these problems would likely require setting up a regulatory body. Ascertaining the attractiveness of the chosen model for investors is also necessary.

### **Annex 13. Lesson Learned from the DDRR Program in Liberia Evaluation**

Initially started with UNDP core funding, the contributions into the UNDP Trust Fund from all donors, including the EC have now exceeded US\$ 71 million. According to senior management the funds actually available are sufficient to cover the outstanding reintegration caseload. The DDRR Programme started on 7 December 2003 with the first disarmament taking place at Camp Schieffelin. This program is expected to finalise its operations by the end of June 2007, and to administratively close the programme by the end of December 2007. The programme has 101,873 participants eligible for reintegration assistance and by the end of the DD process, 103,912 persons had been disarmed.

The difference is accounted for by the number of validated participants versus those screened at Camp Schieffelin (at the time the database was not yet operational) and also a small provision of spontaneous reintegration estimated at 2% by JIU. At the time of the evaluation there remains 41,920 participants eligible for reintegration benefits, of which 19,409 are under direct responsibility of the UNDP TF and the remaining 22,511 are to be covered by parallel programmes.

An external mid-term evaluation of the overall DDRR programme (DDRRP) – not just the EC funded activities – was published in October 2006 by UNDP. At the time of the evaluation there remained some 41,920 participants eligible for reintegration benefits, of which 19,409 are under direct responsibility of the UNDP Trust Fund and the remaining 22,511 are to be covered by parallel programmes.

The DDRR program has created a number of positive and negative impacts. It has provided participants with some degree of reintegration opportunities. Most reintegration projects (vocational skills training and agricultural projects) have been designed to provide economic reintegration of participants, while formal education projects allow for some degree of social reintegration of programme participants. Nonetheless neither of the two components can provide by itself sustainable reintegration over the long-term, as linkages need to be made with a national recovery framework into which DDRRP should exit. The DDRRP has contributed to community returns, and especially for CAFF, through family reunification, and has further contributed to social reintegration of DDRRP participants.

The monetary input from the DDRRP has generated a positive impact on local economies, and some of the participants have used the TSA payment to set up their own business (Tubmanburg, Zwedru). But the evaluation mission could not quantify this and is therefore mentioning it as anecdotal evidence.

The DDRRP was perceived as a weapons buy-back programme. Some of the material produced as part of the dissemination and information campaign (T-shirt with a gun and money) contributed to reinforcing that perception.

The negative perception is that the communities were not included in the process and felt marginalised, especially as they bear the weight of the reconciliation and reintegration of DDRRP participants. The evaluation team received claims that communities are also somewhat resentful that the DDRRP “rewards killers” in the word of one community member. However given time and resources the evaluation team was unable to substantiate this perception over a large number.

It is analysed that the DDRRP had insufficient geographical presence to ensure an entirely comprehensive coverage. Coupled with a DD phase during the rainy season, which limited mobility and the limited length of the DD phase in some parts of the country, there is a risk that in some of the remote areas there may have been a degree of exclusion from the programme. Gender was an issue which was not adequately covered and women were marginalised in the process. While CAFF were protected and looked after by UNICEF and its partners, women, were supposed to have a comprehensive programme answering their specific needs. However no agency took up this challenge. DDR programmes are not meant to be sustainable, and are necessarily time-bound. It is the process of reintegration (social and

economic) that must be sustainable. Most IPs developed a project in response to the DDRRP, and therefore without considering the longer-term implications of sustainable reintegration. Sustainable reintegration requires an overall national recovery/development framework to guide its exit strategy and affirm government ownership, something which had been lacking during the whole DDR process given the interim nature of the transitional government and the fact that the democratically elected government has just recently taken charge of the country. This framework is necessary so that both the DDRRP and IPs projects are able to merge into this framework.

Referring to the UNDP Report to the European Commission for the 3<sup>rd</sup> EC Contribution to UNDP DDRR Trust Fund realized in September 2006, is observed that UNDP has made progress in the DDRR process. Successful disarmament and demobilization activities helped to create the environment and conditions that set the foundation for the free and fair elections held in October/November 2005.

Upon completion of the DD phase, rehabilitation and reintegration activities commenced. These projects have enabled participants to gain valuable skills, knowledge and education that will lead to successful social reintegration: reestablishment of families, development of cohesive communities, and the promotion of long lasting peace and stability in Liberia.

The analysis shows that the tracking and field monitoring of the field offices was extremely difficult and at times delayed due to the security procedures that have to be MOSS compliance for all UN (National and International) staff. As a result, in some projects, the quality of training and schools has been somewhat compromised. Efforts should be made to reinforce their institutional capacity.

In order to improve the IPs' ability in financial and program management, it is strongly recommended as was done previously, that in the next phase of programming, an orientation workshop be held with all IPS to outline and clarify roles, responsibilities, reporting, etc. In this way, IPs are assured to have the necessary information in order to implement the project in accordance with UNDP requirements. This will help prevent disruption or delay of implementation, financial reporting and the timely disbursement of funds. Therefore, potential delays in the payment of subsistence allowance payments can be averted and potential disturbances prevented.

To underline that the poor condition of the infrastructure in Liberia affects all aspects of programming. It is challenge to target inaccessible sites but necessary as there are significant needy populations in rural areas.

An important component of the reintegration and rehabilitation activities includes the provision of job referral, job placement and the creation of job opportunities. The way forward in providing these services is currently under discussion with UNDP and National Commission for DDRR. Additionally access to micro credit schemes is another important opportunity under discussion and being tested on a small scale.

An increase in regular monitoring by M & E along with Joint Implementation Unit (JIU) RR monitors will also help to prevent potential problems. A planning meeting with all M&E staff, trackers, and field office staff is planned in November to set monitoring schedules, clearly define roles and responsibilities, and review success and challenges.

Monitoring and management of large multi sectored projects is difficult for some IPs. This directly affects the quality of training and financial management. UNDP recognizes that limiting the IPs projects to only a few training sites and minimizing the number of project participants will help make project management and monitoring more efficient.

UNDP recognizes there have been challenges and continues to confront these difficulties in a positive manner and adjust and adapt programming practices and policies as needed. The way forward for Liberia is the continued support for active economic, social and political reintegration.

## Annex 14. Institutional Strengthening Component Evaluation

### *Executive summary*

Institutional and human resource capacity in Liberia has suffered a steady decline since the 1980s. The situation was further exacerbated by widespread and intermittent civil war that swept the country for over fourteen years starting in the late 1980s, resulting in an acute loss of human resource capacity and systems. A negotiated peace agreement between warring factions led to the formation of a National Transitional Government of Liberia in October 2003. The new government was mandated with the reconstruction and recovery of Liberia over a two-year period. It was however evident at the inception of the NTGL that decades of institutional decline required substantial resources and capacity development to set the country on a path to recovery and rehabilitation.

As part of its support to the reconstruction and rehabilitation of Liberia, the EC approved the Post Conflict Reconstruction and Capacity Building Programme (PCRCBP)<sup>15</sup> in August 2003 for €40m. The Institutional Support Programme, an intervention of the PCRCBP, was designed between January and May 2004 with an initial cost of €9m began implementation in July 2004 with two specific and interlinked programme components. These were Component 1: Support to the Establishment of a Functioning and Representative Democratic Government through a Transparent Electoral Process; and Component 2: Support to Improved Public Sector Finance Management and Good Governance.

Adequate support for a free, transparent and fair electoral process was considered to be a critical cornerstone for institutional support, without which no significant institutional improvements in Liberia's economic management and governance could be achieved. Hence, following an EC decision to provide additional support to the electoral process, funding for Component 1 increased by €5m in November/December 2004. This resulted in an increase to the ISP budget from €9m to €14m.

Component 2 comprised of three sub-components with key institutions targeted for support under the ISC (see table below).

<b>Component 2 Sub-Component 1: Support to Commissions</b>	<b>Component 2 Sub-Component 2: Audits/Follow-up to Audits</b>	<b>Component 2 Sub-Component 3: Support to Macro- Economic Agencies</b>
Governance Reform Commission  Truth & Reconciliation Commission  Independent National Human Rights Commission  Public Procurement & Concessions Commission <sup>16</sup>	Forestry Development Authority  Liberian Petroleum Refining Company  Roberts International Airport  Bureau of Maritime Affairs  National Port Authority  Central Bank of Liberia	Ministry of Planning and Economic Affairs  Ministry of Finance  General Auditing Commission

<sup>15</sup> The three interventions of the PCRCBP are (1) successful economic and social integration of ex-combatants; (2) acceleration and strengthening of social and economic rehabilitation of the population through community development and rehabilitation of basic services; and (3) institutional support for the re-establishment and functioning of key agencies, line ministries and the civil service.

<sup>16</sup> The PPCC was originally the Contracts & Monopolies Commission until January 2006.

The EC implemented all interventions in a parallel and co-ordinated manner. Varying levels of support was provided to institutions including short and long-term technical assistance, provision of equipment and logistics, detailed work plans, output-based performance schedules, and project monitoring.

In general, ISC has provided a solid foundation for institutional development in Liberia. ISC interventions were all “leverage for change” - positive change towards (1) anti-corruption and economic governance; (2) a functioning and representative democracy; and (3) transparency and accountability of Government institutions. ISC has also been directly responsible for engendering a cultural shift and thinking among stakeholders, including donors, Government and the public sector. Most importantly in this regard, a latent success of ISC was the paradigm shift gradually occurring within the Government, pivoting on their ownership and responsibility of the process towards institutional improvements. Essential for continuing the paradigm shift and the stability of Liberia are on-going sustainable democratic processes, such as electoral processes and an effective Legislative Assembly.

Although strategically relevant, ISC’s various components were not all equally successful in their application. Some institutions supported by the programme remain inherently weak, as the likely gains from ISP interventions have been thwarted by the politics of patronage which continues to characterise most institutional practice in Liberia. A major cultural shift is needed to address this problem. At the same time however, three major, visible, and important successes of the ISP underline its aims and objectives:

- (1) establishment of GEMAP in September 2005;
- (2) holding of free and fair elections in October 2005; and
- (3) conduct and placement of transparent audits of state-owned enterprises on the EC’s website – a first in the history of Liberia which generated widespread public attention and discussion.

Given the level of international assistance provided to Liberia for its reconstruction and rehabilitation efforts, the cooperation and coordination among donors was key for the successful implementation of the ISC. Results have been mixed. Effective donor coordination was achieved in the implementation of some areas such as the elections and GEMAP. Crucial to this was the Copenhagen Conference from 9-11 May 2005, which galvanized the donor community into a cohesive, unified force for development assistance to Liberia. It spawned the embryonic Economic Governance Action Plan<sup>17</sup> (now the Governance and Economic Management Assistance Programme – GEMAP) with an emphasis on anti-corruption measures, and ring-fencing and securing Liberia’s future revenues. The creation of an Elections Trust Fund, under the auspices of the UN provided an excellent opportunity for donor co-ordination in supporting a well run electoral process.

Despite stakeholders indicating that there were delays due to “bureaucratic slowness” in advancing some activities, such as those within the Ministry of Finance, they proclaimed the EC as a key agent for institutional reform, due largely to the success of the ISC through its “steady and central role”. The impact of ISC has to be seen in the context of Liberia’s emergence from one of the most protracted and violent conflicts in Africa’s recent history which was characterised by a complete breakdown of society. In initiating the ISC programme, the EC took a risk, which was very innovative and challenging, particularly since previous attempts at institutional capacity building by other donors were not successful. The ISC was implemented under difficult circumstances, against the background of a steady brain drain of the country’s most educated civil servants, significantly reduced or non-existent technical capacities in some cases, and ruined public buildings without adequate working facilities.

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<sup>17</sup> EC ISP Monthly Report, June 2, 2005.

## ***Main Findings:***

The major findings relating to the ISC are:

- The ISC programme maintained its objectives of supporting the establishment of a functioning and representative democratic Government through a transparent electoral process; and supporting improved public sector finance management and good governance.
- The ISC's focus remained fixed on the key transition points of the rehabilitation and recovery of Liberia, bringing appropriate resources to bear on these events/institutions. EC's major role in ensuring the success of institutional support was well regarded amongst stakeholders.
- Strategically, the ISC was flexible and adaptable enabling it to take advantage of critical openings (i.e. GEMAP) in a challenging and evolving post-conflict environment.
- Shifting strategic orientations normally relies on effective programme monitoring. Although the ISP programme achieved many successes, regular monitoring was limited and the quality of reporting often lacked sufficient detail.
- The sequencing of ISC funding, starting with a substantial contribution to a successful electoral process, through to support for key agencies, was strategically important in terms of laying the building blocks for a democratic transition to post-conflict rehabilitation in Liberia.
- The audits of state-owned revenue-generating enterprises were a critical factor in leading to the creation and implementation of GEMAP. Through GEMAP, internationally recruited Financial Controllers were appointed to SOEs to further ISP's goal of improved public sector finance management and good governance.
- GEMAP is a direct consequence of the implementation of the ISC and should be seen as one of its successes because of its impact and potential sustainability.
- Determining the baseline financial management and systems functionality in SOEs and other key agencies and ministries was a critical, significant, relevant and effective objective for the expenditure of ISP funds.
- ISP's institutional support model was clearly articulated, identified, and documented in the design phase, and implemented effectively, significantly contributing to the programme's success.
- The ability to phase and sequence new types of interventions depends on the readiness and ability of institutions to implement quality interventions with responsibility and ownership.
- Institutional capacity is still weak in a number of agencies.

## ***Recommendations***

### ***Strategic***

- Adopt the same, or similar, components (and targeted institutions) as the ISC for the ISCBP, rather than scattering and diluting its objectives (through the support of ministries not aligned to democratic processes or improved public sector financial management – for example, the Ministry of Health). The EC can be strategic in its country programmes by consolidating its niche areas and supporting a few focused, long-term objectives that are reviewed and modified as the country situation evolves.
- Retain the two-phased institutional support model of short-term and long-term technical assistance to institutions, with management studies in the first phase to set pre-conditions for a package of long-term support. This mechanism is a very valuable instrument to grant co-responsibility and ownership from the targeted institutions.
- Continue and improve donor coordination and cooperation as a foundation for future programmes. Donor coordination constitutes a development resource; improved linkages and

relationships promise to yield positive results. Key EC partners in institutional support in Liberia are the United States of America, the World Bank and UNDP through its Trust Fund, all of them are important. As the rehabilitation and democratization of Liberia, in accordance with the principles of rule of law, good governance and sound macroeconomic management, is a common aim of the International Community, donors coordination should be the first step before the EC makes any decision on which institution should be assisted and on what level of resources. This way, all the key Liberian institutions would be assisted in an adequate manner.

- Plan for a clear exit strategy which guarantees sustainability, to facilitate a smooth transition or closure of activities between the ISC and the proposed future institutional and capacity building support programme (ISCBP) enabling participating agencies to move confidently forward confidently to the next phase. This transition should reflect realistic options to reinforce self-reliance.
- Provide adequate human resources for the future programmes in order to avoid mismanagement and, consequently, poor implementation. Human resources should be adequate and relevant, and should reflect/take account of previous professional experience, quantity, and time commitment. One of ISP's weaknesses during its implementation was its lack of adequate staffing. The Evaluation Team stresses that staff resources and work plans are required during the transitional phase.

***Specific:***

- Continue support to the National Elections Commission and the Legislative Assembly through specialised technical assistance, training, workshops and logistics support. Democracy building in Liberia is a long-term process.
- Continue support to the four ACPA Commissions, backed by formal binding agreements, and in consultation with other donors. These institutions are crucial for the stability of Liberia, as good governance and rule of law are the only solid foundations for its future.
- Continue institutional support to key agencies in Liberia, such as the Commissions, the National Elections Commission, the Ministry of Finance and the Ministry of Planning and Economic Affairs (see Table 9). The effective and definitive rehabilitation of these three institutions represent the achievement of the three goals aimed by the ISP programme: the establishment of a functioning, representative and democratic government in Liberia and to provide the basis for adherence to the principles of good governance and sound public sector finance and macroeconomic management.

## **Annex 15. Description of EDF financed programmes from 1990 – 2009**

**EC support to Liberia since 1990 amounts to more than €240 million (€ 184.9m already committed under the 6th to 9th EDF, and more than €55m from the Budget),** which have been mainly directed towards humanitarian assistance, disarmament, support to ex-combatants reinsertion, and rehabilitation. Even in the face of difficult relations with the previous governments, the EC kept its office in Monrovia open and has provided significant financial support throughout the conflict. From 1990, as other donors reduced their presence in Liberia, and the EC discontinued normal EDF assistance because of violations of international human rights, corruption, failure to respect the rule of law and non-adherence to democratic principles and institutions. In 1994 the powers of the National Authorising Officer (NAO) were handed back to the Chief Authorizing Officer (CAO). The peace agreement heralded the beginning of a new era. In August 2003 the EU made €50 million available to support the peace process. The decision specified that the EC would retain the role of NAO for the implementation of the presented financial envelope. The decision also enabled the EC to co-finance the ECOWAS peacekeeping force in Liberia, the ECOMIL, and to assist in the establishment of the ECOWAS Special Representative's office in Monrovia. After the inauguration of the new GOL in January 2006, the 9th EDF CSP was signed that foresaw €68.4million (€ 44.4m A and € 24m B envelopes) to be committed within a year and a half. Consequently Liberia did not participate in a mid-term review of the 9th EDF NIP, and while an end term review of this programme is currently in progress, most primary commitments are still to be made. The challenge remains for a Delegation of such a small size to commit and manage a programme that now amounts to €110million just from the EDF, in addition to budget lines and other EU instruments. One particular area hindering cooperation is Liberia's classification as un-cooperative tax heaven. There is a need for Liberia to adopt and implement OECD standards for transparency and effective information for tax purposes.

**6th and 7th EDF:** In order to respond to both humanitarian needs and the needs of the ex-combatants in the country during and after successive civil wars, the EC provided direct aid to the people of Liberia. In 1994 the First Rehabilitation Programme (€15.2million) was started, to be followed by the Second Rehabilitation Programme (€17.6million), which included a specific component of support to the ex-combatants. Liberians considered this assistance as very successful, characterised by its flexibility and the quick access to resources it gave the targeted beneficiaries. The contribution to the disarmament was particularly significant. The impact of these activities could have been more profound if the economy had expanded at the same time to allow the combatants to find long-term employment, but under Taylor it was contracting. A large rehabilitation program (LBR 7001/1 for €27 million), providing post-humanitarian aid, was funded between 1997 and 2001. In parallel, ECHO and the Food Security budgetary line, as well as some projects financed by NGO co-financing provided important support, focusing on humanitarian assistance, food security and rehabilitation. The EC financed programmes played a major role in containing the most negative consequences of the humanitarian crisis, with over one million internally and externally displaced Liberians benefiting from EU-funded resettlement and reintegration projects from 1996 to 2002.

**8th EDF:** From the 8th EDF the EC response progressively evolved away from the provision of essential supplies and services, that largely just mitigate the worst effects of the conflict, towards sustainable solutions based on institutional reform and cost recovery. The "Reintegration Programme for Returnees and Displaced People in Liberia" (€ 25 million for 2001-3/06) formed the basis for further rehabilitation works and support for improved financial management, namely through the reform of public utilities and services delivery. It was financed under Article 255 and had three components: **(1) Health sector:** (€5 million) component provided some capacity building and many key drugs to the NDS which addressed the urgent needs for basic health care for the most vulnerable in the community, as well as the delivery of basic medical services, in particular through support to the partial physical and functional

rehabilitation of the Phoebe Hospital .**(2) Local Community Development:** (€8 million) supported local basic public services in the health and education sectors (rehabilitation of schools, support to hospitals, etc.), as well as the fostering of income and employment generation through small scale projects. **(3) Electricity and Water:** (€3 million for water and €1.5 million for electricity) Under the electricity sector, based on a strategic blueprint elaborated in 2004, the EC with limited funds financed regulatory and technical studies, and initiated support to the rehabilitation of the transmission network, street lights, and to the management and restructuring of the LEC. As to the water sector, a strategic blueprint for sector reform was formulated in January 2005, Legal framework and technical studies for rehabilitation works were carried out. However, due to poor technical assistance, high rotation of consultants and considerable delays in processing by the understaffed and distant Delegations in both Liberia and the Ivory Coast, most works could not even start.

The closure of 8th EDF activities took place on 31 March 2006; and the rehabilitation of the electricity and water sectors were transferred to the 9th EDF. External evaluations have been positive about the impact of the programme, but noted that approach could also be improved with a more streamlined management structure, greater capacity building activities for implementing partners and considerable speeding up the processing by the EC. For the health sector, the report recommended continued support for the restructuring of NDS, subsidised provision of drugs to the poorest through a trust fund, reinforcement of the restructuring and of management of health institution, and further support to health care provision through NGOs based on geographical considerations. For community development, the challenge is to work to build up institutional capacity to improve state service provision while at the same time continuing to deliver tangible benefits to meet immediate needs. For electricity and water, the progress on sectoral reforms has been insufficient. Though the steps related to the liberalisation processes were mainly satisfactorily managed at project level, the implementation of the sector strategies remained limited and unsatisfactory, mainly due to the transitional political situation and to lengthy procedural delays from the EC. (Annex 13)

**9th EDF:** On 25 August 2003 a Council Decision made available € 50 million for the 2003-2009 period to support the Liberian Peace Process following and the signing of the ACPA. It enabled financing of two programmes: 9.ACP.LBR 02: Support to the Peace Process in Liberia (€5million) and 9.ACP.LBR.03: Post-Conflict Rehabilitation and Capacity-Building Programme (€ 45 million).that provided support in the areas prioritised in the CPA, and was extended to cover some of the emerging priorities through its three components: (A detailed description and progress report of this program is in Annex 14)

**Community Based Rehabilitation (CBRC)** (€8 million) covers support to regenerate the rural economy and to rehabilitate basic community infrastructure. Assistance to the water sector was also included here. Having built on lessons learned from ECHO assistance and the 8th EDF community program, the CBRC (€5.9) million concentrates on the planning and implementation of public infrastructure (secondary roads and maintenance, bridges) with local stakeholders, including the community and the administration in Bong, Lofa and Bong (counties of high population and returnees). This devolution of decision making to lower levels and approval criteria that factor in sustainability should result in more a coherent programme of works with a significant impact on local development. An important aspect of the project is that it is also being viewed as a pilot project for future EC initiatives throughout Liberia and is a precursor to the EDF 9 County Development focal sector programme. Implementation the CNRC started after considerable delays in June 2005 and is still facing implementation problems. Many of the infrastructures are part of the President's so called "dry season deliverables" which she has started inaugurating. However, despite major preparatory works, not all of the commitment could be made prior to the 9003/07 program sun set clause due to late availability of funding and the understaffing of the Delegation which demonstrated the

difficulties in post conflict countries to comply with this rule. (More details on this program can be found in Annex 14).

**Institutional Support** (€ 4 million, the original € 9 million + € 5 million ceiling increase) to re-establish the functioning of key public ministries and institutions, and for GEMAP. The first component of the ISP (€ 6.2 million) aiming at the establishment of a functioning, representative and democratic GOL, provided technical assistance (€0.2 million) and a contribution to the Elections Trust Fund (ETF) led by UNDP (€2.6 million). Additionally the EC funded an NGO, ERIS (UK) Ltd for civic and voter education (€1.5 million) and the Konrad Adenauer Foundation (KAF) for political party and legislative training (€ 1.9 million). The second component of the ISP (€ 5.1 million), support to improved public sector finance management and good governance, was to be achieved by identifying and implementing specific programmes of support to the several institutions and agencies. GEMAP is directly related to the second component of the ISP. Audits were carried out of SOEs and revenue generating institutions, namely the National Port Authority (NPA), Roberts International Airport (RIA), Bureau of Maritime Affairs (BMA), Liberia Petroleum Refining Company (LPRC), the Central Bank of Liberia (CBL) and the Forestry Development Authority (FDA). Management studies were commissioned and their recommendations are being implemented for the Ministry of Finance (MoF), Ministry of Planning and Economic Affairs (MPEA), the General Auditing Office (GAO). Support is also being provided to key Commissions GRC, PPCC, TRC and IHRC. Finally, an emergency electricity program (€ 3.8 million) to procure and install small scale diesel generators of 2.65 MVA installed capacity and build 12km of network and street lighting in parts of Monrovia was also financed by funds from the ISP. The challenge now is to expand this first phase emergency programme under and EPP II and beyond to extend coverage and at the same time drop the price to more affordable levels.

**Humanitarian Assistance:** From 2003 until 2005, €45.6 million were spent on humanitarian assistance in Liberia, out of which € 38.6 million was financed by the DG ECHO budget line and € 7 million by the 9th EDF B envelope. For 2006, a further € 16.4 million global plan has been allocated to provide assistance to the return process of refugees and remaining caseloads of IDPs, and to continued support for reinstallation through improved access to essential basic services in areas of return. An additional €1.4 million coming from the B envelope has been approved to focus on restoring livelihood opportunities. The transition year between humanitarian aid and development programmes have begun with complementarities being developed in the areas of return in particular with the CRC component of the Post-Conflict Programme.

#### **DDRR Component (€16 million)**

Collaboration for the DDRR component is being implemented through contributions to the UNDP-managed UN Trust-Fund and bi-lateral agreements.

**UN DDRR Contribution Agreements:** The EC committed a €18.25 million to the UN DDRR Trust Fund through three contribution agreements, making the EC the largest contributor to the fund (9.ACP.LBR.003/1 and /14). Collaboration for the DDRR component is being implemented through contributions to the UNDP-managed UN Trust-Fund and bi-lateral agreements. The first contribution was made for € 4.15 million, the second for € 5 million and the third, to the UNDP DDRR Trust Fund for € 9.1 million, was committed in December 2005 (9.ACP.LBR.08) and covers the period from 23 December 2005 to 22 June 2007.

- The 1st Contribution Agreement (CA) to the UN Trust-Fund was used to support the short-term objectives of the NCDDRR, in particular the set-up and functioning of the NCDDRR secretariat and the JIU, responsible for the implementation of the DDRR programme. The first contribution agreement is closed.

- The 2nd CA provided training assistance to 5,705 ex-combatants through seven vocational training projects and assisted 3,664 ex-combatants through formal education. The CA ended 9 September 2006. According to the UNDP report all €5.0 million were disbursed.
- This 3rd CA is used to support the reintegration of adult ex-combatants and will include: vocational training, skills training, income generation, small enterprise development, and agricultural programmes. At present 1,883 ex-Combatants are in formal education projects, 742 (511 graduated) in vocational and skills training, and about 1,500 participants enrolled in apprenticeship with local business. According to Art. 4 of special conditions all narrative and financial progress reports need to be delivered quarterly. However, just as during the 1st and 2nd CA, the financial and narrative reporting from UNDP remains infrequent and very weak. This third contribution agreement also included €1.6 million earmarked for armed forces severance pay. However these funds will need to be reallocated since the US already covered these activities, but due to their procedures reimbursement is not possible.

**NGO financing:** Bilateral programmes also were financed under the DDRR. In order to answer the necessity to reintegrate the ex-combatants the EC provided funds for two vocational training programmes to the value of €3,369,145 which were implemented by two national NGO's, Community Empowerment and Skills Development Inc. (CESD), and Liberia Opportunities and Industrialization Centre (LOIC). The LOIC was contracted to train 1,500 ex combatants in seven locations, and the CESD 1,440 in seven locations. The NGOs signed the contracts in July 2004. The two financed Vocational Training Programmes (VTP) implemented by LOIC and CESD were completed in January 2006, having provided training to 1,365 and 1,241 ex-combatants respectively, for a grand total of 2,606.

The EC also approved a €867,225 grant to the Danish Refugees Council (DRC) to carry out a Peace and Stabilization Project in Southern-East Liberia. A grant contract was signed in August 2005. The overall objective of the project was to improve and stabilize the security in three counties (Maryland, River Gee and Gran Kru) create employment for up to 4,500 ex-combatants and also elements of the resident population. The main target group consisted of unemployed ex-combatants (60%) and unemployed civilians (40%). The project activities included the rehabilitation of 500 km of road and the rehabilitation of 16 minor bridges and other infrastructure as prioritised by the communities.

The project ended on 31 August 2006 with all project targets successfully achieved. A total of 8,491 persons were employed within the three counties during the implementation period. Fully 600 km of road were side brushed, 460 km of road had improved drainage and 18 bridges were rehabilitated. DRC is carrying out an internal evaluation of the project to provide information/data for measuring some of the "softer" indicators of project implementation. A final report was received together with a request for a 6 month time extension for extension and consolidation of activities. Unfortunately this proposal came too late to be processed within the 9003/07 program sun-set clause. Nevertheless, negotiations are ongoing with UNDP to see if these remaining activities could be integrated into the 3rd DDRR Contribution Agreement.

**UNICEF:** On 31 August 2005 a contribution to the value of € 2.5 million was signed with UNICEF for the implementation of the reintegration of Children Associated with Fighting Forces (CAFF) in Liberia. The programme directly addresses the reintegration of 2,700 demobilized children into their families and communities by giving appropriate support to the educational system. The programme is expected to end on 28 February 2007.

To date 3,146 children (fully 116% of the original target) are reported enrolled in training courses with the support of 16 implementation partners in Lofa, Nimba, Bomi and Maryland Counties. No major problems were identified and the recommendations provided were adopted

by UNICEF. A request from UNICEF for a no-cost reallocation of funds among budget lines and a no cost extension of project implementation period due to initial delays in the selection of IDPs for the implementation of training activities is currently being reviewed.

This programme is particularly important as some 40 % of all ex-combatants favour formal education as their reintegration activity. The EC funds specifically targeted skills training and apprenticeship of demobilised children through a community-based social reintegration approach developing community support to the children in their home setting through supporting Child Welfare Committees (CWC) and/or Parent Teachers Associations (PTA) to enhance community support to the demobilised children, and training and supporting Children and Youth clubs for their increased participation in reintegration programmes.<sup>18</sup>

### ***Institutional Support Component (€ 12 million)***

The ISP was finalised in July 2004 with the overall purpose of supporting: 1.) the establishment of a functioning, representative and democratic GOL (€ 6.2 million), as well as 2.) the basis for future adherence to the principles of good governance and sound public sector finance and macroeconomic management by the then current NTGL, and also for the next GOL (€ 5.1 million). In addition overarching technical assistance has been provided through the same programme (€ 0.5 million).

The first component of the ISP (€ 6.2 million) provided short and long term technical assistance (to ensure a transparent electoral process (€ 0.2 million), and a contribution to the Elections Trust Fund (ETF) led by UNDP (€ 2.6 million). Additionally the EC funded an NGO, ERIS (UK) Ltd for civic and voter education (€ 1.5 million) and the Konrad Adenaur Foundation (KAF) for political party and legislative training (€ 1.9 million).

The second component of the ISP, support to improved public sector finance management and good governance, was to be achieved by identifying and implementing specific programmes of support to the following institutions and agencies:

- Commissions: the Governance Reform Commission (GRC), the Contracts and Monopolies Commission (CMC, renamed PPCC), the Truth and Reconciliation Commission (TRC), Independent National Human Rights Commission (INHRC). Assistance to the PPCC for contracts and concessions review is also part of this sub-component.
- Audits: conducting audits of several SOE revenue generating institutions, namely the National Port Authority (NPA), Roberts International Airport (RIA), Bureau of Maritime Affairs (BMA), Liberia Petroleum Refining Company (LPRC), the Central Bank of Liberia (CBL) and the Forestry Development Authority (FDA).
- Revenue management and controlling agencies: the Ministry of Finance (MoF), Ministry of Planning and Economic Affairs (MPEA), the General Auditing Office (GAO).

In September 2005, the NTGL signed GEMAP which is an aggressive anti-corruption programme with an emphasis on a) improving public sector finance management (revenue and expenditure controls), b) improvement of accountability and transparency in the economic governance of Liberia through systemic reform and change, and c) an attempt to also improve the capacity of those individuals whose responsibility it is to manage the financial and economic affairs of the GOL. GEMAP is therefore directly related to the second component of the ISP. In fact, the results of the audits of the SOEs were a critical factor for arriving at GEMAP. The EC played a key role in its formulation, negotiation and in its present implementation. EC is able to react rapidly to the GEMAP through its ISP – which prior to the signature, and conceptualization

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<sup>18</sup> UNICEF Liberia: Third Progress Report. European Commission SM/2005/0597-01: Reintegration of CAFFs in Liberia.

of GEMAP, had already identified some of these key institutions for support, but as a result of GEMAP it was possible to set more direct requirements for support from the GOL in their commitment to EC institutional support and capacity building as envisaged under the ISP. GEMAP has six objectives: ensuring that revenues are spent only in accordance with the approved budget; that expenditures made are received by the intended recipients; that contracts and concessions are granted in a transparent manner based on competitive bidding; that the government has the capacity to tackle corruption by reforming key institutions and agencies and ensuring capacity building.

**Commissions:** Under a second Programme Estimate (PE) for Support to the Commissions each of the Commissions can access short and long term technical assistance, specific strategic studies and national consultancies. In addition, each commission can request operating costs, equipment and logistics and workshops. Total support to the commissions is € 0.9 million, with the direct labour component being € 0.3 million.

- *Governance Reform Commission (GRC):* The GRC is responsible for leading good governance reform initiatives (civil service reform, decentralisation, code of conducts for civil servants, anti-corruption) as envisaged under the ACPA. An Executive Order, signed 6 March 2006, has extended the life of the GRC until such time as a decision can be made on the future mandate, structure, organisation and responsibilities of a new governance reform body. Additional support is provided via office equipment, operating costs and logistics, as well as the funding of a short term national media consultant, as envisaged under the PE. The EC undertook a management study of the new GRC.
- *Contracts and Monopolies Commission (CMC):* This body set up under the ACPA to oversee activities of a contractual nature by the NTGL has now been disbanded and replaced by the PPPCC. An improved procurement and concessions award process is identified under Component 3 of GEMAP. Under GEMAP the GOL has committed itself to a review of all contracts and concessions signed during the NTGL period. The EC is currently providing the internationally recruited team leader (contracts and concessions expert) through a framework contract for this process as well as substantial equipment, and logistical and office support. Additional support is provided in terms of office equipment, operating costs as envisaged under the PE.
- In September 2006 a short term technical expert was seconded on a part time basis by the EC to both the PPCC and the CCRC. By early December, the 92 most important contracts and concessions, out of a running total of 98, had been reviewed by both the PPCC and the CCRC. The President's request to finish the reviews by 31 December 2006 will be accomplished ahead of schedule.
- *Truth and Reconciliation Commission (TRC):* The TRC was established in order to provide a forum for addressing issues of impunity as well as allowing victims and perpetrators an opportunity to share their experiences so as to facilitate a genuine attempt at reconciliation. Following the replacement of the commissioners appointed by the NTGL, in an open and transparent nomination and selection process chaired by ECOWAS, nine new commissioners were appointed and confirmed by the President on 20 February 2006. The TRC has a two year lifespan, twice renewable in three month extensions. The EC is currently providing support to the TRC via office equipment, operating costs and logistics as envisaged under the PE. The EC has also mobilised short term technical assistance to assist the TRC with conflict analysis for their outreach program.
- *Independent National Human Rights Commission (INHRC):* The INHCR was originally set up to monitor compliance of basic rights as envisaged under the ACPA, as well as to promote human rights education throughout Liberian society. This commission

is currently undergoing a fundamental review process, in that the original NTGL commissioners have been removed, and a new process of selection is underway, similar to that of the TRC. The EC is currently mobilising long term technical assistance to both the TRC and the INHRC. This TA will be for a period of 11 months and will provide fundamental organisational and capacity building expertise to each of these two Commissions in their start-up phases.

**Audits:** As agreed between the NTGL and the international community in 2003, the EC undertook a series of organisational and financial audits between June 2004 and May 2005 of a number of key revenue generating SOEs - NPA, RIA, BMA, LPRC and FDA - and the CBL. The results of these audits provided a damning indictment of the way in which state revenues were being abused and mismanaged – as well as highlighting key organisational, structural, staff and management disfunctionalities. These audits were a key contributing factor to the creation of GEMAP. In fact many of the key GEMAP recommendations, such as internationally recruited financial controllers, an external audit agent, stronger oversight over SOE revenues, consolidation of SOE bank accounts, were original audit recommendations.

The ISP identified early on, prior to GEMAP, that there would be a number of possible follow ups to the audits. The EC is seen by all partners, both international and national, as being the institution with a proven track record and therefore having a comparative advantage in launching, implementing and managing sensitive and confidential audits, and the information contained therein. These have in fact materialised, but are now linked to GEMAP Component 1 – Securing Liberia's Revenue Base. This assistance has been provided as follows:

- *Bureau of Maritime Affairs (BMA):* The USG have picked up all the Internationally Recruited financial Controllers in the other SOEs (FDA, NPA, RIA and LPRC), but for political reasons, as opposed to financial reasons, cannot fund the position for the BMA. The EC is the only donor willing/able to fund this activity this one time. The BMA final report has just been received, on 20 March 2006, and discussions now need to take place on the ToR and the scope of work with the BMA and the MoF. It is expected that following a management study concerning the most efficient structure for the BMA as it is re-absorbed into the MoF, options for providing technical assistance in financial management will be elaborated and agreed upon.
- *Liberian Petroleum Refining Company (LPRC):* A request was made by the new management of LPRC for a follow up organisational and financial audit of the audit for the financial year 2006.
- *Forestry Development Authority (FDA):* A second financial audit was completed on the period October 2003 to January 2006. This report is being commented upon by the GOL
- *Central Bank of Liberia (CBL):* A request from the new Governor of the CBL for a follow up organisational and financial re-audit of the audit of the CBL for the period July 2004 to December 2005 was received. It is expected that the audit team will arrive in September 2006. The ToR were changed to undertake the external audit of the CBL for 2006. The total support under this sub-component is € 2.4 million.

**Revenue controlling agencies:** Three institutions were originally selected by the ISP for potential support. These are the MPEA, MoF and the GAO. The process for identifying and programming support was thus formulated: first a short term management study, examining the scope and mandate of the institution to be supported, its organisation and capacities in relation to its responsibilities and second, where any proposed long term technical assistance (TA and the associated package of support) from the EC could be programmed where it could have the most effect. Total support to this sub-component is € 1.8 million.

- *Ministry of Planning and Economic Affaires (MPEA)*: The MPEA is the principle body responsible for management, supervision and co-ordination of all programmes of external development assistance provided to the government. Together with the MoF, the MPEA reviews, processes and records all external aid and assistance flows and reports to the GOL on the progress made by all of these programmes. The MPEA is also mandated to co-ordinate all humanitarian and emergency relief and other assistance (basic services) provided through bilateral and multilateral agencies as well as the national and international NGOs. The MPEA takes the lead with respect to monitoring and evaluation of all projects and programmes in collaboration with line ministries and it initiates special analyses into the execution of these programmes and then reports back on the findings to the GOL. The management study of the MPEA was undertaken between May and July 2005. The MPEA final report was completed and distributed to MPEA and partner agencies in October 2005. The report recommended that no technical assistance package be provided to the MPEA, in its current disorganised state: staff not present, confused aid co-ordination relationships with the RIMCO Support Office, and inability to support any recurrent requirements of donor technical assistance.
- *Ministry of Finance (MoF)*: The MoF is responsible for overall fiscal policy management, including revenue and expenditure administration, with responsibility for fiscally planning and administering the national debt. Therefore, it is a primary economic management institution of the GOL, and together with the BoB, is responsible for formulating and implementing the annual national budget. This management study was undertaken between May and July 2005. The report recommended that serious consideration be given to a structured technical assistance package of support to the Bureau of Customs (BCE) a key GEMAP area, and outlined a number of potential approaches that need to be discussed and finalised with the GOL prior to the ToR and the launching of the long term technical assistance. The MoF final report was completed and distributed to MoF and partner agencies in January 2006. Until now, no written comments have been received from the MoF.
- *General Audit Office (GAO)*: The GAO is responsible ensuring financial accountability within the GOL, and as such is mentioned in Liberia's Constitution as the "General Audit Commission." The GAO is the statutory body in charge of conducting audits on an annual basis of all government ministries, agencies and organisations, including state-owned corporations. It can also be requested by the President to conduct "special audits or investigations". The management study was undertaken between June and August 2005 and the final report was delivered to the GAO and partner organisations in November 2005. The management study however, identified that prior to supporting the long term CIBAP, the GAO needs to undertake a review and retrenchment exercise of certain staff members of the GAO who cannot be trained or who are not technically appropriate to the current positions that they are fulfilling. This is a sensitive issue, but underlying further EC commitment to institutional support and capacity building, it is founded on a realisation that without proper public sector reform, in particular staffing and budgetary, any attempts to change the systemic functioning of GOL institutions will not work. The EC therefore proposed a two phased approach to GAO support – a first phase short term consultancy to assist the GAO and the Civil Service Agency (CSA) in the review, selection and recruitment process of its staff, which took place between February and March 2006, and secondly, longer term assistance to the GAO which will include a long term technical assistance (TA) and possible financing of equipment, training and other selected costs in order to alleviate GAO current physical constraints. Following up on a special request from the President, and after authorisation from HQ, the EC will also finance the position of Auditor General for 24 months if and when the

Legislature approves the proposed nomination that resulted from an open recruitment process.

Other donors who are currently working in institutional support include USAID, the WB, IMF, DFID, AFDB, DFID and UNDP. Donor co-ordination with respect to institutional support is strong and active, and centres mainly around GEMAP, LRDC activities, the Economic Revitalisation Pillar. Discussion among donors with respect to funding patterns and institutions to support is well in line with the Paris Principles on Harmonisation. Such levels of co-operation are expected to continue for the foreseeable future.

*Community Based Rehabilitation Component (€ 8 million):* The CBRC concentrates on the planning and implementation of larger public infrastructure with local stakeholders, including the administration. Implementation of this € 5.9 million component started in late June 2005 and is scheduled to be completed by 25 June 2007. The project is operating in the counties of Bong, Lofa and Nimba to bring about improvements in access to basic economic services and activities, as well providing support to decision makers at local government levels.

An important aspect of the project is that although it seeks to provide real benefits for the target groups it is also being viewed as a pilot project for future EC community development initiatives throughout the whole of Liberia and is a precursor to the EDF 9 County Development focal sector programme. It also has clear linkages with the Local Community Development (LCD) of the 8th EDF and also ECHO projects and priorities. This devolution of decision making to lower levels, the involvement of the administration and approval criteria that factor in sustainability should result in more a coherent programme of works with a significant impact on local development.

Activities of the project are based on delivering projects in three focal areas: (i) **large scale infrastructure**, (ii) **community development**, and (iii) **capacity building for local government**.

(i) Seven **large scale** infrastructure projects have been identified and approved through processes that involved community groups, county level authorities and central government. These projects have been designed, tendered, and contractors have been identified to carry out the works. Operations are expected to start early in December 2006. The projects, having gone through the bottom-up identification and approval process, include in Bong the reconstruction of a damaged bridge across Beh Creek, the construction of a road from Suakoko to Nyandewoun, and the rehabilitation of Gbalatuah High School; in Nimba, rehabilitation of the road between Ganta and Sanniquelle, and the renovation of the Karnplay – Sehyipinpa road; and in Lofa the renovation of parts of Kalahun Hospital and repairing the Jayamai to Voinjama road. These are all part of the President's dry season deliverables which she has started inaugurating. However, now all of the commitment could be made prior to the 9003/07 program sun set clause due to the understaffing of the Liberia Delegation, and a similar situation in the Ivory Coast. A derogation has been requested to HQ so that these and other programmes in the same situation can go ahead and the EC saves its face.

(ii) **Community development** projects will be identified through a Call for Proposals process in the three target counties. Grants will be awarded for the projects that are considered to be suitable and are prioritised by the selection committees. Community projects are defined as projects where need/problems affect the whole community or a significant part of it; where the community are involved in implementation; where the benefits are available to the community; and where capacity building occurs via implementation.

(iii) **Capacity building for the local authorities** is to be carried out through the implementation of a road maintenance schemes and through a more direct programme of training and mentoring initiatives. The road maintenance scheme builds on the practice where local

communities or small contractors take responsibility for the maintenance of specific parts of the road network; their operations are funded through contributions from local stakeholders. Such a scheme requires a degree of coordination and supervision by the local authorities and is therefore viewed as a vehicle on which to base training for their staff in project planning and implementation.

*Emergency Electricity Program (€ 3.8 million):* When the new President came to power, she promised power. Answering to her appeal to donors to help her meet her main electoral promise and provide some electricity by 26 July 2006, Liberian Independence day, an Emergency Power Program was put into place that presently provides 2.65 MVA (installed capacity) of electricity to two project sites in Monrovia selected by the GOL: Congo Town and Kru Town substations. The EC agreed to allocate funds from its Institutional Support Program towards emergency electricity to procure and install four small scale diesel generators and build 12km of MV and LV distribution network. The President's deadline was met with Congotown receiving some lights by the target date. USAID has been providing billing and collections technical support in the operation phase, as well as start up fuel.

The project mainly serves institutional customers. Priority has been given to health facilities, schools and police stations, social and community facilities, and to streetlights along the main routes of the grid, as well as in low income areas and in particular WestPoint. Administrative buildings and smaller scale business have also been connected. Residential users have only been connected when off-peak capacity has been available. The list of final customers is approved by an EPP Steering Committee on which the EC is present with other partners. It includes Liberia's largest health facility, Kennedy Hospital. Billing and collections have been running relatively smoothly. There was an issue with an illegal welding shop doubling the bill of the hospital. The MoF has stepped in to cover the arrears and the illegal facility was disconnected. The programme initially had difficulties in connecting users and hence risked damaging the equipment. It ran at sub-optimal capacity utilisation rate, but now suffers from peak hour overloading as customer trust in LEC has been built up and the price dropped from the initial US\$0.43/kWh to 0.32/kWh.

The challenge now is to expand this first phase emergency programme and at the same time drop the price to more affordable levels. The EC has agreed to finance parts of an EPP II and as a first step it will build a LV network and connect street lights at a third site - Paynesville.

## **Annex 16. Description of programmes financed – Budget Lines**

## Food Security/Food Aid

**Food aid via WFP:** In 2006 the EC donated € 2.2 million (US\$2.64 million) to the WFP in Liberia for on-going food aid, food security projects and operational costs. As part of a larger € 105 million (US\$126 million) global contribution to the WFP, this contribution will allow WFP in Liberia to continue its assistance to returning refugees, IDPs, the malnourished and food-for-work programmes. In addition the schools feeding programme will be continued to support the neediest children who otherwise would not be able to attend school.

**Agro-Economic Recovery Assistance:** Project (FOOD/2005/113-606 € 1.0 million) aims to improve the food production, income generation capacities and overall security of 6,460 farmers in Bong and Lofa Counties over a 3 year period starting January 2006 and ending in December 2008. The project is implemented via Trocaire with the collaboration of three NGOs, Sustainable Development Promoters (SDP), Development Education Network-Liberia (DEN-L) and Integrated Rural Development Organization (IRDO). The project target is represented by the new returnees in Sanoyea, Fuamah, Panta and Zota Districts in Bomi County and Salayea and Zorzor Districts in Lofa County where the civilians were massively displaced by factional fighting during the recent 14 years of war. The overall objective also includes the promotion of the fundamental sustainability improvement of living condition and stability of the rural people in the target areas. The ongoing activities include: distribution of the inputs for staple and cash crop production, livestock restocking, household plantation rehabilitation, access road rehabilitation, undertaking of intensive community sensitization activities for lowland rehabilitation activities, distribution of rice seeds and cassava sticks to rural farmers, recruitment of 555 ex-combatants to work with 185 household in lowland rice production, rehabilitation of 12 major access roads, and realization of baseline studies of project communities and beneficiaries. Most of the proposed and carried over activities have proceeded according to the work plan; however, all organizations noted low levels of participation by community group members and those recruited for access road activities.<sup>19</sup>

**Sustainable improvement of living conditions of the most vulnerable rural populations of Bong County** (FOOD/2005/113-599 € 1 million) is a pilot project to ensure food security in/around 40 Villages in Bong County through the implementation of training to improve the technical aspects of rice cultivation, to introduce new varieties of vegetables and to train people to improve technical aspects of vegetable cultivation, to improve trade of agricultural products to develop fish and livestock production, and to support cooperatives at community level to organise trainings. The project is implemented by Solidarites over an 18 month period starting January 2006. The initial activities foresaw the distribution of small livestock to ad hoc women groups and the building of chicken coops. In a second phase, due to the bird flu epidemic danger, Solidarites replaced the activities of its programme linked to poultry by activities linked to piggery.<sup>20</sup>

## Environment and Tropical Forest

**Re-assessment of Forest Cover, Updating of the Projected Forest System, and Improvement of Environment Information for Liberia** (EC B7/2000-08 € 0.8 million) was implemented during a 44 month period from 1 February 2001 to 30 September 2004. The first Fauna and Flora International project (FFI) aimed at the re-assessment of forest cover, the updating of the protected forest system and the improvement of environmental information for Liberia. The project was very successful, with the identification of the key weaknesses in Liberia's forest management legislation and the improvement of those aspects related to legally protected forests. It also solidified the framework for protected forest regulations and made a

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<sup>19</sup> Trocaire Second Quarter Report, July 2006.

<sup>20</sup> Solidarités' Activity Report, January – June 2006

first attempts at developing regulation criteria. The data generated by the project, as well as the GIS database and the training of technicians, will be fundamental in future work. Due to the extreme difficulties under which the project operated, the results were good.<sup>21</sup>

***Strengthening Forest Management in Post-Conflict Liberia Project*** (ENV/2005/082-386 for € 1.8 million), started in 2001 and implemented by Fauna and Flora International, addresses capacity building and reform for conservation uses of Liberian forests, targeting institutional strengthening and policy reform. The programme focuses on the improvement of FDA capacity building through legislative harmonization, realization of an integrated protected forest network, FDA rangers reforms, piloting activities and training. The approach emphasizes field-level action such as national park operations and coordination, capacity building of park staff and environmental education to obtain integrated sustainable development.<sup>22</sup> Other donors include Global Environment Facility (GEF) via the WB, the UK Government, several Dutch sources, the Fonds Francais pour l'Environnement Mondial (FFEM) and the FFI NGO partners.

## **Other**

***Averting Maternal Death and Disability through the provision of Emergency Obstetric Care Services to refugees, IDPs and host communities*** in conflict affected settings in the Ivory Coast, Liberia, Sierra Leone and Guinea implemented through International Rescue Committee UK (SANTE/2004/080-276 € 11.9 million) runs from 2005 for three years. Delegation has no information on this, HQ input requested.

***Provide physical social and economic rehabilitation of people living with physical disabilities*** is implemented by Handicap International, an international NGO in Liberia. This project ran for three years until March 2006 and cost € 0.75 million. *Delegation has no information on this, HQ input requested.*

***Dealing with a health crisis among war affected people*** (ONG-PVD/2004/064-386 € 0.4 million) is a community based primary health care programme for Nimba and Bong Counties, implemented by the KATHOLISCHE ZENTRALSTELLE FUERENTWICKLUNGSHILFE . from mid 2004 for three years. *Delegation has no information on this, HQ input requested.*

***Another block grant to Action Aid*** (ONG-PVD/2004/063-921 € 0.8 million) from September 2004 for three years. *Delegation has no information on this, HQ input requested.*

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<sup>21</sup> FFI' Final Technical Report, March 2005

<sup>22</sup> FFI-EC meeting in March 2006

## **Annex 17. ECHO Activities**

The Directorate General for Humanitarian Aid (DG ECHO) was present in Liberia from 1992 to 1997 to run humanitarian operations. Between 1998 and 2001 no humanitarian activities were carried out, and from 2002 to 2003 a few operations were managed from Abidjan. Following the humanitarian crisis in the summer of 2003, DG ECHO reopened an office in Monrovia to respond to the humanitarian needs of thousands of people fleeing the fighting, providing emergency support in terms of health and nutrition, water supply, sanitation and shelter in Monrovia and in the surrounding camps.

In 2004, with the improvement of security and access upcountry, DG ECHO faced evolving needs associated with the return of thousands of IDPs and refugees, and its response became three-fold: 1) restore access to basic services in those areas of return and/or previously inaccessible to humanitarian aid, 2) support the return and resettlement of IDPs, refugees and ex-combatants to their place of origin, and 3) continue assisting IDPs still living in the camps.

In 2005 DG ECHO started to shift focus from pure emergency assistance to post emergency operations. While continuing its support to the IDP camps and to the return of refugees and IDPs, DG ECHO focused its assistance on restoring access to basic services in areas of priority selected according to different criteria, such as the level of destruction, the number of returnees, and the intervention of other donors.

The impact of DG ECHO work has been significant. Over 38,000 refugees and 220,000 IDPs have been helped through the distribution of relief packages, transport and general assistance. Fully 10 out of the 15 main referral hospitals still functioning in the country were supported. Priority was given to improving access to primary health care (reactivation of clinics), and improving access to water and sanitation for more than 250,000 people. Food aid for 230,000 people was provided in IDP camps. Food security activities, including seeds and tools distribution for the benefit of over 440,000 people were supported.

Attention was also given to protection issues which have been exacerbated by the consequences of the conflict and by the displacement of people. This included assistance with family reunification and for separated children. Some 30,000 vulnerable IDPs were provided with transport. Activities to reduce the recruitment of children by armed forces and to reduce gender based violence were supported.

The humanitarian situation continued to require further interventions in 2006, and an additional €16.4 million global plan was allocated to Liberia for that year, mainly to continue assisting people returning to, and reinstalling, in their place of origin, once basic living conditions are restored. However, 2006 should be the transition year between humanitarian aid and development programmes; the Linking Relief, Rehabilitation and Development process (LRRD) will be of utmost importance in various sectors such as health and water and sanitation, to ensure coherence between support to humanitarian operations and the development approaches. DG ECHO will gradually reduce its support, but phasing out cannot be foreseen before the end of 2008, especially from the health sector where there is still a big need for external assistance.

To strengthen regional approaches and emergency operations, DG ECHO also supports regional epidemic decisions, regional air transport for personnel, medical evacuations and small cargo, and the development of a sub-regional mechanism that reinforces on children protection at the national level, with a total of € 1.65 million in 2003-2006 for Liberia.

## Annex 18. Donor Coordination

### Annex 18.1 Donor Commitments under Results Focused Transition Framework, January 2004 – March 2006

7.2 Financial Tracking Sheet

Tracking Sheet for HUMANITARIAN and RECONSTRUCTION Funding for Liberia – As of 31 March 2006							
Cluster	Donor	Pledges USD (1)	Contribution (2)	Disbursements (3)	Date Rec'd	Closing Date	Funding Mechanism
Cluster 1: Security							
Armed Forces restructuring	USA	5,500,000	5,500,000	5,500,000			Programme design supp. on future acc. - AFL restructuring
		34,300,000	-	-			Military reform
ECOWAS Support Programme	EC	9,062,400	9,062,400	9,062,400			EC/FA
UNMIL Deployment	Germany	172,567	172,567	172,567			German Federal Agency for Technical Relief
TOTAL for CL 1		48,734,967	14,734,967	14,734,967			
Cluster 2: Governance, Democratic Development & Rule of Law							
Public Sector Capacity	Denmark	900,000	900,000	200,000			UNDP/LEGF
	EC	316,746	316,746	132,322			EC
		10,900,000	10,900,000	614,203			
		8,540,000	8,540,000	455,877			
		258,603	258,603	256,752			
	EC/EDF	16,520,000	2,444,059	1,030,442			EC/FA
		3,200,000	-	-			
	UK	1,467,417	1,467,417	1,467,417	Oct-04	Dec-05	EC
	UNDP	1,870,000	1,870,000	1,856,450	Jan-04	Dec-05	UNDP
	USA (USAID/OTI)	10,300,000	10,300,000	7,000,000			CAI
Local Government	World Bank	1,500,000	1,500,000	-	Sep-04		WB Grant
	USA	1,100,000	1,100,000	1,100,000			CAR International
	China	1,000,000	1,000,000	1,000,000	Apr-06		
Governance	Denmark	600,000	300,000	300,000			
	SIDA	204,915	204,915	204,915			CBIC
	UNDP	1,300,000	1,300,000	1,300,000			
The Judiciary	Sweden (SIDA)	710,217	710,217	710,217	Nov-04	Nov-05	Int'l Legal Consult. (ILAC)
	USA	6,200,000	-	-	late 2006		
	China	1,200,000	1,200,000	1,200,000	Feb-05	Feb-05	
Police Service	Italy	244,000	-	-	mid 2004		
	UNDP	4,000,000	4,000,000	4,000,000			UNDP/LEGF
	USA	12,400,000	12,400,000	12,400,000			UNDP/LEGF
Correction System	USA	600,000	600,000	600,000			UNDP/LEGF
	Norway	600,000	600,000	600,000			
	Denmark	500,000	500,000	200,000			UNDP/LEGF
Human Rights	Netherlands	70,000	70,000	70,000			UNIFEM
	UNDP	735,000	735,000	559,547	Jan-04	Dec-05	UNDP/UNGOs
	USA	50,000	50,000	50,000			CSOs
Protection	ECCHO	5,670,750	5,670,750	5,670,750	2004	2005	ECCHO
	Ireland	119,000	119,000	119,000	Mar-05	Dec-05	
	UNICEF Global Fund for Child Protection	650,104	650,104	322,004	Jan-05	Dec-05	UNICEF
Protection	ECCHO	915,637	915,637	-			
Media	UK	285,899	285,899	-	Feb-05	Feb-05	Star Radio
	USA	8,000,000	8,000,000	8,000,000	Oct-02		AED/Mercy Corp.
Governance, Democratic Development and Rule of Law	Denmark	1,600,000	1,600,000	1,600,000	2004	2006	UNDP/LEGF
	Sweden (SIDA)	285,000	285,000	159,094			UNDP
TOTAL for CL 2		110,042,372	50,092,471	53,149,405			

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD [1]	Contribution [2]	Disbursement [3]	Date Rec'd	Closing Date	Funding Mech.	Comments/Tracking	
Cluster 3: Elections									
Elections	EC	6,158,796	6,158,796	3,350,921	Jul-04	Feb-06	EC/FA	Support to NEC election budget	
		3,096,403	3,096,403	1,851,348				2003 savings EC/OMAS	
	EC/EDF	3,539,609	3,539,609	2,831,687			EC/FA		
		4,697,359	4,697,359	2,853,764					
	IFES	2,500,000	2,500,000	1,348,645	Jul-04	Feb-06	UNDP/LEGF	Support to NEC election budget	
		250,000	250,000	250,000	Jun-04	Oct-05		Preparatory att. in com-voter regd attch, capacity training of local NGOs, national development	
	UNDP	579,819	579,819	579,819	Jul-04	Feb-04	Republican Institute, IFES	Support to NEC election budget	
		820,000	820,000	820,000					
	USA	10,000,000	10,000,000	10,000,000				Strengthening political parties, includes 150,000 for Muslim Advocacy Groups	
		400,000	400,000	400,000				Strengthen NEC and pol parties, training polling officials, NGO monitors, equip 2 materials	
TOTAL for CL 3		32,787,076	32,787,076	24,741,454				Support to Carter Center, Nat'l Democratic Inst. & Int'l Republican Institute to monitor election	
Cluster 4: Social Development and Community Revitalization									
DDRR	Denmark	1,800,000	1,800,000	1,800,000	Aug-04	Dec-05	UNDP/LEGF	Reintegration	
	EC	2,888,070	2,888,070	2,888,070			CAP/TF		
			12,276,656	12,276,656	12,276,656	Feb-04		NGOs	Support to civilian demobilization
			4,717,768	4,717,768	1,874,322			EC	Vocational training
			872,513	872,513	211,633	Feb-04		CAP/TF	Technical assistance
	EC/EDF	9,341,627	9,341,627	9,341,627			CAP/TF	Support to civilian demobilization	
			2,766,659	-	-			EC	Reintegration
			10,797,000	10,797,000	9,617,000	Feb-04		CAP/TF	Support to civilian demobilization
			4,253,882	4,253,882	3,068,546	Oct-04		EC Grant	Voc. training thru NGOs
		843,964	843,964	457,859	Feb-04		TA to DDRR		
	French National Committee for Germany	2,925,153	-	-	Jun-04		EC/FA	Reintegration	
		805,349	805,349	076,958	Nov-04	Dec-05	UNICEF	Surviv. sp. & care struct. for separated children	
		94,763	94,763	32,280	Jul-04	Jul-07		Reintegration for demobilized girl	
		4,300,000	4,300,000	-			RWG: German	Reintegration	
	German (Nat'l Comm.)	55,405	55,405	20,679	Jun-04	Dec-04	CAP/UNICEF	Communication and community mobilization	
	Ireland	13,933	13,933	13,933	Jul-04	Dec-04	CAP/TF	Reintegration	
	Ireland	3,639,510	3,639,510	3,639,510	Jun-04	Dec-05	CAP/UNICEF		
	Japan	2,642,351	2,642,351	2,642,351	Feb-04	Feb-04	UNICEF	ICC	
	Netherlands/Norway	764,704	764,704	764,704	Dec-03		UNDP / SADU	Reintegration	
	Norway	1,213,796	1,213,796	1,213,796	Mar-04	Dec-05			
	Sweden (SIDA)	1,247,709	1,247,709	1,247,709	Mar-04	Dec-05			
	Switzerland	5,693,897	5,693,897	5,693,897			CAP/TF	Reintegration	
		797,063	797,063	797,063	Mar-04		UNHCR		
		1,182,686	1,182,686	1,182,686	2005			Direct support of UNHCR return and reintegration programme	
		3,564,311	3,564,311	3,564,311	Dec-05	Dec-06		Reintegration	
	UK	1,865,671	1,865,671	1,865,671	Feb-04	Dec-06	CAP/TF		
		671,399	671,399	606,000	Jul-04	Jun-05	CAP/UNICEF	Reintegration for demobilized children	
		3,800,000	-	-	Apr-05	Mar-06			
	UNDP	2,500,000	2,500,000	2,500,000	Dec-03	Dec-05	TF	Reintegration	
	UNICEF	325,655	325,655	276,760	Jun-04	Dec-05	UNICEF	Child Protection	
	USA	21,000,000	21,000,000	21,000,000	Apr-04		DAI/ICP	Reintegration (Liberia Comm. Infrastructure Prog)	
		10,000,000	10,000,000	10,000,000	Apr-04		ICK US/IRC	Reintegration: Women and Children Associated w/ Fighting Force	
		2,900,000	2,900,000	2,900,000	Feb-04		CAP/TF		
		500,000	500,000	500,000	Apr-04		World Vision International	Reintegration / Agro-based livelihoods	
Support of NGOs implementing RR programme	Switzerland	788,468.00	788,468.00	788,468.00	Feb-04	MSF-CBL Action Centre in Fula, ADRA, World Vision, Star Radio, Talking Drum Studios, Tear Fund, Liberian Red Cross	Support of various NGOs conducting RR of refugees, IDPs, and Child Soldiers		
Support of NGOs	Switzerland	689,682	689,682	689,682	2005		Supporting the activities of NGOs, mostly in the social sector, for reintegration activities		

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Posting Mech.	Comments/Tracking
Support to ICRC	Switzerland	1,971,148	1,971,148	1,971,148	Feb-04		ICRC	Non-cluster specific support to the RPTF
		394,229	394,229	394,229	2005			
Sub-total for DDRRC		128,793,975	119,242,163	107,669,339				
Refugees, IDPs & Returnees	Allocations of un-announced funds	3,604,004	3,604,004	-			CAP/UNHCR	
	Canada	603,142	62,113	62,113				
	China	1,000,000	1,000,000	1,000,000	2005	2005	GoL	Rice Donations
	Denmark	1,153,213	1,153,213	-			CAP/UNHCR	
	EC	8,540,000	8,540,000	1,640,000			WA CAP/WFP	Food
	ECCHO	1,220,000	1,220,000	976,000			ECCHO	IDPs
		10,438,787	10,438,787	5,363,315	2004	2005		
		13,036,640	13,036,640	13,036,640				ECCHO 2003 budget/IDP
		1,340,191	1,340,191	1,340,191				
		5,074,000	5,074,000	5,074,000			FP	EDP9 B Envelope: ECCHO IDP
		1,191,300	1,191,300	1,191,300			ECCHO	ECCHO IDP 9
		12,000,067	12,000,067	12,000,067				ECCHO 2005 budget / IDP
		8,260,000	-	-				Food Aid 2003
	Ireland	497,512	497,512	-			CAP/UNHCR	
	France	72,144	72,144	-			Action Coorée le Palm	Food aid in displaced camps
		3,148,236	3,148,236	2,657,149	2003		GTZ	Reconstruction
		2,451,992	846,337	846,337	2004		GTZ/UNHCR	Reparation and Reintegration of Refugees and IDPs in West Africa
		787,059	787,059	787,059	2004		DCV	Reintegration of Refugees
		484,344	484,344	484,344	2005		Elucary	Community based reintegration, South-East of Liberia
		1,904,641	1,904,641	1,904,641	2004		German Agro Action	Reintegration of Refugees
		964,555	964,555	964,555	Jun-04			Protection and multi sectoral assistance
	Ireland	500,000	500,000	-	Jun-04		CAP/UNHCR	Liberian Refugees
	Italy	1,250,000	-	-			WA CAP/WFP	
		1,820,000	1,820,000	1,820,000	Dec-04	Dec-04	WFP	Food
		3,000,000	3,000,000	3,000,000	Mar-05	Mar-05	UNHCR	Community based reintegration programmes
		2,000,000	2,000,000	2,000,000	Jun-04	Jun-04	CAP/UNHCR	Refugees/Host Communities
		1,169,000	1,169,000	1,169,000	Apr-04, Sep-04	Apr-04, Sep-04		Shelter (Lofa) - (753,000 in Apr, 406,000 in Sep)
		950,000	950,000	950,000	Feb-05	Feb-05		
		1,043,000	1,043,000	1,043,000	Nov-05	Nov-05		Shelter (Lofa)
		639,000	639,000	639,000	Mar-05	Mar-05		
		730,000	730,000	730,000	Nov-05	Nov-05		Rebuild & repair toilets & wells (Grand CM)
		624,000	624,000	624,000	Apr-04	Apr-04		Seeds and tools (Grand Cape Mount)
		386,000	386,000	386,000	Apr-04, Sep-04	Apr-04, Sep-04		Assistance in Nimba (114,000 in Apr, 272,000 in Sep)
		323,000	323,000	323,000	Sep-04	Sep-04		Rebuild & repair toilets & wells (Grand CM)
		226,000	226,000	226,000	Aug-04	Aug-04	ICRC	Refugees/Host Communities
		2,146,703	2,146,703	2,146,703	Feb-06	Feb-06	UNHCR	IDPs/Host Communities
		4,000,000	4,000,000	4,000,000	Jun-05	Jun-05	CAP/UNHCR	Contribution to UNHCR
		1,640,000	1,640,000	1,640,000	Mar-04	Mar-04	WA CAP/WFP	Food for refugees, IDPs, ex-combatants
		1,710,000	1,710,000	1,710,000	Nov-05	Nov-05	WFP	Food
		2,214,000	2,214,000	2,214,000	Jun-05	Jun-05	UNICEF	Polio
	Mali (Canada, Denmark, EC, France, Germany, Ireland, Japan, Rep of Korea, Switzerland, Norway, Private, Sweden, UN, USA)	20,000,000	20,000,000	20,000,000			WA CAP/WFP	Food
	The Netherlands	1,807,000	1,807,000	1,807,000				
	Norway	708,215	708,215	-				
	Private	24,970	24,970	-	Jun-04		CAP/UNHCR	
	Sweden	686,813	686,813	-				
	Sweden (SIDA)	3,267,000	3,267,000	3,267,000			UNDP/LEAP	Linked to Cluster 4
		142,042	142,042	142,042	2004	2004	ICRC	Cluster 10 CBMPT 1

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Funding Mech.	Comments/Tracking
Refugees, IDPs & Returnees	Sweden (SIDA)	142,043	142,043	142,043	2005	2005	ICRC	Linked to Cluster 6
		1,361,129	1,361,129	1,361,129	2006	2006	IFRC	Linked to Cluster 4
		213,065	213,065	213,065	2004	2004		Linked to Cluster 6
		355,109	355,109	355,109	2005	2005		Linked to Cluster 6
		373,801	373,801	373,801	2006	2006	LWF/Swedish Syrian	Resettlement and community-driven initiatives (linked to Cluster 6)
		2,649,015	-	-	-	-		Non-food items, IDPs
	UK	1,207,369	1,207,369	1,207,369	Apr-04	Apr-06	WA CAP/WFP	Food
		1,791,900	-	-	-	-	UNHCR	Emergency assistance & care of Liberian refugees
		2,042,446	2,042,446	-	Dec-04	Mar-05	ICRC	2004 Appeal
		1,027,785	1,027,785	1,027,785	Mar-04	2005	Oxfam	Emergency Health and Nutrition
		501,809	501,809	501,809	Aug-04	2005	MSF-F	Food Security
		460,875	460,875	460,875	Apr-04	2005	Action Centre in Falm	Emergency Targeted Food Distribution
		447,975	447,975	-	-	-	CAP/UNHCR	Liberian Refugee/IDPs
		240,560	240,560	-	Aug-03	-	NGOs (World Relief, SCF, Monitor, IRC, CHF, BMC, ARC)	Basic social services for returnees
	USA (HRM)	13,200,000	13,200,000	13,200,000	Apr-04	-		Refugee/IDP Communities
		6,300,000	6,300,000	6,300,000	Apr-04	-		Transport/IDPs
		1,200,000	1,200,000	1,200,000	Apr-04	-		Family tracing/IDPs
		1,000,000	1,000,000	1,000,000	Apr-04	-		Care and protection to children and youth in 6 IDP camps
		5,700,000	5,700,000	5,700,000	Apr-04	-		Water and sanitation in camp/school stations
		1,500,000	1,500,000	1,500,000	Sep-03	-		-
		1,300,000	1,300,000	1,300,000	May-04	May-05		-
		2,201,760	2,201,760	2,201,760	May-04	May-05		-
		28,187,472	28,187,472	28,187,472	2005	-		-
		11,199,911	11,199,911	11,199,911	Mar-06	-		-
	USA (USAID/WFP)	27,888,546	27,888,546	27,888,546	2005	-	WA CAP/WFP	Food
		55,500,000	55,500,000	55,500,000	-	-	28 NGOs	Interventions targeting the most vulnerable pop.
	USA (USAID/OFDA)	23,500,000	23,500,000	19,974,444	-	-	CAP/UNHCR	-
	Spain	145,985	145,985	145,985	Jun-04	-	WFP	For secondments of experts to the PSLL program of the WFP
	Switzerland	394,229	394,229	394,229	2005	-	-	-
	Contribution to WFP programmes	278,960	278,960	278,960	2005	-	-	-
	Sub-total for Ref., IDPs, & Ret.		323,696,947	306,974,248	283,808,909	-	-	-
Health	African Development Bank	500,000	500,000	500,000	2004	2005	WHO	Emergency Medical Kits, Essential Drugs and Equipment to IDP Camps; Maintain Functional Cold Chain Systems; Multi-Antigen Immunization; Surveillance and Early Warning Systems; Health Promotion and Education
	Canada	95,582	95,582	10,000	Nov-04	Dec-05	UNICEF	Immunization activities
	Centre for Disease Control and Prevention	346,000	346,000	342,230	Oct-04	Nov-05		Support to National Immunization Days against Polio
	EC	145,000	145,000	100,000	Feb-05	Feb-05		Support to polio and measles immunization
		4,512,105	4,512,105	804,053	-	-	EC	Phoebe Hospital (15 months operation), NDS running costs and resolving fund through supply of drugs, CRS Management Study, technical assistance to sector
	ECHO	14,873,865	14,873,865	11,264,179	2004	2005	ECHO	ECHO 2004 restoration of basic services in health, hospitals, clinics
		6,814,545	6,814,545	6,814,545	2004	2005		Strengthening EPI cold chain in Liberia
		207,238	207,238	207,238	Jan-05	Jan-05		National Immunization Days for Polio Erad.
	EC-EDF	151,466	151,466	118,331	Dec-04	Feb-05	ECFA	15 mos. Operation of Phoebe Hospital, NDS running costs/resolving fund NDS through supply of drugs, CRS Mgt. study, TA to health sector
		3,327,381	1,675,381	844,330	-	-		ECHO 2004 restoration of basic services in health, hospitals, clinics
	Finland	6,814,545	6,814,545	6,814,545	Nov-04	2005	WHO	Nation Wide Assessment of SGBV and Dev't of NIDA Strategic Plan of Action
	Finland	169,241	169,241	169,241	Nov-04	2005	WHO	Nation Wide Assessment of SGBV and Dev't of NIDA Strategic Plan of Action

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Funding Mech.	Comments/Tracking
Health	France	110,404	110,404	100,000	Dec-04	Jun-05	UNICEF	Malaria Mortality Reduction
		165,513	165,513	-	-	-	Action Centre in Falm	Cholera (Mauritania)
		126,252	-	-	-	-	-	40,126: routine support central drug purchase; 65,130 for med test lab
	French Comm. for UNICEF	131,390	131,390	45,000	Dec-04	Dec-05	UNICEF	Emergency health care
	Germany	373,070	373,070	-	-	-	-	-
	GFATM	24,300,000	24,300,000	5,000,000	Dec-04	Sep-05	GFATM/UNDP	For 2004 - 2006: 7,650,000 - HIV/AIDS; 4,436,610 - tuberculosis; 12,153,717 - malaria
	Global Fund	4,534,017	2,669,634	2,669,634	-	Nov-06	INGOs, NGOs, public sector	-
		12,140,921	6,184,615	6,184,615	-	Nov-06	-	-
		7,658,187	3,272,274	3,272,274	-	Nov-06	-	-
	Ireland	110,404	110,404	100,000	Jun-04	Dec-04	UNICEF	Yellow fever
	Italy	602,851	602,851	400,000	Jun-05	Dec-05	-	Yellow fever control/EPI
	Netherlands	285,718	285,718	100,000	Dec-04	Dec-05	-	Support to Immunization
	Nigeria	1,000,000	1,000,000	1,000,000	-	-	-	Funding for 15 Nigerian Professors and 15 doctors to operate in Liberia
	Sweden (SIDA)	607,470	607,470	607,470	Apr-04	Apr-05	MSF France	Basic health care among IDPs
		583,010	583,010	583,010	Apr-05	Apr-06	-	-
		366,472	366,472	366,472	Apr-04	Apr-05	-	-
		397,222	397,222	397,222	Apr-05	Apr-06	MSF-Belgium	Redemption Hospital
	UNDP	408,035	408,035	-	Apr-06	Apr-07	-	Provision of Health Services
		529,000	529,000	300,000	Jun-04	Dec-04	UNDP	Capacity building of NACP, LGHT Association, HIV/AIDS awareness
	UNICEF	1,367,822	1,367,822	1,103,172	Jun-04	Dec-05	-	All activities in health sector
	UNICEF Global Fund for Immunization	-	-	-	-	-	-	-
		259,273	259,273	240,668	Dec-04	Dec-05	-	Immunization activities
		454,654	454,654	454,654	Feb-04	-	Merlin	Primary Health Care
	UK	921,750	921,750	921,750	Apr-04	Jun-04	-	Emergency Health
		663,180	663,180	-	MSF 2006	-	MSF-B	Provision of Health Services
		1,251,428	1,251,428	1,251,428	Feb-05	Dec-05	Merlin	2ndary Level Healthcare in Harper Hospital (Maryland)
		635,690	635,690	-	Jul-04	-	SCF UK	Reproductive Sexual Health
	USA	7,500,000	7,500,000	7,500,000	-	-	Africans	PHC, Malaria Prevention
		700,000	700,000	700,000	-	-	US Dept of Defense	Construction of 4-6 clinics
		900,000	900,000	900,000	-	-	WHO	Global Polio Eradication Initiative
		2,500,000	2,500,000	2,500,000	2005	-	-	Immunization
		1,500,000	1,500,000	1,500,000	-	-	US Department of Defense	HIV/AIDS test, track, counseling of APL recruits
	USA (USAID)	500,000	500,000	500,000	-	-	USAID	Reproductive Health
Health, Education	Sweden (SIDA)	1,491,456	1,491,456	1,491,456	Apr-04	Apr-06	PMU International	Basic healthcare and education among returnees
Health, Education, Protection from Sexual and Gender-Based Violence	German Committee for UNICEF	511,654	511,654	319,046	Jul-04	Jun-06	UNICEF	TT and DPT vaccine procurement, education database, prevention from SGBV
Nutrition	Germany	548,520	548,520	-	-	-	GAA	School feeding (Mauritania)
	USA (USAID/FFP)	6,600,000	6,600,000	6,600,000	-	-	CRS	School feeding, supplementary ration for malnourished women, children, caretaking persons
Sub-total for Health & Nutrition		128,696,331	106,711,477	75,105,467	-	-	-	-
Education	EC	18,359,583	18,359,583	-	2006	-	EC	Education
	Ireland	336,156	336,156	334,973	Mar-04	Dec-04	-	Back to School
	Finnish Committee for UNICEF	171,838	171,838	165,632	Jul-04	Jun-07	UNICEF	Refugee girls' education in Liberia
	Germany	91,850	91,850	91,850	-	-	German Agro Action	Peace-Education and Non-Violence
	Ireland	416,531	416,531	50,000	Mar-05	Dec-05	-	Accelerated Learning Programme
	Netherlands	505,459	505,459	474,187	Aug-04	Dec-04	UNICEF	Back to School
	Sweden (SIDA)	226,876	226,876	226,876	Apr-04	Apr-05	-	Rehabilitation of schools
		280,721	280,721	280,721	Apr-05	Apr-06	Liberia Dajar	Rehabilitation of schools
	-	951,658	951,658	-	Apr-05	Apr-07	NRC	Training of youth in academic and skills training
	-	-	-	-	-	-	-	-

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Funding Mech.	Comments/Tracking
Education	UNESCO	1,050,000	1,050,000	759,774	Sep-04	Apr-06	UNESCO/MoE	6 areas: Education for All; print curriculum; upgrade teacher; HIV/AIDS Edu.; capacity building of education officials; network support for Peace and Human Rights Education; curriculum review, planning quality education, implementing registration and management of teachers system
	UNICEF	622,911	622,911	250,224	May-05	Dec-05		Reconstruction of the education system in Liberia
	United Kingdom National Committee for UNICEF	2,539,389	2,539,389	2,062,789	Jun-04	Dec-05		Educational interventions
	United Kingdom-DfID	261,604	261,604	158,847	Apr-04	Dec-05		Back to School
	USA (USAID-OTI)	1,050,884	1,050,884	949,622	Jul-05	Dec-05		Accelerated Learning Programme
	USA (USAID)	5,000,000	5,000,000	5,000,000				Youth Education for Life Skills
	USA (USAID)	5,000,000	5,000,000	5,000,000				UNICEF/MoE Accelerated Learning Programme: train teachers, print books, renovate schools
Sub-total for Education		28,465,951	28,465,951	17,125,467				
Community Water & Sanitation	EC	594,723	-	-			CAP/UNICEF	ECRO 2004 - funds not given
	ECRO	2,116,944	2,116,944	1,271,972				
		488,000	488,000	244,000				
		3,249,600	3,249,600	348,054				
		6,681,788	6,681,788	6,681,788	2004	2005		
	France	126,252	-	-				Resumption of Watsan for health training projects in Monrovia
	Japan	3,280,572	3,280,572	3,280,572	Feb-06	Feb-06		
	UK/DfID	500,421	500,421	500,421	Jun-04	Dec-04		Support to school water, sanitation and hygiene
	UNICEF	170,000	170,000	20,000	Jun-05	Dec-05		WATSAN sector
	United Kingdom Committee for UNICEF	141,101	141,101	25,146	Dec-04	Dec-05		Access to safe water in schools, health facilities, and hygiene promotion
Health, Community Water & Sanitation	ECRO	784,164	784,164	780,095	Feb-04	Jul-04		Hygiene promotion (compost, water & waste management, coordination support in Watsan sector)
	Netherlands	837,013	837,013	255,679	Mar-05	Dec-05		Maternal and Child Health, hygiene promotion, access to safe water in communities
Sub-total for Watsan		19,296,783	18,569,863	13,794,727				
Un earmarked	ECRO	1,220,000	1,220,000	976,000				
	Ireland	3,800,000	-	-				For 2004 & 2005
	Norway	400,000	-	-			CAP/WFP RPTV Haze	
	Sweden (SIDA)	2,300,000	2,300,000	2,130,652	Apr-05	Apr-06	Appeal/UNICEF	
	Switzerland	2,039,568	2,039,568	2,039,568	2006	2006	UNICEF	
Sub-total Un-earmarked		12,759,568	5,559,568	5,146,220				
Agriculture	Allocations of un-earmarked funds	174,585	174,585	174,585		Feb-05	CAP/FAO	Emergency provision of agricultural inputs and training to war-affected farmers, women and ex-combatants
		173,000	173,000	173,000		Feb-05		Emergency support to war-affected blacksmiths in rural towns and villages
	China	1,000,000	1,000,000	1,000,000	May-06			Farming Tools
	ECRO	237,726	237,726	190,181			FAO	
		5,261,378	5,261,378	5,261,378	2004	2005	ECRO	
	Germany	800,000	800,000	800,000			GAA	Seeds and tools (Beest)
		835,847	835,847	835,847		End 2005	CAP/FAO RPTV Haze	Agriculture
	Sweden (SIDA)	1,134,382	1,134,382	1,134,382	Apr-05	Apr-06	Appeal/FAO	
		1,087,666	1,087,666	1,087,666	Feb-06	Feb-06	CAP/FAO	Emergency provision of agricultural inputs and training
	UK	548,552	548,552		Jun-05	Dec-05	Action Centre in Film	Support to agricultural recovery (Bong-Bonah & Saneyou Districts)
	USA	450,000	450,000	450,000			CAP/FAO	
	USA	2,200,000	2,200,000	2,200,000				
	USA	1,000,000	1,000,000	1,000,000			HTA	Reactivation of smallholder agricultural production, particularly cocoa sector
	USAID	4,000,000	4,000,000	-				Reactivate rubber industry and protect Sapo Regional Park

## 7.2 Financial Tracking Sheet

Cluster	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Funding Mech.	Comments/Tracking
Business	USAID	5,700,000	5,700,000	-				Promote business development and improve investment climate
Sub-total for Agric & Fisheries		24,603,136	24,603,136	14,307,039				
Community Development	EC	7,968,256	7,968,256	2,921,263			EC	Programme definition in progress
		1,424,033	1,424,033	814,033				County level
		30,500,000	30,500,000	-	2006			
	EC-EDF	7,516,935	7,448,731	4,379,625	Jun-04		EC/FA	9603, programme definition in progress
		5,900,000	1,257,253	-				EDF NIP(20-25M) county level
		29,500,000	-	-				
	Japan	1,983,000	1,983,000	1,983,000	Mar-05	Mar-05		Arms for Development
	UNDP	1,546,547	1,546,547	1,118,449	Jun-04	Dec-05	UNDP	Capacity building, District Development Committee, Rehabilitation, CDD Network
	USA	4,000,000	4,000,000	4,000,000				Rapid Social Assessment, capacity building of local NGOs and CBOs
		19,000,000	19,000,000	19,000,000	Apr-04		DAIS/CARE	Social Service Infrastructure/Agricultural income-generating activities, water/san
		600,000	600,000	600,000			USAID	Liberia Community Infrastructure Programme (roads, bridges, water systems, clinics and schools) / Non-formal education and skills
	USA (HPRM)	600,000	600,000	600,000			USAID	Local community initiatives in education, income generation, water and sanitation, agriculture and homes for orphans
Social Safety Nets	World Bank	1,177,670	1,177,670	1,177,670	May-04		CAF/UNDP (Executed by the WB) Money Corps	QDS
		6,000,000	6,000,000	1,200,000	Sep-04		WB Grant (TFLIB) /LACE	
	Denmark	1,400,000	1,400,000	-	May-04		MSF, ADRA Denmark Danish Ethiopian Mission	Health services to vulnerable groups, reconstruction of a rural district hospital
	Germany	8,600,000	8,600,000	-			LEICUS Trust Fund (Executed by WB)	Employ, activities for youth (incl. ex-combat), labor-intensive infrastructure reconstruction
	USA	500,000	500,000	500,000			Financial Cooperation	
Micro-Finance	UNCDF	750,000	750,000	750,000			USAID	Support to rehab of centre for disabled children
Sub-total for CDD & SSN		126,983,441	92,772,490	37,663,640			UNDP	Micro-Finance projects
TOTAL for CL 4		794,850,030	715,598,534	554,528,128				
Cluster 5: Infrastructure								
Power	EC	7,145,673	7,145,673	533,953			EC	LEC management study, support to privatization process, electricity riders
	EC-EDF	7,930,000	7,930,000	-			ECFA	
Urban Water & Sanitation	EC	8,371,333	3,343,856	1,892,697	Dec-03	Mar-05	EC	
		1,345,332	1,345,332	674,675				Institutional support, operational support, rehabilitation of production, technical assistance for rehabilitation and in LWSC to be confirmed
	EC-EDF	3,660,000	3,660,000	-			ECFA	9602, institutional support, operational support
		1,331,696	1,190,096	944,208				EDF's envelope, rehab of production, main trunks, and parts of distribution, Taser rehab & for support in LWSC to be confirmed.
Transport	China	3,540,000	1,320,293	531,779				Restoration of Road Networks
Un-servicised		1,200,000	1,200,000	1,200,000	2005	2005		
Infrastructure TA		10,000,000	10,000,000	10,000,000	Oct-05	Late 2007	NTGL (MFA)	Restoration of SKD stadium, Min Foreign Affairs
Transport Infrastructure (port and airport urgent rehabilitation)	World Bank	4,500,000	4,500,000	2,700,000				
Sub-total for CL 5		57,523,334	40,153,250	17,077,112	Sep-04		WB Grant (TFLIB)	Multi-Sector
Cluster 6: Economic Management, Development Strategy and Coordination								
Financial Management and Audit		465,000	465,000	276,249	Sep-04		LEICUS Trust Fund (Executed by WB), Ministry of Finance	

## 7.2 Financial Tracking Sheet

Center	Donor	Budget in USD (1)	Contribution (2)	Disbursement (3)	Date Rec'd	Closing Date	Funding Mech.	Comments/Remarks
Economic Management and Development	World Bank	4,500,000	4,500,000	-	Sep-04		TFLIB	
Public Sector Procure. and Stat. Syst.		1,035,000	1,035,000	1,035,000	Sep-04		LCUS Trust Fund (Executed by WB, Ministry of Finance)	Procurement reform
Forestry/Natural Resources Mgmt		570,000	570,000	570,000	Sep-04		LCUS Trust Fund	Forestry Development Authority and multiple NTGL Agencies - (570,000 disbursed)
SAPO Conservation		1,000,000	1,000,000	-			GEF	
Un-categorized		2,000,000	2,000,000	-	Sep-04		WB Grant	Multiple technical assistance
Financial Sector	USA	4,600,000	4,600,000	4,600,000			US Dept of Treasury	Resident Advisors for budget, banking and international tax and debt advisors (2,100,000 contributed)
Forestry/Natural Resources Mgmt		4,000,000	4,000,000	4,000,000			Conservation International/US Forest Service	Capacity building of Forestry Development Authority - (1,000,000 contributed)
Environment	GEF	160,348	160,348	160,348				Two proposals are awaiting approval for 194,000 and one for 28,000. Actual to submit requests for preparatory assistance for Sustainable Land Management and Sustainable Energy to the GEF. Both requests total 25,000.
Sub-total for Econ. Mgt.		20,330,348	20,330,348	10,641,297				
Humanitarian Coordination	Canada	37,828	37,828	-			CAPOCHA	
	EC	1,586,368	1,586,368	232,230			EC	Programme Management Unit of the EC
	EC	120,360	120,360	120,360	2004	2005	INGO	DSH Training
		590,000	590,000	590,000	2005	2005	IBC, INRC, Oxfam	ECCHO 2005 coordination
		11,598,541	11,598,541	6,295,071	2006	2006	INGOs	Support to Humanitarian Activities
		10,113,330	10,113,330	-				Disbursement pending
	EC-EDF	452,497	452,497	452,497	2003	2004	CAPOCHA	ECCHO 2003 Hum. Info. Center
		2,138,771	2,138,771	1,576,321			ECFA	2002, Pre-Mgt. Unit of the EC
	ECCHO	427,000	427,000	341,600	2004	2004	CAPOCHA	Humanitarian Information Centre
		124,440	124,440	62,220			INGO	ECCHO Coordination
		1,477,733	1,477,733	1,477,733	2004	2005	ECCHO	
	Japan	50,000	50,000	50,000	Mar-05	Mar-05	ECOWAS	Cost support for visit of ECOWAS mediator
	Norway	70,000	70,000	70,000	Feb-04	Feb-04		
	Sweden	144,509	144,509	-			CAPOCHA	
	Switzerland	389,674	389,674	-				
		98,526	98,526	98,526	2005		IBC	Direct support of IBC activities
	UK	357,130	357,130	-			CAP/WFP	Air Ops
		117,065	117,065	-	Dec-04	Dec-05		Humanitarian Information Centre
	USA	650,000	650,000	650,000			CAPOCHA	
		350,000	350,000	350,000				Support for the resettlement and return of Refugees and IDPs
		122,000	122,000	-			CAP/WFP	
Integrated Activities (ICRC)	ECCHO	3,173,585	3,173,585	3,173,585	2004	2005	ECCHO/ICRC	
Sub-total for Hum. Coord.		34,189,457	34,189,457	15,538,133				
M & E Implementation of RPTF	UNDP	250,000	250,000	146,807	Jul-04	Dec-05	UNDP	RIMCO Support Office
	USAID/OTI	150,000	150,000	120,982	Jul-04		UNDP LE/CF	Reuse of 2 offices, provision of furniture, computers, 24KVA generator with fuel for 6 months for RIMCO, V-SAT and Internet subscription, radios, phones and air time
	World Bank	760,000	760,000	760,000	Sep-04		LCUS Trust Fund (Executed by WB/UNDP)	RIMCO Support Office
Sub-total for RIMCO		1,160,000	1,160,000	1,027,789				
TOTAL for C1 d		55,079,805	55,079,805	27,207,519				
Total:		1,099,648,084	946,416,402	692,035,915				
Compiled by RIMCO Support Office - Monrovia, Liberia								
Monrovia, Liberia								
(1) P. - Budget made by countries for CAP 2001, the RPTF 2003, and revised RPTF 2005			(2) B. - Budget amount signifies amount actually spent from among the amount contributed					
(3) C. - Contributions signify funds actually received pursuant to a pledge			Note: Contributions to the peace-keeping component are not included here					

## Annex 18.2 Donor Commitments under 150 Day Programme, 16 January –26 July 2006

GOVERNMENT OF LIBERIA 150 DAY ACTION PLAN MATRIX					
OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>ON TRACK</b>  <b>ON TRACK</b>  <b>TO COMMENCE SOON</b>  <b>COMPLETED</b>				
<b>I. SECURITY</b>					
1.1 Build a credible, capable, and democratically accountable military force	Complete severance pay for approximately 100 former AFL soldiers with claims still under review	Ministry of Defence, Ministry of Finance, US, EC, UNDP	ongoing	04/30/06	
	Legally determine retirement benefits for 4,625 retired AFL soldiers	Ministry of Defence, Ministry of Finance, Ministry of Planning, US, UNMIL	ongoing	06/15/06	
	Recruit initial 2,000 candidates for new AFL	Ministry of Defence, US	01/18/06	06/30/06	
	Complete vetting of first class of 309 recruits for training to commence in July	Ministry of Defence, US	02/15/06	06/30/06	
	Prepare brigade headquarters at Camp Sherrill	Ministry of Defence, US	03/01/06	10/01/06	
1.2 Provide training and employment opportunities for ex-combatants to prevent further recruitment into conflict	Establish advisory committee to draft statute to create office of Veteran Affairs	Ministry of Defence, Ministry of State/Ministry of Planning, UNMIL, ECOWAS, African Union	03/16/06	05/26/06	
	Place an additional 5,000 outstanding ex-combatants into ongoing vocational, agricultural skills, formal education, or small business skills training programs through UNDP Trust Fund (5,000) and parallel partner funding (additional). (Overall target for 2005-07: 99,000 ex-combatants, 63,000 by UNDP and 36,000 by	Ministry of Defence, UNDP, UNICEF, European Commission, US	01/01/06	06/30/06	
	Initiate 8 projects along the Cote d'Ivoire border to create employment opportunities to counter illegal recruitment for participation in conflict	UNMIL, UNDP, National Commission for Disarmament, Demobilization, Reintegration & Resettlement (NCDRR)	ongoing	06/30/06	
1.3 Reduce proliferation of small arms	Extend the coverage of the small arms collection and control program	UNDP	ongoing	06/30/06	
1.4 Strengthen national security institutions and enhance coordination	Deactivate ineligible RSS	Government of Liberia, US, UNMIL, UNDP	04/10/06	04/30/06	
	Commence training of VIP protective detail	Government of Liberia, US	03/10/06	06/15/06	
	Complete national security review	Government of Liberia, UNMIL, US	03/01/06	06/30/06	
	Initiate development of national security plan	Government of Liberia, UNMIL, US	06/01/06	09/30/06	
	Initiate the reorganization of security agencies and establish security architecture from county to national level	Government of Liberia, UNMIL, US	03/01/06	06/30/06	
1.5 Strengthen National Police Force	Complete severance payments to deactivated police personnel	Ministry of Finance, Liberia National Police, Ministry of Defence, United Kingdom, UNMIL, UNDP	05/01/06	06/30/06	
	Initiate restructuring of National Police (purchase of uniforms, supplies, etc)	Ministry of Justice, Liberia National Police, US, UK, UNMIL, UNDP	01/16/06	06/30/06	
	Recruit 300 additional police for training	Ministry of Justice, Liberia National Police, UNMIL	05/01/06	06/30/06	
	Rehabilitate seven police stations	Liberia National Police, UNMIL (Quick Impact Projects)	04/03/06	06/30/06	
1.6 Facilitate the return and Reintegration of Refugees and IDP:	Open "Women and Children Protection Units" in 4 LNP stations and train 46 police officers to staff them	UNICEF, Liberia National Police		06/30/06	
	Facilitate the return and reintegration of 70,000 Liberian refugees between Jan-June (out of approx. 150,000 outstanding at end-2005), including partner support at arrival for health, sanitation, training, and	Ministry of Internal Affairs, Liberia Refugees Repatriation & Resettlement Commission (LRRRC), Ministry of Gender & Development, UNHCR, US, EC, World Food Program	ongoing	06/30/06	
	Return and reintegrate 50,000 IDPs residing in camps in Montserrado, Bong, Bomi, Lofa, and Margibi counties between Jan-June, including partner support at arrival for health, sanitation, training, and counselling services.		ongoing	04/15/06	
	Continue process of reintegrating residual IDPs and for closing IDP camps.		ongoing	06/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
I. SECURITY					
II. ECONOMIC REVITALIZATION					
2.1 Establish sound financial management and budgeting	Introduce legislation to integrate the Bureau of the Budget and the Bureau of Maritime Affairs into the Ministry of Finance	Ministry of State/Ministry of Planning, Ministry of Finance, Ministry of Justice	To commence shortly	06/15/06	
	Introduce computerized "Flag Receipts" system at Ministry of Finance & the Central Bank of Liberia.	Ministry of Finance, Central Bank of Liberia & US	01/16/06	completed 2/3/06	
	Ministerial working committee on economic management	Ministry of Finance, World Bank	01/16/06	completed	
	Place technical experts in the MOF to help establish the Resource Management Unit	Ministry of Finance, World Bank	05/01/06	06/30/06	
	Submit recent balanced budget to the legislature for February-June 2006	Government of Liberia, Bureau of Budget, MOF, MOC/OP		completed	
	Submit balanced QCL 2006/07 budget to the legislature	Government of Liberia, Ministry of Finance	ongoing	06/15/06	
2.1 Establish sound financial management and budgeting	Introduce legislation to limit the power of the executive branch to effect major changes in budget allocations without approval	Ministry of State, Ministry of Planning, Ministry of Finance, Ministry of Justice	To commence shortly	06/15/06	
	Establish the extent of outstanding domestic arrears	Ministry of Finance, US	To commence shortly	06/30/06	
	Sign a Letter of Intent for and obtain IMF Executive Board approval for a Staff-Monitored Program with the IMF	Ministry of Finance, Ministry of Planning, Central Bank of Liberia, International Monetary Fund (IMF)	01/16/06	04/28/06	
	Dismiss all NTGL political appointees from the MOF	Ministry of State, Ministry of Planning, Ministry of Finance		completed	
	Complete vetting of MOF staff on payroll against census	Ministry of Finance	underway	04/30/06	
2.2 Ensure legality of concessions and contracts		Ministry of State, Ministry of Planning, Ministry of Finance, Ministry of Justice, Forestry Development Authority, National Port Authority			
	Cancel all forest sector concessions			completed	
	Cancel GSS container park contract with the NPA	Ministry of State/Ministry of Planning, National Port Authority		completed	
	Initiate review of contracts and concessions entered into during the NTGL	European Commission, US, World Bank, PFFC	04/01/06	09/30/06	
2.3 Strengthen management of the LPRC	Rightsize staffing levels	Liberia Petroleum Refining Corporation (LPRC)	underway	06/30/06	
	Streamline the governance structure	Liberia Petroleum Refining Corporation (LPRC)	underway	06/30/06	
	Complete review and make a decision on the future of the \$12m contract with Mechanical Engineering Group (MEG)	Liberia Petroleum Refining Corporation (LPRC)	underway	04/30/06	
	Commence publication of LPRC financial statements on a quarterly basis	Liberia Petroleum Refining Corporation (LPRC)	underway	06/30/06	
	Introduce a method for monthly reviews of domestic petroleum prices	Liberia Petroleum Refining Corporation (LPRC)	underway	06/30/06	
2.4 Strengthen management of the Central Bank	Approve revised budget for Central Bank	Central Bank of Liberia	underway	05/30/06	
	Reactive money management committee	Central Bank of Liberia		completed	
	Regularize foreign exchange auction	Central Bank of Liberia		completed	
2.5 Increase revenue and control expenditures	Ensure BIVAC can complete pre-shipment inspections	Ministry of Finance	01/16/06	completed	
	Clarify customs and excise duty/tariff rates and consistently charge legal rates	Ministry of Finance, European Commission		completed	
	Announce that all rice and petroleum imports will be subject to inspection	Ministry of Finance		completed 1/30/2006	
	Increase revenues from taxes on international trade by at least 15%	Ministry of Finance	01/16/06	06/30/06	
	Minimize balanced budget by controlling expenditure by ensuring that MOF provides appropriate on-going guidance to the BOB on allotments for individual ministries	Ministry of Finance, all ministries	01/16/06	06/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
<b>2.6 Implement GEMAP program</b>					
	Place internationally recruited financial controllers in FDA, NPA, LPRC, Roberts Field, and a senior adviser at Port of Monrovia	Ministry of Finance, Forestry Development Authority, National Port Authority, Liberia Petroleum Refining Company, Roberts International Airport, US, World Bank, European Commission	underway	04/30/06	
	Place Chief Administrator at Central Bank	Central Bank of Liberia, International Monetary Fund (IMF)		completed	
	Place technical experts in the Budget Bureau and Ministry of Lands, Mines, and Energy	Ministry of Finance, Ministry of Lands, Mines, & Energy, General Services Agency, US, World Bank	underway	04/30/06	
	Initiate management studies of GAO, GSA, CSA to determine support needs	General Accounting Office, General Services Agency, Civil Service Agency, European Commission, US	To commence shortly	05/30/06	
	Put in place management contract for Forestry Chain of Custody	Forestry Development Authority, US	To commence shortly	05/30/06	
	Tender contracts for management of container park and maritime services	Ministry of Finance, National Port Authority, World Bank	To commence shortly	05/30/06	
	Launch tender for the procurement of equipment for the Integrated Financial Management System	Ministry of Finance, World Bank	To commence shortly	05/30/06	
	Install Auditor General for GAO, and begin the process of recruiting international counterpart	General Accounting Office, European Commission	02/01/06	6/30/06	
	Test GAO personnel and develop options for staff retrenchment and rationalization	General Accounting Office, European Commission	02/01/06	05/30/06	
	Develop a program for capacity building under GEMAP	UNDP, BOSIC	04/01/06	6/30/06	
	Implement new procurement code	Ministry of Finance, PPOC, World Bank, European Commission	underway	05/30/06	
<b>2.7 Begin to revitalize agricultural production</b>					
	Provide seeds and tools to at least 14,000 beneficiaries; initiate training activities in food crop, livestock, fish production; provide tools and inputs; and facilitate coffee, oil palm, lowland rice production, livestock. Facilitate trade for these farmers through rehabilitating. Develop the agricultural policy statement and indicative action plan	Ministry of Agriculture, Food & Agriculture Organization (FAO), NGOs	To commence shortly	05/30/06	
	Provide training and assistance to 2,000 ex-combatants in agricultural production (rice, vegetables, poultry, and agriculture)	Ministry of Agriculture, European Commission, with NGO partners	01/01/06	05/30/07	
	Initiate project to provide financial and technical assistance to rehabilitate 200+ smallholder rubber and cocoa farms; restock more than 10 communities with short-cycle animals; rehabilitate more than 10 community fish ponds; and organize and strengthen more than 25 farmers' groups and community-based organizations to engage in micro-credit and micro-enterprises activities	Ministry of Agriculture, European Commission, with NGO partners	01/01/06	12/31/08	
	Provide fishing inputs to 1,800 war-affected artisanal fishermen, fisherwomen and fishmongers	Ministry of Agriculture	underway	05/30/06	
	Conduct comprehensive food security and nutrition survey	Ministry of Agriculture, Food & Agriculture Organization (FAO)	underway	05/30/06	
	Develop a National Contingency plan against Avian Flu	Ministry of Agriculture, Ministry of gender & development, US	To commence shortly	05/30/06	
	Convene a Rubber Plantation Taskforce and issue report to resolve outstanding issues on the major rubber plantations in Liberia	Ministry of Agriculture, Food & Agriculture Organization (FAO)	underway	05/30/06	
		Ministry of Agriculture, UNMIL	underway	04/30/06	
<b>2.8 Begin to revitalize forestry and mining activities</b>					
	Complete audit of FDA covering Oct 2003-Jan 2006	Forestry Development Authority (FDA), European Commission	04/01/06	05/30/06	
	Recruit Forest economist to support FDA	World Bank, Forestry Development Authority (FDA)	To commence shortly	05/30/06	
	Design training for community management and marketing of forest products	World Bank, Forestry Development Authority (FDA)	05/01/06	05/30/06	
	Initiate alternative livelihood activities around Sapo National Park	US, Forestry Development Authority (FDA)	To commence shortly	05/30/06	
	Initiate long-term project to support conservation and community forest management	Forestry Development Authority (FDA), Environmental Protection Agency (EPA), LFI, EC	01/01/06	05/01/09	
	Initiate steps to comply with Kimberly Process certification	Ministry of Lands, Mines & Energy, US	underway	05/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> <b>ON TRACK</b> <b>TO COMMENCE SHORTLY</b> <b>COMPLETED</b>				
<b>I. SECURITY</b>					
2.3 Develop Medium-Term Poverty Reduction Strategy	Complete a Draft Interim Poverty Reduction Strategy Paper	Ministry of Finance and Ministry of Planning & Economic Affairs lead other depts., parliament, partners, civil society, private sector contribute	underway	05/30/06	
2.19 Strengthen Trade and Investment Climate	Secure Generalized System of Preferences (GSP) privileges from the U.S.	US, Ministry of Commerce		completed	
	Secure Overseas Private Investment Corporation (OPIC) coverage from the U.S.	US, Ministry of Commerce		completed	
	Initiate procedures towards securing Africa Growth and Opportunity Act (AGOA) privileges	US, Ministry of Commerce	To commence shortly	05/30/06	
	Restructure and reactivate Inspection Division, set initial goals and specify objectives and code of conduct governing inspection	Ministry of Commerce	To commence shortly	05/30/06	
	Restructure and develop new TOGs for Division of Standards and finalize plans to make standards	Ministry of Commerce	To commence shortly	05/30/06	
	Reestablish collaboration between MOF and MOC on customs inspections	Ministry of Commerce	To commence shortly	05/30/06	
	Complete investment climate study	Ministry of Commerce		completed	
	Secure funding to develop capacities of several small to medium businesses	National Investment Commission		completed	
	Audit NIC over last six months operations before current audit took over; reactivate micro loan program for small and medium enterprises	National Investment Commission	To commence shortly	05/30/06	
	Develop NIC's investment promotional materials, overhaul NIC's website	National Investment Commission	To commence shortly	04/30/06	
2.17 Restructure the Ministry & the Foreign Service to enhance new Foreign Policy posture	Close & merge some foreign missions & open others of geo-political & economic importance	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Streamline and assign professional staff & graduates of Foreign Service Institute; review Liberia's Honorary Consulate Representatives around the world	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Regularize funding and timely remission of payments to missions	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Set up Foreign Ministry website & install internet service at Ministry & all foreign missions	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Right-size Ministry staffing level & delineate clear functions	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Introduce new passport with machine-readable & biometric features	Ministry of Foreign Affairs	To commence shortly	05/30/06	
	Introduce ECOWAS passports	Ministry of Foreign Affairs	To commence shortly	05/30/06	
<b>III. INFRASTRUCTURE AND BASIC SERVICES</b>					
<b>TRANSPORTATION</b>					
3.1 Rebuild and rehabilitate road network around the country	Provide initial quick repairs for Zwedru-Freetown (135km), Zwedru-Greenville (180km) and Freetown to	Ministry of Public Works, UNMIL, European Commission, UNOPS,	05/01/06	05/30/06	
	Provide initial quick repairs to Voinjama-Foya road (2 kms) , with more complete rehabilitation (67 kms) after the rainy season.	Ministry of Public Works, European Commission, UNOPS, World Food Program	05/01/06	05/30/06	
	Patch and repair approximately 109 miles of streets and rehabilitate neighborhood roads in Monrovia	Ministry of Public Works	underway	05/30/06	
	Initiate cleaning, repair and in some cases construction of drainage system in Monrovia	Ministry of Public Works	underway	05/30/06	
	Initiate the National Side brushing initiative to employ local labor to cut and trim brush along road sides that cause serious accidents	Ministry of Public Works	underway	05/30/06	
	Provide initial quick repairs on Ganta-Zwedru Road	Ministry of Public Works, UNMIL,	04/01/06	05/30/06	
	Begin preparation for critical emergency repairs on the Monrovia-Stadshavn and Monrovia-Ganta roads	Ministry of Public Works, WB	03/01/06	05/30/06	
	Grading of Ganta-Saniquelle, Budakenen-River Cess, and River Cess-Greenville roads (x kms)	Ministry of Public Works, US	underway	05/30/06	
	Grading of Zorzor-Voinjama-Foya-Mendocoma	Ministry of Public Works, UNMIL, World Bank, UNDP	underway	05/30/06	
	Complete Phase via Sanyasa to Totota road (79 kms)	Ministry of Public Works, US		completed	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
3.1 Rebuild and rehabilitate road networks around the country	Repair Saclepas-Bahn-Logutso (79 km)	Ministry of Public Works, UNHCR	To commence shortly	06/30/06	
	Begin construction and repair of Fiambo-Matadi Road triple box culverts	Ministry of Public Works	underway	06/30/06	
	Restore road shoulders on Monrovia Freeway and Elbas Junction red light	Ministry of Public Works	underway	06/30/06	
	Complete road building plan for more extensive repairs and rehabilitation to be commenced after the raining season, including specific roads, in time for July partner workshop	Ministry of Public Works, Ministry of Finance, Ministry of Planning, Partners	underway	06/30/06	
3.2 Rebuild and rehabilitate bridges and dams	Inaugurate Barclayville Bridge (already funded)	Ministry of Public Works, US	underway	04/30/06	
	Rebuild and rehabilitate bridges and dams	Ministry of Public Works, UNOPS	To commence shortly	06/30/06	
	Commence assessment of three bridges in Monrovia and determine appropriate follow action	Ministry of Public Works	underway	06/30/06	
	Build Zieba Town (Grand Gedeh) dam	Ministry of Public Works, US	underway	06/30/06	
3.3 Rehabilitate Monrovia port	Initiate tender process for rehabilitation of oil jetty	National Port Authority, World Bank	03/01/06	06/30/06	
	Initiate tender process to dredge port	National Port Authority, World Bank	03/01/06	06/30/06	
	Initiate tender process to provide firefighting capacity at NPA yard	National Port Authority, World Bank	03/01/06	06/30/06	
	Launch tenders for Marine Services Contract and Containers Park concession	National Port Authority, World Bank	03/01/06	06/30/06	
3.4 Rehabilitate Roberts Int'l Airport	Initiate tender process for navigation, rescue/firefighting equipment and other safety improvements at RIA	Roberts International Airport, World Bank	03/01/06	06/30/06	
3.5 Increase employment throughout the country	Begin to develop a plan for 12-18 month major public works program, the Liberian Emergency Employment Program (LEEP), to rebuild rural roads, bridges, and irrigation infrastructure	Ministry of Public Works, Ministry of Finance, Ministry of Labor	underway	06/30/06	
	Initiate food for work programs for 16,000 families to support community reconstruction and development	World Food Programme	underway	06/30/06	
	Implement 75 rural infrastructure micro projects targeting 665,000 people covering health, education,	United Nations Development Program (UNDP)	ongoing	ongoing	
<b>TELECOMMUNICATIONS</b>					
3.6 Improve and expand fixed-line and cellular network services	Award contract for the construction of 5,000 fixed telephone lines in greater Monrovia	Government of Liberia, World Bank	10/01/05	06/30/06	
	Establish the LTA (Liberian Telecom Authority) as the Interim Regulator for the sector	Government of Liberia, World Bank	01/01/06	completed	
	Submit legislation for Telecommunications Act	Ministry of State, Ministry of Planning, Ministry of Justice, World	underway	06/30/06	
<b>ELECTRICITY</b>					
3.7 Provide electricity to Monrovia	Provide emergency power supply (generators, network, and streetlights) to certain parts of Monrovia: Capitol substation (JFK & Catholic hospitals) and Kintown, including WestPoint	Ministry of Finance, Ministry of Lands, Mines, & Energy, Ghana, EC	underway	07/26/06	
	Conclude contract for metering/billing/collections and theft prevention	Ministry of Finance, Ministry of Lands, Mines, & Energy, LEC, US	underway	09/01/06	
	Establish monitoring arrangements and provide funds for two months of start-up fuel and O&M costs to support Phase 2 of the EPP		underway	09/01/06	
	Complete technical assessment and bidding documents for transmission	Ministry of Lands, Mines, & Energy, European Commission, LEC	underway	06/30/06	
	Rehabilitate 20km of street lights in Monrovia	LEC, European Commission	1/1/2006	completed	
	Rehabilitate Kintown and Paynesville substations	LEC, European Commission	1/1/2006	completed	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
<b>BUILDINGS</b>					
5.5 Repair and rehabilitation of government buildings	Undertake emergency repairs of the Executive Mansion	Ministry of Public Works, US	03/06/06	06/30/06	
	Rehabilitate the Capitol building	Ministry of Public Works, US	03/06/06	06/30/06	
	Rehabilitate Environmental Protection Agency building	UNEP	underway	06/30/06	
	Construction of two Central Bank Branches and furnishings	Central Bank of Liberia (CBL), UNMIL Quick Impact Projects (QIPs)	02/06/06	04/01/06	
	Construction or renovation of five Magisterial Courts and five Judicial Circuit Courts	Save The Children Liberia, UNMIL Quick Impact Projects	01/01/06	03/01/06	
	Construction and renovation of rehabilitation centers, community centers, and hand pumps	UNMIL Quick Impact Projects (QIPs)	04/01/06	06/01/06	
	Complete assessment of looted, incomplete, or damaged public buildings, and initiate solicitation of interest for repair work	Ministry of Public Works	To commence shortly	06/30/06	
	Reconstruction of four police stations	UNOPS	To commence shortly	06/30/06	
<b>COMMUNITY DRIVEN DEVELOPMENT (CDD) PROGRAMS</b>					
5.9 Reconstruction, revitalization, and employment generation at community level	Complete 10 CDD projects and initiate 3 others (87 more completed by June '07)	World Bank, LACB	underway	06/30/06	
	Complete 60 additional small-scale projects (212 projects already completed)	European Commission	underway	06/30/06	
	Launch 6 Community Based Cooperative Unions (micro finance), UNDP/UNCDF microfinance program with LEAP and Liberty Finance	UNDP	underway	06/30/06	
	Create short-term employment opportunities through small scale projects	UNMIL Quick Impact Projects (QIPs)	underway	05/30/06	
	Expand existing programs to strengthen civil society organizations and peace-building programs in 300 communities, and enhance the capacity of peace councils and Community Development Committees (CDCs)	US	underway	06/30/06	
5.10 (100) VILLAGES INITIATIVE	Initiate program to provide government grants of \$10,000 to districts throughout Liberia	Ministry of Information, Ministry of Finance	underway	06/30/06	
<b>EDUCATION</b>					
5.11 Rebuild and repair schools around the country	Rehabilitate Zwedru High School	Ministry of Public Works, Ministry of Education, US	03/06/06	06/30/06	
	Inaugurate AMBU building	Ministry of Education, US	underway	02/23/06	
	Rehabilitate 13 schools	UNOPS			
	Build or rehabilitate 13 schools	UNMIL Quick Impact Projects	underway	06/30/06	
	Start to renovate or build 7 schools	Ministry of Public Works, Ministry of Education, EC	05/01/06	06/01/07	
	Repair 2 schools (in Tubmanburg and Bopulu county) and provide funding for supplies to Monrovia schools	Private donor (through President's Office)	to commence shortly	06/30/06	
5.12 Improve educational quality	Initiate comprehensive basic education program including teacher training, curriculum development, school rehabilitation, vocational training, accelerated learning program, and capacity building at county and national level.	US	underway	09/30/08	
	Scrutinize payroll nationwide to eliminate 'ghost' and absentee workers and regularize payroll	Ministry of Education	underway	06/30/06	
	Initiate school survey and data collection process	Ministry of Education, UNESCO	underway	06/30/06	
	Begin preparations for introduction of computer literacy programs for senior high schools at 20 sites	Ministry of Education, United Nations Children Fund (UNICEF), United Nations Educational, Scientific, & Cultural Organization (UNESCO)	underway	06/30/06	
	Begin production of 6,000 school benches and 2,000 arm chairs	Ministry of Education, United Nations Children Fund (UNICEF)	underway	06/30/06	
	Establish Learning Resource Centers in two Rural Teaching Training Institutes	United Nations Educational, Scientific, & Cultural Organization	underway	06/30/06	
	Provide daily school lunches to 510,000 school children and monthly take home family ration to 20,000 girls as incentives for parents to send their girls to school	World Food Programme (WFP)	underway	06/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
<b>HEALTH</b>					
<b>3.13 Rehabilitate hospitals and clinics</b>	Rehabilitate Phebe Hospital	European Commission		completed	
	Initiate rehabilitation of 6 health posts	Ministry of Public Works, Ministry of Health, European Commission	05/01/06	05/30/06	
	Reactivate 27 health clinics, support 10 health centres	UNICEF, UNOPS	To commence shortly	05/30/06	
	Rehabilitate four Community Health facilities	UNMIL, Quick Impact Projects (QIPs)	01/16/06	06/06/06	
	Construction of hand pumps and water rehabilitation projects	UNMIL, Quick Impact Projects (QIPs)	02/01/06	04/01/06	
	Reactivate Emergency Obstetric Care services in at least 3 underserved communities	World Health Organization (WHO)	To commence shortly	05/30/06	
<b>3.14 Increase supply of essential drugs and medical equipment</b>	Procure 6 months supply of essential drugs for the National Drugs Service	Ministry of Health, European Commission (EC)	01/01/06	04/30/06	
	Recognize and build capacity in NDS; improve commercial drug importation & distribution; improve Provide therapeutic milk and other nutrition supplies to 2 Therapeutic Feeding Centres	Ministry of Health, European Commission (EC)	01/01/06	completed	
<b>3.15 Improve health policy and access to health workers</b>	Assess health sector human resource needs and develop comprehensive human resource plan to deploy health workers	United Nations Children Fund (UNICEF)	underway	05/30/06	
	Place 50 health workers in the field throughout the country	Ministry of Health, UNFPA	underway	06/30/06	
	Scrutinize payroll nationwide to eliminate "ghost" and absentee workers and regularize payroll	Ministry of Health	underway	06/30/06	
	Start the strategic planning process for the development of the national health plan; rehabilitate TNMA dormitory & classrooms; improve & strengthen financial & administrative management at MOH	Ministry of Health, USAID	underway	06/30/06	
	Initiate development of a national nutrition surveillance system	World Food Program (WFP), United Nations Children Fund (UNICEF), World Health Organization (WHO)	03/01/06	07/31/06	
	Initiate the process to recruit policy adviser to the Ministry of Health to assist with sector strategy	Ministry of Health, European Commission	05/01/06	11/01/06	
	Begin to strengthen the national health service (formulation of Nat'l Health Strategic Plan, Nat'l Health	World Health Organization (WHO), Ministry of Health	underway	05/30/06	
<b>3.16 Increase access to clean water and sanitation</b>	Initiate rehabilitation of 16 inch main pipeline from White Plains to Charstown and Scordia drive pipe	Ministry of Public Works, Liberia Water & Sewer Corporation, European Commission (EC)	underway	12/31/06	
	Initiate rehabilitation of Tubman boulevard pipe from Paynesville to town	Ministry of Public Works, Liberia Water & Sewer Corporation, European Commission (EC)	05/01/06	05/01/07	
	Initiate rehabilitation of related secondary pipes, water purification unit, and reservoir	Ministry of Public Works, Liberia Water & Sewer Corporation, European Commission (EC)	05/01/06	05/02/07	
	Complete seismic study for a new well field East of Monrovia	Ministry of Public Works, European Commission (EC)	01/01/06	completed	
	Begin preparation to drill 6 boreholes in East Monrovia (Paynesville) and connect two to main pipes	Ministry of Public Works, World Bank	underway	02/28/07	
	Increase water production in Monrovia from 1.4 to 4.4 million gallons by sustaining the 400mm pipe that traverses Caldwell and repairing the 900mm Johnsonville-Central Monrovia pipe	Liberia Water & Sewer Corporation	To commence shortly	05/30/06	
	Clean 2,000 m of sewer pipe, re-lay 500 m of new sewer pipe, and replace 20 manhole tops	Liberia Water & Sewer Corporation	To commence shortly	05/30/06	
	Construct 100 new water points and 100 institutional and 500 family latrines	United Nations Children Fund (UNICEF)	To commence shortly	05/30/06	
	Construct water wells and public latrines	UNMIL, Quick Impact Projects (QIPs)	underway	05/30/06	
	Dig bore holes at 52 school communities	Ministry of Public Works, US	underway	05/30/06	
	Initiate the process to reduce LWSC uncollectibles from 50% to 30%, and reduce unaccounted-for water from 60% to 40%	Liberia Water & Sewer Corporation	underway	05/30/06	
	Assess ten water outstations	Liberia Water & Sewer Corporation	underway	05/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
3.17 Strengthen programs to fight malaria, HIV/AIDS, and other diseases	Provide 5,000 bed nets to households in high malaria endemic communities	Ministry of Health, World Health Organization (WHO)	underway	05/30/06	
	Reconstitute Liberian Coordinating Committee for HIV/AIDS, and revitalize national strategy to fight HIV/AIDS	Ministry of Health, UNDP, US, others	underway	05/30/06	
	Establish Voluntary Counseling and Testing Centers in 15 counties and provide TA for provision of ARVs	UNDP, Ministry of Health, Global Fund	underway	05/30/06	
	Provide Antiretroviral drugs for 500 HIV/AIDS Patients	World Health Organization (WHO), Ministry of Health	underway	05/30/06	
	Improve access to care and support for TB/HIV co-infection patients at TB sites	UNDP, Ministry of Health	underway	05/30/06	
	Provide TB drugs for 800 new cases	World Health Organization (WHO), Ministry of Health	underway	05/30/06	
	Conduct immunizations in 250 health facilities	United Nations Children Fund (UNICEF), World Health Organization (WHO), Ministry of Health	underway	05/30/06	
	Provide monthly food rations to 25,000 beneficiaries in MCH and institutional feeding programs	World Food Programme (WFP)	underway	05/30/06	
	Provide monthly rations to 15,000 TB co-infection HIV/AIDS patients	World Food Programme (WFP)	underway	05/30/06	
	Improve access to malaria drugs and train health workers in case management	UNDP, Ministry of Health	underway	05/30/06	
<b>INFORMATION, CULTURE &amp; TOURISM</b>					
3.18 Restructure the Ministry to streamline functions & promote democracy	Reform the objectives and integrate the new vision of promoting democracy, good governance and distance education, both formal and informal	Ministry of Information, Governance Reform Commission, US	underway	05/31/06	
	Revive New Liberia newspaper	Ministry of Information	underway	05/30/06	
	establish MICAAT website to promote government policies etc.	Ministry of Information	underway	05/30/06	
	Renovate the Cultural Center's Arts & Craft Center	Ministry of Information, US	underway	05/30/06	
	complete renovation and stocking of cultural artifacts & public donations of museum pieces and archival materials	Ministry of Information, UNESCO	underway	05/30/06	
	Reconstruct National Tourist Board	Ministry of Information	underway	05/30/06	
	Create a tourism data base about tourist sites, tourism investment potentials and other attractions	Ministry of Information	underway	09/30/06	
	Commence annual registration of tourist entities incl. (hotels, restaurants, beaches, entertainment centers, casino travel agencies, airlines, sport facilities, tour operators, etc.)	Ministry of Information	underway	08/31/06	
	Re-establish tourist information centers at RLA, Freeport of Monrovia and other ports of entry into Liberia	Ministry of Information	underway	07/31/06	
<b>IV. GOVERNANCE AND RULE OF LAW</b>					
4.1 Implement steps to address corruption	Obtain from all ministers and cabinet level appointees a financial disclosure statement and signature on an oath to abide by the new public officials code of conduct	Ministry of State, Ministry of Planning	To commence shortly	03/31/06	
	Prepare a public officials code of conduct and rules and procedures for civil servants	Ministry of State, Ministry of Planning	To commence shortly	05/30/06	
	Develop and complete an anti-corruption strategy	Ministry of State, Ministry of Planning, Governance Reform Commission (GRC), UNDP, European Commission (EC), UNMIL, DFID,	To commence shortly	05/30/06	
	Prepare a draft framework to coordinate and implement the anti-corruption strategy		To commence shortly	05/30/06	

OBJECTIVE	DELIVERABLE	RESPONSIBLE PARTIES	START DATE	END DATE	STATUS
	<b>COLOR CODES:</b> ON TRACK  TO COMMENCE SHORTLY  COMPLETED				
<b>I. SECURITY</b>					
4.2 Initiate the process of civil service reform	Determine appropriate number of ministries and confirm structures and mandates of ministries	Ministry of State, Ministry of Planning	To commence shortly	05/30/06	
	Complete civil service census	United Nations Development Program (UNDP)		completed	
	Complete personnel audit of MCS to ascertain the number of people for the Ministry to operate effectively and efficiently	Civil Service Agency, Ministry of State	underway	05/30/06	
	Review public service pay scale and benefits package as a step towards introducing a merit system	Ministry of Justice, UNOMIL	underway	05/30/06	
	Determine appropriate number of staff required for each ministry	European Commission, UNDP, UNMIL	underway	05/30/06	
	Remove ghost/absent civil servants from payroll	Ministry of Justice, US, Norway, UNDP	underway	05/30/06	
4.3 Initiate the process of Constitutional reform	Develop a clear plan and timeline for constitutional and legal reform	Governance Reform Commission, European Commission, UNDP, UNMIL	To commence shortly	05/30/06	
4.4 Strengthen the monitoring of the governance reform process	Complete management study for new Governance Reform body	Ministry of State, Ministry of Planning, Governance Reform Commission (GRC), European Commission (EC)	02/28/06	completed	
	Submit legislation for successor body to GRC	Ministry of State, Ministry of Planning, Governance Reform Commission (GRC), UNDP, European Commission (EC)	To commence shortly	05/30/06	
	Begin to refurbish a training facility for Liberian staff to have access to in-facility training opportunities from Monrovia (including interactive videoconferencing facilities for training) (CEDIN)	World Bank	To commence shortly	05/30/06	
4.5 Begin to reestablish institutions to strengthen the judiciary and protect the rule of law	Ensure that all county judges and magistrates are in place and functioning	Ministry of State, Ministry of Planning, UNMIL, Ministry of Justice, Judiciary	underway	05/30/06	
	Retain regional Legal Advisor and team to begin work on court procedures, access to law texts, and recommend reforms	Ministry of Planning, Ministry of Justice, Supreme Court, World Bank	To commence shortly	05/30/06	
	Inaugurate and operationalize the Truth and Reconciliation Commission	Legislature, US, UNDP, World Bank	02/15/06	completed	
	Draft Plan of Action to establish Law Reform Commission	Ministry of Gender, UNIFEM	underway	05/30/06	
	Establish Human Rights Commission and confirm Commissioners	European Commission, UNDP, UNMIL	underway	05/30/06	
	Initiate prison rehabilitation	Ministry of Justice, US, Norway, UNDP	underway	05/30/06	
	Rehabilitate detention centers	UNMIL, Quick Impact Projects (QIPs)	underway	05/30/06	
	Initiate process to establish legal aid center and legal internship program at the Arthur Grimes Law School	Ministry of Justice, Ministry of Gender & Development, US	To commence shortly	12/30/06	
	Initiate process to establish victim abuse center				
	Begin to conduct Training of Trainers for community mediation in Monrovia and Lofa Counties				
4.6 Strengthen Legislature	Initiate public education on human rights and legal reform				
	Define and program training to support the legal aid clinic at the Arthur Grimes Law School, and begin training judges, lawyers, court officers, and members of the Liberian Bar Association	Ministry of Planning, Ministry of Justice, Supreme Court, World Bank	1/06/06	05/30/08	
	Design an initial legislative training program for budget oversight, managing constituent relations, and undertaking legal reform	Legislature, US, UNDP, World Bank	To commence shortly	05/30/06	
	Establish a caucus for women legislators	Ministry of Gender & Development, UNIFEM	To commence shortly	05/30/06	

*Annex 18.3 Ongoing and future Donor Commitments, 2006 onwards*

Ongoing and Future Donor Commitments by LRDC Pillar						
		UNITED STATES	WORLD BANK GROUP and IMF	EU Member States	UN, other multi or bilateral, NGO own funding	European Commission (9 <sup>th</sup> EDF and budget lines)
SECURITY	Does not include FY07					
Humanitarian	<i>Refugee and IDP return:</i> Facilitate return & reintegration for some 70,000 refugees (FY2006, USD36.2m),			<b><u>Denmark:</u></b> <ul style="list-style-type: none"> <li>Reintegration and education (Nimba) (Adventist Development and Relief Agency)</li> <li>Education in Maryland, River Gee and Grand Kru (IBIS);</li> <li>Health and HIV/AIDS in Lofa, Montserrado and Bong (Dansk Etioper Mission)</li> </ul> <b><u>France:</u></b> <ul style="list-style-type: none"> <li>Health: emergency, emergency, disease control (UNICEF, ACF)</li> <li>Water and</li> </ul>	<b><u>UNHCR:</u></b> <ul style="list-style-type: none"> <li>Protection and repatriation of refugees, reintegration community programmes (returnee reception, returnee expectations, refugee camp assistance)</li> </ul> <b><u>UNDP:</u></b> <ul style="list-style-type: none"> <li>DDRR and Small Arms Reduction Programmes across the country</li> </ul> <b><u>Canada:</u></b> <ul style="list-style-type: none"> <li>Contribution to UNHCR for returnees (\$0.61m);</li> </ul> <b><u>Switzerland:</u></b> <ul style="list-style-type: none"> <li>Seconded staff to WFP and UNHCR (2004-07).</li> <li>Health</li> <li>Watsan in Lofa</li> <li>Protection</li> <li>Nutrition</li> <li>Support to humanitarian coordination</li> </ul> <b><u>Japan:</u></b> <ul style="list-style-type: none"> <li>Humanitarian support (community reintegration)</li> </ul>	<b><u>ECHO:</u></b> <ul style="list-style-type: none"> <li>2006 (EUR 16.4m plus EUR 1.4 “enveloppe B”) <ul style="list-style-type: none"> <li>Health,(EUR6m)</li> <li>WatSan, (EUR4m)</li> <li>IDPs (EUR 0.6m)</li> <li>Refugees (EUR 3.5m )</li> <li>Protection(EUR1m)</li> <li>Food security(EUR3.1m)</li> </ul> </li> <li>2007 (EUR 14m) <ul style="list-style-type: none"> <li>Health (EUR 5m),</li> <li>WatSan (EUR 4m),</li> <li>Food security (EUR 3m).</li> <li>Food aid (EUR 2m)</li> </ul> </li> </ul>

				<p>sanitation (ACF and Solidarite)</p> <p><b><u>Finland:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (CAP, UNHCR)</li> <li>• Health (WHO)</li> <li>• Education (Finish National Committee for UNICEF)</li> </ul> <p><b><u>Germany:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (CAP, UNHCR)</li> <li>• Health, nutrition (German Agro Action)</li> <li>• Agriculture (emergency) (German Agro Action)</li> </ul> <p><b><u>Ireland:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (CAP, UNHCR)</li> <li>• Health, disease control (UNICEF and Merlin)</li> <li>• Education (accelerated learning program)</li> <li>• Protection (UNICEF)</li> </ul>	<p>(UNHCR),</p> <ul style="list-style-type: none"> <li>• Watsan,</li> <li>• Shelter, seeds and tools,</li> <li>• Food for refugees and ex-combatants.</li> <li>• <b><i>UN agencies and International NGOs</i></b> for continued humanitarian support (£3.5 m)</li> </ul>	
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				<ul style="list-style-type: none"> <li>• <b><u>Italy:</u></b></li> <li>• Humanitarian (CAP, WFP)</li> <li>• Health, disease control (UNICEF)</li> </ul> <p><b><u>Netherlands:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (UNICEF, OCHA, WFP, Save the Children, MSF, Merlin, ACF, IRC, Medecins du Monde)</li> <li>• Health</li> <li>• Water and sanitation</li> <li>• Food security</li> </ul> <p><b><u>Norway:</u></b></p> <ul style="list-style-type: none"> <li>• humanitarian assistance, support to the police through UNDP</li> </ul> <p><b><u>Spain:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (CAP, UNHCR)</li> </ul> <p><b><u>Sweden:</u></b></p> <ul style="list-style-type: none"> <li>• Humanitarian (CAP, UNHCR, UNDP, ICRC, IFRC, Norwegian</li> </ul>		
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				Refugee Council) <b>UK:</b> <ul style="list-style-type: none"><li>• DFID Humanitarian (£3.5 million)</li></ul>		
	<b>DDRR</b>	<ul style="list-style-type: none"><li>• <b>DDRR</b> (FY2006, Contribution to UNDP TF, EUR2m, timeframe?)</li><li>• <b>Train and employ ex-combatants</b> (FY2006, LCIP, USD7m)</li><li>• <b>Community peace building and development programs</b> (FY2006, USD2.3m)</li></ul>		<b>Denmark:</b> <ul style="list-style-type: none"><li>• Road rehabilitation using ex-combatants in Maryland, River Gee and Grand Kru (Danish Refugee Council);</li></ul> <b>France:</b> <ul style="list-style-type: none"><li>• DDRR (French National Committee for UNICEF, ACF);</li></ul> <b>Germany</b> <ul style="list-style-type: none"><li>• DDRR</li></ul> <b>Ireland</b> <ul style="list-style-type: none"><li>• DDRR (CAP);</li></ul> <b>Sweden</b> <ul style="list-style-type: none"><li>• DDRR (CAP, UNDP);</li></ul> <b>UK:</b> <ul style="list-style-type: none"><li>• DDRR (CAP; UNHCR UNICEF),</li><li>• Future plans include support</li></ul>	<b>Switzerland:</b> <ul style="list-style-type: none"><li>• Community projects as part of the DDRR process</li></ul> <b>Japan:</b> <ul style="list-style-type: none"><li>• Support 'Arms for Development' and community DDRR projects.</li></ul>	<ul style="list-style-type: none"><li>• <b>DDRR</b> (3rdContribution Agreements to UNDP Trust Fund (EUR9.1m, 2006-2008)</li><li>• <b>Accelerated learning for Children Associated with Armed Forces - CAFF</b> (UNICEF contribution, EUR2.5m 2005-2007)</li><li>• <b>Vocational training for ex combatants</b> (LOIC, CESD, EUR3.3m, 2005-2006)</li><li>• <b>Labour intensive employment programs</b> for ex-combatants and reintegrating communities including 500 Km road rehabilitation in South East, in 3 counties Maryland, River Gee and Gran Kru. (DRC, EUR1.4m, 2005-2008)</li><li>• <b>DDRR TA</b> (EUR0.8m 2005-2007)</li></ul>

				to International Rescue Committee (IRC) and USAID through the Liberian Community Infrastructure Programme.		
SSR	<ul style="list-style-type: none"><li>• <i>National security review and development plan</i> (FY2006, Rand, USD 0.34m)</li><li>• <i>AFL Restructuring:</i> Complete AFL and MOD demobilization; recruitment, vetting and training for a 2000 soldier new AFL and 91 MOD civilians. Renovation of Edward Binyah Kesselly Military Barracks, VOA Training base and Barkley Training Center. (FY2006/07, DynCorp/PAE, USD 42.8m)</li><li>• <i>SSS demobilization and training</i> (FY2006, DS,</li></ul>		<p><b>UK:</b></p> <ul style="list-style-type: none"><li>• Mentoring for new AFL officers- one UK military officer</li></ul> <p><b>Norway:</b></p> <ul style="list-style-type: none"><li>• Renovation and construction of dormitories and office space at the LNP Training Academy. (USD 0.6m).</li></ul> <p><b>Netherlands:</b></p> <p>Basic equipment and reconstruction of vital police facilities. (USD 2,2m)</p> <p><b>GoL:</b></p> <ul style="list-style-type: none"><li>• Salaries of the LNP Academy</li></ul>	<p><b>UNMIL:</b></p> <ul style="list-style-type: none"><li>• LNP Reform supported by the UK, Netherlands, Norway and the EC through the LNP Trust Fund managed by the UNDP. (Netherlands USD 2,2m, Norway USD 0.6m, EC basic training amounting to EUR1,4m)</li></ul>	<ul style="list-style-type: none"><li>• <i>LNP Training: Basic training programme</i> for the targeted 3500 recruited police officers at the national Police Training Academy. (2007, EUR 1.4m)</li></ul>	

		USD3.3m, timeframe?) <ul style="list-style-type: none"> <li>• <b>Technical assistance to AFL</b> by US military mentors/trainers (FY2006, FMF, USD 1.98m)</li> <li>• <b>Training assistance to AFL</b> IMET training for NCO and Officers (FY07, IMET, USD .245m)</li> </ul>		and support the ongoing training. (FY 2006/07 USD 0,2m). <b>France</b> <ul style="list-style-type: none"> <li>• Cote d'Ivoire border police</li> </ul> <b>Italy</b> <ul style="list-style-type: none"> <li>• Police and governance (UNDP LEGF Trust Fund);</li> </ul>		
	<b>Conflict Prevention, Peace Building, Human Rights</b>	<ul style="list-style-type: none"> <li>• <b>Truth and Reconciliation Commission:</b> FY2006, USD0.5m, timeframe)</li> <li>• <b>CIVPOL of UNMIL</b> contribution (FY2006, USD0.99m)</li> </ul>		<b>Netherlands:</b> <ul style="list-style-type: none"> <li>• Human rights, civil society, media (Radio Veritas)</li> </ul>	<b>TRC by the EC, UNMIL, UNDP, ECOWAS</b> <ul style="list-style-type: none"> <li>• International Center for Transitional Justice (ICTJ) the UK and USAID. Since the INHC is not operational, the Commission is not receiving support from International partners.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Truth and Reconciliation Commission</b> TA, equipment and operating costs (EUR0.25m, 2006-2007)</li> <li>• <b>Independent Human Rights Commission</b> TA, equipment and operating costs (EUR0.17m 2006-2007).</li> </ul>
<b>ECONOMIC MANAGEMENT AND REVITALISATION</b>						
	<b>Debt relief</b>	<b>Management of domestic debt arrears</b> (FY2006, US Treasury Technical Advisors to assist USD0.5m, FY2007)				
	<b>Land Reform</b>	<b>Land reform law</b> (FY2006, TBD, USD1m)				

	<b>Agriculture and Food Security</b>	<ul style="list-style-type: none"> <li>Rehabilitate cocoa, coffee and rubber farms, and fish ponds; restock small livestock; link producers to markets; promote small business and job creation) (FY2006, International Institute for Tropical Agriculture, USD8m, timeframe?)</li> <li>Food security (FY2006, CRS, Samaritans Purse, Africare and others, USD10m)</li> </ul>		<u><b>Sweden:</b></u> <ul style="list-style-type: none"> <li>With FAO. Seeds Food Training. (USD1.1m)</li> </ul>	<u><b>Canada:</b></u> <ul style="list-style-type: none"> <li>Food Security to IDPs, Returnees and Refugees (WFP)</li> </ul> <u><b>UNFAO:</b></u> <ul style="list-style-type: none"> <li>Seeds and tools plus policy and legislation advice for Ministry of Agriculture (USD 0.8m, FY2006)</li> </ul>	<ul style="list-style-type: none"> <li><b>Food aid via WFP.</b> (EUR 2.2m )</li> <li><b>Agro-Economic Recovery Assistance:</b> Project (FOOD/2005/113-606 EUR1m) implemented by Trocaire.</li> <li><b>Sustainable improvement of living conditions of the most vulnerable rural populations of Bong County:</b> (FOOD/2005/113-599 EUR1m) implemented by Solidarities</li> </ul>
	<b>Forestry and Environment</b>	<ul style="list-style-type: none"> <li>Initiate alternative livelihood activities around Sapo National Park; strengthen community management of natural resources; promote local industry and small business development Support management</li> </ul>	<ul style="list-style-type: none"> <li><b>Forestry Mgmt:</b> Institutional Support to Forestry Development Authority, community forestry, communication (USD 2m, EMDP TFLIB, 12/2006-12/2007)</li> <li><b>SAPO National Park Conservation:</b> (FFI) (USD1m, GEF, FY 2006-2007)</li> </ul>	<ul style="list-style-type: none"> <li><u><b>UK/France:</b></u> Strengthening Forest Management in Post-Conflict</li> </ul>	<u><b>UNEP:</b></u> <ul style="list-style-type: none"> <li>Advocacy and education programmes; TA for ministerial level and environmental awareness. (USD 0.3m FY2006/07)</li> </ul>	<ul style="list-style-type: none"> <li><b>Forestry Development Authority:</b> financial audits (EUR0.18, 2004-2006 )</li> <li><b>Environmental Profile of Liberia</b> (EUR0.7, 2006)</li> <li><b>Strengthening Forest Management in Post-Conflict Liberia project.</b> FFI. Reform for conservation uses of Liberia's forests,</li> </ul>

		contract of forestry chain of custody (FY2006, Conservation International, USD3.97m)	<ul style="list-style-type: none"> <li>Strengthening Forest Management in Post-Conflict Liberia</li> </ul>			targeting institutional strengthening and policy reform. (ENV/2005/082-386. EUR1.8m)
	<b>Mining</b>	??				
	<b>Investment climate and SMEs</b>	Micro-credit (FY2006, TBD, USD2m, timeframe)	<ul style="list-style-type: none"> <li><b>FIAS investment climate TA:</b> public-private dialogue, study on informal economy, National Investment Code and Legislation (USD0.6m, FIAS TF, 2006-2007)</li> </ul>			
	<b>Trade</b>	??			UNIDO support to Ministry of Commerce	
	<b>Financial management and budgeting</b>	<ul style="list-style-type: none"> <li><b>Bureau of the Budget and Ministry of Finance TA</b> from US Treasury Advisors (\$5m)</li> <li><b>TOKTEN</b> (\$1m)</li> </ul>	<ul style="list-style-type: none"> <li><b>Ministry of Finance TA and information system:</b> Resource Management Unit, Cask Management Committee (USD5.1m, EMDP TFLIB, TSF LICUS I, RMU LICUS II, 2006-2008)</li> </ul>			<ul style="list-style-type: none"> <li><b>Ministry of Finance:</b> management study, Bureau of Customs and Excise study, financial and organizational audit of Bureau of Maritime Affairs (EUR0.29m, 2006-07)</li> <li><b>Central Bank of Liberia:</b> financial audits (EUR0.7m 2006-07)</li> <li><b>Institutional Support and Capacity Building Programme (ISCBP)</b> being prepared (USD7.4m)</li> </ul>

Revenue generating entities (SOEs)	<ul style="list-style-type: none"> <li>• <b>Liberian Petroleum Refining Cooperation:</b> financial controller</li> <li>• <b>National Port Authority:</b> financial controller</li> <li>• <b>Robertsport International Airport:</b> financial controller Total FY06 funding \$7.5M</li> </ul>				<ul style="list-style-type: none"> <li>• <b>Liberian Petroleum Refining Cooperation:</b> financial and organizational audits (EUR0.63m, FY2006-07)</li> <li>• <b>National Port Authority:</b> audits (EUR0.57m, FY2006-07)</li> <li>• <b>Robertsport International Airport:</b> audits (EUR0.28m, 2006-07)</li> </ul>
Procurement and Concessions	Support to concession review process	<ul style="list-style-type: none"> <li>• <b>Public Procurement and Concessions Commission TA</b> legal adviser</li> <li>• <b>Contract and Concession Review:</b> civil aviation, rubber on concession review (USD1.2m, LICUS II, FY2005-2007)</li> </ul>			<ul style="list-style-type: none"> <li>• <b>Public Procurement and Concessions Commission TA,</b> equipment and running costs (EUR0.08m, 2006-07)</li> <li>• <b>Concession review:</b> team leader and Minerals and Commodity Specialist (EUR0.25m 2006-07)</li> </ul>
Statistics				<b>Canada:</b> <ul style="list-style-type: none"> <li>• Coordination- Support to HIC</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Liberian Institute for Statistics and Geographic Information Systems:</b> TA for consumer price index and statistics methodology (EUR0.19m, 2007)</li> </ul>

#### BASIC SERVICES AND INFRASTRUCTURE

Roads	<b>Secondary unpaved roads:</b> (USD19.7m, DAI, Including:	<b>Principal paved roads essential repairs:</b> <ul style="list-style-type: none"> <li>• Monrovia-Buchanan</li> <li>• Monrovia-Gbarnga-</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Netherlands:</b> with ILO, MOL and MCC. Cleaning of solid</li> </ul>	<b>ADB:</b> <ul style="list-style-type: none"> <li>• US \$8m. Employment intensive infrastructure, including roads, water</li> </ul>	<b>Secondary unpaved roads:</b> <ul style="list-style-type: none"> <li>• Reconstruction of a damaged bridge across Beh Creek (Bong,</li> </ul>
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		<ul style="list-style-type: none"> <li>Rehabilitate the road between and Ganta and Sanniquelle (Nimba, LCPI with EC)</li> <li>Buchanan-Greenville</li> <li>Other community infrastructure</li> </ul> <p>Todee road FY2006, DAI, USD3m)</p>	<p>Ganta (USD25m, EIP IDA PA, 11/2006-12/2008)</p> <p><b>Secondary unpaved roads:</b></p> <ul style="list-style-type: none"> <li>Zorzor-Vonjama</li> <li>Voinjama-Foya</li> <li>Pleebo-Barclayville</li> <li>Zwedru-Fishtown,</li> <li>Ganta-Saclepea</li> <li>Saclepea-Tappit</li> </ul> <p>(USD5.6m, TSP LICUS II and IDA PA Supply., 11/2006-12/2008)</p> <p><b>Monrovia city streets</b> (USD2m, IDA PA Supply., 11/2006-12/2008)</p>	waste in Monrovia.(USD 0.5)	<p>sector and works at the port.</p> <p><b>UNCHR</b></p> <ul style="list-style-type: none"> <li>Improvement of Longuatu Foot Bidge. USD 10.000.</li> <li>With UNDP, MPW. Improvement Kolahun-Foya roadway. (USD 0.8M).</li> </ul>	<p>EUR0.25m, 2007)</p> <ul style="list-style-type: none"> <li>Construction of a road from Suakoko to Nyandewoun (Bong, EUR0.3m, 2007)</li> <li>Rehabilitate the road between Ganta to Sanniquelle to Karnplay (Nimba, with USAID/LPIC, EUR0.3m,2007)</li> <li><b>Road maintenance:</b> technical assistance, tools, training (EUR0.37m, 2007)</li> </ul>
	<b>Maritime Transport</b>	<ul style="list-style-type: none"> <li><b>Port</b> (FY2006, Tugboat, USD1m)</li> </ul>	<ul style="list-style-type: none"> <li><b>Port</b> : rehabilitation of the oil jetty, fire-fighting facility, dredging of the port entry channel, TA to bring in a private operator to manage the Port Containers Terminal. (\$7m, TFLIB, 2005-2007)</li> </ul>			
	<b>Air Transport</b>	<ul style="list-style-type: none"> <li><b>Airport:</b> Security upgrades (FY2006, , USD3m)</li> </ul>	<ul style="list-style-type: none"> <li><b>Airport:</b> procurement and installation of navigational and safety equipment(USD0.6m, TFLIB, FY2005-</li> </ul>			

			2007)			
	Electricity	<ul style="list-style-type: none"> <li>• <b>Emergency Electricity Program I:</b> operation and revenue collection (USD3.2m FY2006, USD1.2m FY2007)</li> <li>• <b>Emergency Electricity Program II:</b></li> <li>• Rural electricity through renewable energy projects \$5M FY2006</li> <li>• Rural electricity and hydro potential (USTDA studies)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Emergency Electricity Program I:</b> fuel supply USD2.5m, EIP IDA PA, 11/2006-2007)</li> <li>• <b>Emergency Electricity program II:</b></li> </ul>		<p><b>Ghana:</b></p> <ul style="list-style-type: none"> <li>• <b>Emergency Electricity Program I:</b></li> </ul> <p><b>Norway:</b></p> <ul style="list-style-type: none"> <li>• <b>Emergency Electricity Program II:</b> generation in Kruwtown and Bushrod Island, TA (EUR6m FY2006-2008)</li> </ul> <p><b>China:</b></p> <ul style="list-style-type: none"> <li>• considering rehabilitating Mount Cofi hydro plant</li> </ul> <p><b>Libya:</b></p> <ul style="list-style-type: none"> <li>• considering involvement in electricity sector</li> </ul> <p><b>UNDP:</b></p> <ul style="list-style-type: none"> <li>• rural electrification studies</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Emergency Electricity Program I</b> (EUR2.6m): Installation of two diesel generators at Congotown and Krutown (EUR0.9m) and 12km of MV and LV network to cover those neighborhoods (EUR1.5m), as well as technical assistance (EUR0.2m) 2006</li> <li>• <b>Emergency Electricity Program II</b> (EUR6.7m): Installation of two additional generators at Paynsville and build out of LV network there (EUR0.4m), as well as rehabilitation of the common HV and MV grid in central Monrovia (6.3m) 2007-2008</li> <li>• <b>Sector reform support: technical assistance</b> (EUR0.8m)</li> </ul>

	<b>Water</b>		<ul style="list-style-type: none"> <li><b>Water sector rehabilitation in Monrovia:</b> Rehabilitation of White Plains water production, drilling of two boreholes for ground water, rehabilitation of 36 inch main pipeline, distribution system in 1-2 neighborhoods, LWSC capacity building (USD2.5m, EIP IDA PA, 2006-12/2008)</li> </ul>	<b>UK:</b> <ul style="list-style-type: none"> <li>LWSC, UNICEF, NGOS and ADB (£1.25m)</li> </ul>	<b>African Development Bank:</b> <ul style="list-style-type: none"> <li>DFID and LWSC estimate USD22 m. in 2007-10 versus the current USD6 m.</li> </ul>	<ul style="list-style-type: none"> <li><b>Water Infrastructure Rehabilitation in Monrovia:</b> Water treatment plant essential repairs, rehabilitation of most main pipelines in Monrovia, secondary pipelines in Monrovia, TA (EUR2.55m, 2007-2008)</li> </ul>
	<b>Sanitation</b>		<ul style="list-style-type: none"> <li><b>Monrovia urban sewage, drainage and solid waste management</b> (\$7m, IDA PA Supply., 11/2006-12/2008)</li> </ul>			
	<b>Telecommunications</b>		<ul style="list-style-type: none"> <li><b>Telecommunication legal and regulatory framework:</b> draft Policy, Law, secondary legislation, licensing regime (USD1m, 2005-2006)</li> </ul>			
	<b>Community Development</b>	<ul style="list-style-type: none"> <li><b>Community grants for small scale projects</b> in which counties? (FY2006, CRS and others)</li> </ul>	<ul style="list-style-type: none"> <li><b>LACE program</b> to provide small grants to civil society groups and local initiatives (\$6m, CEP, TFLIB,</li> </ul>	<b>Germany:</b> <ul style="list-style-type: none"> <li>Roads, bridges, water, agriculture. (EUR10.75m. FY 2006-2007)</li> </ul>	<b>UNDP:</b> Community Based Recovery Programmes	<ul style="list-style-type: none"> <li><b>Community Rehabilitation program:</b> small scale projects, call for proposal for NGOs, capacity building for</li> </ul>

		<p>TBD, USD\$5m, timeframe)</p> <ul style="list-style-type: none"> <li>• <b>Community challenge grants</b> \$2M TBD</li> </ul>	<p>06/2005-08/2007)</p> <ul style="list-style-type: none"> <li>• <b>NGO support</b> (Mercycorps, Concern, Oxfam, Equip) \$0.8m TSF LICUS II, 2006-2008</li> <li>• <b>Small Scale Project</b> (USD0.1m, TSF LICUS II, 2006-2008)</li> </ul>	<p><b>Sweden:</b></p> <ul style="list-style-type: none"> <li>• Community Support Team Project – UNMIL – (USD1.4m)</li> </ul>		<p>counties (Lofa, Nimba and Bong, EUR3.77m, 2007)</p> <ul style="list-style-type: none"> <li>• <b>County Development Programme:</b> infrastructure including roads, community projects, county administration capacity building and infrastructure (Nationwide, being prepared, EUR25m, 2007-2010)</li> </ul>
	<b>Government buildings</b>	<ul style="list-style-type: none"> <li>• <b>Public offices renovation:</b> MoPW, Capitol, UL-Fendel, 5 county Admin buildings, noder posts, Teacher Training Institutes renovation (FY2006, DAI, USD8.3m)</li> </ul>				
	<b>Education</b>	<ul style="list-style-type: none"> <li>• Rebuild and rehabilitate schools</li> <li>• Basic education program</li> <li>• Reform education system (FY2006, AED, Creative Associates, MCID and IRC; USD7.7m)</li> </ul>		<p><b>Italy</b></p> <ul style="list-style-type: none"> <li>• Pilot literacy programme (UNESCO)</li> </ul> <p><b>Sweden</b></p> <ul style="list-style-type: none"> <li>• Youth Education Pack Project with NRC. USD 500.000</li> </ul>	<p><b>UNESCO:</b></p> <ul style="list-style-type: none"> <li>• Assistance to Ministry of Education and curriculum development; with Italian contribution carried out pilot literacy programme across Liberia. No confirmed funds for 2007</li> </ul> <p><b>UNICEF</b></p>	<ul style="list-style-type: none"> <li>• <b>Gbalatuah High School rehabilitation</b> (Bong, EUR300,000, 2007-2008)</li> <li>• <b>Ministry of Education Sector Project: - Support Programme to Education in Liberia</b> (ECSEL) capacity building in planning and management, curriculum development and</li> </ul>

					<ul style="list-style-type: none"> <li>National Girls' Education Policy</li> </ul>	distribution, primary school teachers training, school rehabilitation (EUR12m, 2007-2010)
	<b>Health</b>	<ul style="list-style-type: none"> <li>Health policy &amp; admin reform</li> <li>Rehab hospitals &amp; health posts</li> <li>Procure drugs &amp; equipment</li> <li>AIDS, malaria, other diseases</li> </ul> (FY2006; Africare, Macro, PACT, CHAL, BASICS, CAPACITY, USD8.2m)		<p><b><u>UK:</u></b></p> <ul style="list-style-type: none"> <li>Support to financial management (£1.25m)</li> </ul> <p><b><u>Sweden:</u></b></p> <ul style="list-style-type: none"> <li>With UNICEF on health project. (USD 2m)</li> </ul>	<p><b><u>African Development Bank:</u></b></p> <ul style="list-style-type: none"> <li>Emergency Health Provision to IDP camps (WHO)- 2005</li> </ul> <p><b><u>Canada:</u></b></p> <ul style="list-style-type: none"> <li>Immunization activities (UNICEF)</li> </ul> <p><b><u>WHO:</u></b></p> <ul style="list-style-type: none"> <li>TA to Ministry of Health &amp; Social Welfare (2004-07) and other government health institutions, health care materials and HIV/AIDS and nutrition programmes across Liberia</li> </ul> <p><b><u>UNICEF</u></b></p> <ul style="list-style-type: none"> <li><b>Expanded Programme of Immunization (EPI).</b> The Government of Japan's contribution of USD2.3 to strengthen</li> </ul>	<ul style="list-style-type: none"> <li><b><i>Ministry of Health and National Drugs Service:</i></b> technical assistance for policy development, planning, pharmaceutical assessment and human resource development (EUR0.5m 2007)</li> <li><b><i>Global Fund for HIV, Malaria and Tuberculosis.</i></b> handed over drugs, medical supplies, computers and vehicles to the National Drugs Services (NDS) (USD 24.3 m)</li> </ul>

					services in health facilities in seven focus counties.	
GOVERNANCE AND RULE OF LAW						
	Governanc e, civil society, media	<ul style="list-style-type: none"><li><i>Strengthen Civil Society:</i> capacity building on good governance, conflict mitigation and human rights consensus on anti-corruption agenda, (UAD1m FY2006)</li></ul>	<ul style="list-style-type: none"><li><i>Distance learning centre</i> (UAD1.5m FY2006-10)</li></ul>	<p><u>Denmark:</u></p> <ul style="list-style-type: none"><li>Public sector capacity, civil society, human rights and governance through UNDP LEGF Trust Fund</li></ul> <p><u>Sweden:</u></p> <ul style="list-style-type: none"><li>Public sector capacity building, judiciary reform, governance (GRC) through UNDP LEGF Trust Fund (USD0.3)</li></ul> <p><u>UK:</u></p> <ul style="list-style-type: none"><li>Civil society and media: Star Radio (05/06)</li><li>Governance Reform Commission,</li><li>Anti-corruption strategy</li></ul>	<p><u>African Development Bank:</u></p> <ul style="list-style-type: none"><li>With WB for economic management and good governance. To the Bureau of the Budget, Ministry of Finance, Ministry of Planning and Judiciary Court. USD4.5m</li></ul>	<ul style="list-style-type: none"><li><i>Governance Reform Commission</i> management study, operating costs, equipment, technical assistance (EUR0.14m, 2006-2007)</li><li><i>General Audit Office</i> long term technical assistance, operating costs, equipment and the General Auditor position (EUR1.5m, 2005-2008)</li><li><i>Ministries and Institutions and Governance and Economic Management Assistance Program</i> (GEMAP) (EUR14 + 5 m 2006-2007)</li></ul>
	Civil Service Reform		<ul style="list-style-type: none"><li><i>Senior executive service</i> (USD0.9m, LICUS II, 2007-2008)</li></ul>	<ul style="list-style-type: none"><li><u>UK:</u></li><li>Civil Service Agency, the Liberian Institute of Public</li></ul>		

				Administration		
	<b>Judiciary and rule of law</b>	<ul style="list-style-type: none"> <li>• <b>Strengthen the Justice Sector:</b> Establish victim abuse centers and legal aid clinics, support Law School, public legal education and law reform (FY2006, American Bar Association, USD1.5m)</li> <li>• <b>Justice Sector Reform,</b>: training of judges and lawyers, court administration, case management, establish public defenders office (FY2006, PAE, USD3.7m)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Rule of Law reform support:</b> judiciary TA, training for prosecutors, framework legal clinic, bar training (0.65m, LR LICUS I, FY2007-2008)</li> </ul>	<b>Sweden:</b> <ul style="list-style-type: none"> <li>• Rebuild the justice system in post conflict areas. Gender issues. 2006 - 2007. USD0.7m. In collaboration with WB and ILAC</li> </ul>		
	<b>Legislature</b>	<ul style="list-style-type: none"> <li>• <b>Legislative strengthening,</b> budget oversight, political party development, and elections processes (IRI, NDI, IFES; USD6.68m)</li> </ul>				<ul style="list-style-type: none"> <li>• <b>Legislative Assembly</b> through KAF (EUR1.9m 2005-2007)</li> </ul>
	<b>Cross cutting</b>	<ul style="list-style-type: none"> <li>• <b>Leadership training</b> (FY2006, WWIC, USD0.5m)</li> </ul>				<ul style="list-style-type: none"> <li>• <b>Technical Cooperation Facility</b> short-term studies, technical assistance and programme-related</li> </ul>

						training activities; seminars, training and workshops. (EUR1.5m 2007-2009).
	<b>TOTAL</b>	<b>USAID:</b> <ul style="list-style-type: none"> <li>FY2006 USD190m</li> <li>FY2007 tbd</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing program (committed, partially contracted) of about USD60m</li> <li>FY2007 USD35m</li> <li>FY2008 USD35m</li> </ul>	<b>UK:</b> FY2006/07 GBP10m, similar allocations for FY2007/08 and FY2008/09 <b>Sweden:</b> USD 8.000.000 similar allocations for FY2007 <b>Germany:</b>	<b>ADB:</b> <ul style="list-style-type: none"> <li>Governance (USD4.5m).</li> <li>Infrastructure, roads, water. (USD8m).</li> </ul>	<b>EDF</b> <ul style="list-style-type: none"> <li>2004-2009 EUR50m ongoing (contracted) /9003/07</li> <li>2007-2010 EUR 68m planned (partially committed) /9<sup>th</sup> EDF NIP/</li> <li>EYR5m additional allocation in 2007</li> <li>2008-2013 EUR119m to be allocated.</li> </ul> <b>Budget Lines</b> <ul style="list-style-type: none"> <li>Solidarites - (FOOD/2005/113-599 EUR1m)</li> <li>Trocaire - (FOOD/2005/113-606 EUR1m)</li> <li>FFI project (ENV/2005/082-386 EUR1.8m)</li> </ul> <b>ECHO</b> FY2006 EUR17.4m / FY2007 EUR14m

## **Annex 19. Country Strategy Paper, Drafting Process**

The development of the EC's Country Strategy therefore has embraced the iPRSP process and utilised its participatory approaches to ensure broad stakeholder consultations. An interim Poverty Reduction Strategy Paper (iPRSP) for Liberia is being drawn up and expected to be finalised end of 2006 as part of the national development agenda and post transitional phase of reconstruction and sustained development before moving to a full PRSP in 2007. (See more details in section A)

In addition, a Donor Partnership Conference was held on 12-13 July 2006 in Monrovia to take stock of the Government's 150 Day strategy and lessons learnt from the Result Focused Transitional Framework in order to move to a medium term development strategy. The EC participated at this conference to identify the Government medium term priorities and where the EC has comparative advantage vis-à-vis other donors. (See more details in section B)

In addition, the EC has held its own consultation with the Government (Ministry Planning & Economic Affairs, Ministry of Education, Ministry of Health, Ministry of Lands, Mines and Energy; Ministry of Public Works etc.), Member States (Germany, UK, Sweden, Ireland, Spain and others), donor partners (WB, IMF, USAID and the UN system) and civil society (NGO workshop organised in collaboration with ECHO). (See more details in section C)

A larger scale Partner's Forum, to be held on 13-14 February 2007 in Washington DC and co-hosted by UNDP, the World Bank, the US and the EC will focus on progress made, strategic priorities and financing needs. (See more details in section D)

Given the transitional nature of Liberia during 2006, the Government is still refining its draft iPRSP, it just adopted and started implementing its FY2006/07 budget and commenced holding stakeholder workshops to develop sector specific strategies. In parallel, most donors are in the process of defining their own development strategies as humanitarian aid phases out and in preparation for pledges to be made at the upcoming Partnership Meeting. As a result much of the information remains fluid and may be overtaken by events as the CSP documents gets finalised.

### **iPRSP process and outline**

The process is guided by the Liberia Reconstruction and Development Committee (LRDC), the government's instrument for leading and monitoring the reconstruction process with key ministries, partners and donors. The LRDC has built its format from the Results Focused Transitional Framework (RFTF) and lessons learnt from that process. It is driven by and owned by the national government as the LRDC is chaired by the President. It has four pillars: Security, Economic Revitalization, Basic Services and Infrastructure, and Governance and the Rule of Law, each of which take into consideration all cross-cutting issues and have individual committees chaired by relevant Ministers.

There are then three more levels or working groups contributing to the iPRSP: The Poverty Reduction Strategy (PRS) Preparatory Committee, which deals with technical management and coordination; the Technical Support Team, which provides technical support and advice and the Pillar & Sector Working Committees which provide sector inputs and consultations.

- The *PRS Preparatory Committee* is chaired by Minister of Planning & Economic Affairs (MPEA) and constitutes LRDC Pillar Chairs, Representatives of Legislature, Civil Society Organisations (CSOs), PSO and partners. It provides overall technical oversight for the planning, coordination and monitoring of key PRS activities. Additionally it organises and coordinates support from development partners to ensure a continuous information flow to the LRDC, the cabinet and the President. The PRS Preparatory Committee ensures mainstreaming of crosscutting issues – human rights, gender, anti-corruption, peace building, etc. and that the iPRSP is Millennium Development Goal (MDG)-based.
- The *Technical Support Teams* are composed of staff seconded from MPEA, Ministry of Finance and other Ministries, Representatives of Pillars, National and International

Resource Persons and are coordinated by MPEA. The Technical Support Teams work to support the PRS Preparatory Committee to plan and produce the iPRSP, organise sector, regional and national consultations, provide technical support to the Pillar Working Committees, provide expert knowledge and best practices and organise technical workshops and other learning events.

- The *Pillar & Sector Working Committees* form writing teams made up of public, private, CSO and NGO contributors. The writing teams draft a list of poverty/hardship problems described using available data, identify the cause of the problems and suggest a strategy of a policy and programme response which contributes the iPRSP. These documents determine linkages between sectors within the pillars and ensure timely preparation of sector inputs into the iPRSP.

A series of overarching and participatory consultations and workshops were held with NGOs, donors, Community Based Organisations (CBOs), PSOs, academia and workers throughout May 2006. These included: Partners' Retreat, National Consultations in Monrovia, Humanitarian Consultations, County Consultations, Sector Retreats and Consultations, Expert Consultations, Technical Workshops and a Stakeholders' Validation Workshop.

The Stakeholder workshops were held by the Ministry of Planning (Chair of Governance & Rule of Law Committee of LRDC) and United Nations Development Programme (UNDP) in Monrovia and Gbarnga during May 2006. The following were invited to participate in Monrovia: CSOs, community based organizations, NGOs, business associations; youth organizations and women's organisations, all the County Superintendents and Development Superintendents in Liberia and the international development partners and donors. In Gbarnga civil society and nearly 300 Paramount and Clan Chiefs from all over Liberia attended the consultations.

In addition, consultations were held in each of the counties on 29<sup>th</sup> and 30<sup>th</sup> May 2006 to discuss the issues concerning the four pillars; representatives of the counties included County Administration officials; Paramount, Clan and Town Chiefs; Statutory District Superintendents, District Commissioners, Non-governmental and Community-based Organisation representatives, Women's and Youth Groups representatives, business association and community representatives.

The consultations focused on how to achieve the national agenda rather than discuss the role of NGOs in development and security. The key common points raised for each of the pillars are detailed below:

- *Security*: Improved training and income for security personnel in the counties to improve moral behaviour and reduce corruption; greater distribution of immigration officials in the boarder and coastal counties; decentralisation of the security services.
- *Governance and Rule of Law*: Improved sensitisation of rule of law for all levels: from school curriculum to existing officials; greater coordination between security forces and local authorities; greater contact between county Representatives/ Senators and the people to explain legal developments; integration of traditional law and national law and re-establishment of judicial facilities to ensure rule of law is obeyed.
- *Economic Revitalisation*: Rehabilitation and development/ modernisation of farms; provision of low-interest loans/ microfinance for farmers; rehabilitation of roads; local committees to manage local natural resources; introduce coins/ lower denomination notes; decentralisation of tax collection and expenditure.
- *Basic Services and Infrastructure*: Rehabilitation of schools, clinics, roads, local government buildings and market buildings; regulation for water and sanitation facilities; provision of electricity to all towns/ cities; change school year to reflect farming year; adult literacy service; pay salaries for health/ education workers; promote vocational training.

The Partner's Retreat on 12<sup>th</sup> May 2006 gave the government, donors and UN agencies the opportunity to hold a dialogue on a common consensus on issues and approaches that would be

used to develop the iPRSP for Liberia. The key points raised in this workshop concentrated on the following:

- *Breaking with the past*: lessons learnt; conflict analysis; institutional reform; improved ownership and coordination than was present with the RFTF; the human poverty arising from the conflict.
- *Poverty Context and Profile*: The PRS process should first deal with the human costs of the conflict, while the poverty part and the macroeconomic problems follow later.
- *Towards an iPRSP*: the link between iPRSP and PRSP should be clear; consultation with communities should be on-going and an impact analysis of recent programmes should be undertaken.
- *Emerging iPRSP Strategy*: previous strategies should be included, eg 150 days; policy should be developed at this stage; the role of the private sector should be considered; cross cutting themes and links to MDGs must be included.
- *PRSP/ LRDC Pillars*: gender should be mainstreamed and have a focal person in the LRDC; each pillar should produce a policy matrix.
- *The Emerging PRS Strategy/The National Capacity Crisis*: the government should state what was possible in terms of resources and what was needed for the donors to do; critical choices that would have to be made and the strategic direction to take should be clearly outlined.
- *Indicative Resource Implications and Partnership Support*: Cost implications will be finalised in December 2006; the support of partners was requested.
- *Beyond the IPRSP to the Full PRSP*: reference must be made to the Paris Harmonization Agenda; a well coordinated and effective monitoring and evaluation system must be put in place to follow up on commitments in the iPRSP.

Following the completion consultations for the iPRSP the Technical Teams produced draft papers for each of their sectors by 8<sup>th</sup> June 2006, when they were then reviewed before being forwarded to the President. The first draft of the iPRSP was prepared for 30<sup>th</sup> June 2006 for approval the LRDC in early July. A second draft iPRSP was prepared at the end of August for circulation and input from sector Ministries as well as donor partners before approval from the Ministry of Planning & Economic Affairs due in October 2006. The final draft will be circulated in November 2006 to be finalised in December 2006.

The second draft iPRSP is based on the pillars of the LRDC and cross-cutting issues. The strategy moves past the transitional phase (RFTF and 150 days) to long term development whilst linking these phases together. The framework for the LRDC pillars within the iPRSP context is outlined below:

- *Pillar 1: Enhancing National Security*: comprehensive longer term security reform-operational and institutional, national and regional implications; phasing out UNMIL and beyond; next phases of DDRR; especially intensification of reintegration processes into communities; youth and security; broadly consolidating the peace, including Truth and Reconciliation; legislative and judicial reforms and strengthening, including interoperability between statutory and customary law and justice.
- *Pillar 2: Strengthening Governance and the Rule of Law*: progressing public service reform: combating corruption; initiating constitutional reform; deepening governance reform process; the governance and security nexus; initial thinking on local governance-the county superintendent/paramount chief nexus.
- *Pillar 3: Economic Growth and Transformation for Poverty Reduction*: Economic management & macroeconomic policy reforms: revitalizing the national economy (moving beyond GEMAP; completing the arrears clearance process; securing comprehensive debt reduction etc ; moving towards an MTEF and better expenditure management; enhancing national revenues; deepening public financial management systems , beyond the civil

service, including fiduciary management –social security and pensions etc; strengthening the PPCC and its activities; deepening monetary management –markets, institutions, regulations; laying the rudiments of sound capital markets; enhancing public private partnership; accelerating agricultural and industrial development/ output; supporting Liberian entrepreneurial development; reforming FDA, LRPC, NPA, BMA; assessing wider public fiduciary management (social security , pensions management etc); enhancing the trade and investment climate ;initiating assessment of a local financial structure; moving towards partner budgetary support; preparing the ground for broad-based, pro-poor growth; social safety nets ;employment generation issues and responses); Partnerships for development. Specific points for concern are:

- “Working out of poverty”: The bridging the employment gap.
- Private sector development-links to investment climate; institutional support arrangements (NIC, MOCI, local Chamber of Commerce; etc); indigenous private sector development; deepening public private partnership; development of private sector networks
- Competitiveness – identification of priority sectors to anchor economic growth and transformation, sector assessment/situation analysis, sector development strategies, sector learning & capability building, and building a national system of innovation.
- The challenge of sequencing and prioritization is critical for this pillar. The list above is indicative. Full PRSP will elaborate further details.

- *Pillar 4: Basic Services and Infrastructure:* (a) Rehabilitating vital infrastructure and delivery of basic services (Refurbishing basic infrastructure-roads, dams, bridges, ports, airports, telecoms, electricity; public buildings, beyond 150 day targets, but within more clearly defined sectoral and sub-sectoral policy frameworks, sharper prioritization; stronger assessment of private funding for public infrastructure; sharpen policy positions on cost recovery; financial sustainability, local cost funding; public procurement issues and use of national systems ;(b) delivering basic pro-poor services -health , education, water and basic sanitation-deepen sector assessments; identification of efficient delivery mechanisms; signal policy issues –such as financial sustainability etc and options.

The central cross-cutting issue that the iPRSP addresses is the *National Capacity Crisis*: identification of the short-comings; identification of entry points to assist; the role of the Diaspora; and identifying remaining deficits. In addition four other cross-cutting issues receive special attention: *youth, HIV/AIDS, sustainable environment* and *conflict management/ conflict- sensitive development*. The specific cross-cutting problem of lack of *suitable data* will also be taken into consideration with iPRSP planning.

The financial implications will be determined once and the iPRSP will take affect from January 2007 for 18 months to June 2008, during which time work will commence on a PRSP for Liberia to last 3-5 years with annual reviews.

### **Partnership Conference in Monrovia July 2006**

The Government of Liberia hosted the Donor Partnership Conference on 12<sup>th</sup>- 13<sup>th</sup> July 2006 to assess the progress made since the Government’s inauguration in January 2006; it was stressed that the Conference was not a pledging conference. The donor partners and government heard assessments of the (i) ‘150 Day Programme’, (ii) the Results Focused Transitional Framework (RFTF) and then looked at the road ahead (iii) including priorities, the national budget and budget support.

- *Lessons learned from the 150 day program:* The ‘150 Day Programme’ when reviewed by the government was considered overly ambitious due to the targets having been set very early into the new government’s tenure and with limited knowledge of the reality facing the

government and its weak capacity. Despite this certain targets have been achieved. In addition to the achievement of targets other lessons learnt during the '150 Day Programme' were with regard to the reporting process- inconsistent and undefined reporting made it difficult to adequately take stock at the beginning of the process, a factor which has been taken into account with the LRDC process along with more defined responsibilities for the LRDC committee members. The government also assessed it was necessary for development partners to better predict their funding availability in support of agreed targets.

- *Lessons learned from the RFTF:* The Minister of Planning & Economic Affairs presented the lessons learnt from the RFTF period. In summary the RFTF process achieved the short term stabilisation requirements of the transitional period, namely the DDRR process and humanitarian needs but this was countered by a lack of national ownership caused by the fragmented transitional government. The RFTF process highlighted the need for strengthened accountability, integrity and transparency for continued donor support and the lack of capacity in terms of personnel, facilities and records for data collection and analysis.
- *Lessons learned from the budgeting process:* The Minister of Finance presented the national budget for FY2006/07 and measures to improve the cash management system in the country (centralised accounts at the Central Bank of Liberia, zero-deficit cash budget and interim control system to prevent new arrears). However, the budget preparation process remained non-transparent and there remains a need for improvements in public financial management transparency and accountability. Actions by the Government to instigate new measures need strengthening by improving capacity for medium term fiscal and expenditure planning and management to ensure the link between the annual budget and the implementation of the iPRSP and subsequent strategies.

The conference concluded that the issue of budget support remains a prominent issue; whilst the need for targeted budget support is clear there are not yet the financial management systems in place to justify budget support or the possibility of arrears clearance. The major donors (US, WB and EC) reiterated concerns that the principles of anti-corruption and financial transparency have to be embraced by the entire administration and not just those closest to the President as part of this process in addition to better prioritisation of national resources. In order to evaluate the contributions made by GEMAP in addressing issues of financial management it will require to wait at least until the end of 2007. The Donor Conference scheduled for early 2007 will focus on the iPRSP and the FY2006/07 budget with an indicative multi-annual budget so that donors can see how the Government intends to allocate resources in the long-term and respond accordingly.

### ***EC led consultations***

The EC has held several meetings with the Ministry of Planning & Economic Affairs (MPEA) that has been nominated by the Government as the future NAO to discuss potential focal sectors. The challenge has been that the MPEA has itself just began building its capacity in national planning and coordination and therefore may not be at this stage best placed to decide on priorities and trade offs. The 9<sup>th</sup> EDF NIP Institutional Capacity Building project will provide technical assistance to the MPEA, among others, in strategic planning that in turn will be instrumental for the 10<sup>th</sup> EDF programme formulation.

In view of the above, special emphasis has been placed on discussions with sector Ministries. As a preparation for the upcoming Donor Conference in Washington DC, most line Ministries have begun drafting sector policies. However, here again capacity has been a major constraint, with some Ministries having their voices heard less than others by national decision makers and development partners, merely due to their lack of leadership, capacity or resources. The EC's approach has been to recognise the particular importance of certain sectors for poverty alleviation and reach out to line Ministries that risk being 'left out' just because of the hardship they

face. Health is an example of a sector that has not received substantial allocations under the draft national budget and so far has not benefited from major donor financing except as part of humanitarian interventions, but where the needs are significant and growing with some of the humanitarian financing drying up. Therefore, the EC has mobilised technical assistance under its current programme to help with strategy formulation in the health sector that will feed into programme formulation under the 10<sup>th</sup> EDF.

Other sectors, such as water and energy sectors, have been in the forefront of Government agenda. However, much of the attention has been on delivering highly visible results within a very short timeframe (150 days) rather than long term sustainable solutions. The EC has traditionally been the largest donor and continues to lead policy formulation and sector reforms. The EC will provide technical assistance for drafting a sector strategy for the water sector and is a key participant in the Government's energy stakeholder workshop that aims at developing a sector strategy.

In addition to state entities, the EC has held direct consultations with international NGOs (together with ECHO). With regards to local NGOs and CBOs, the strategy formulation has largely relied on the consultations organised under the iPRSP process and under the current EC 9<sup>th</sup> EDF financed Community Rehabilitation Component programme that has been through a participatory prioritisation exercise rather than direct consultations given the difficulties of reaching organisations based outside Monrovia. Under the CRC programme, consultations are held at community, district and county level to determine priorities. The process has shown that communities tend to prioritise, in varying orders depending upon their situation, education, roads and bridges and health, when asked about their needs.

Finally, the EC has held meetings with the Member States represented in Liberia (Germany, UK, France and Sweden), in the region (Ireland, Spain, Italy) and major donors in the country including the World Bank, the IMF and the US Government, as well as the UN system. The challenge has been that programming cycles of the EC and MSs are not yet aligned and EC's planning is much longer term than that of other development partners that typically plan a few years ahead or have just begun longer term programming:

- Currently there is no overarching World Bank Country Strategy paper for Liberia given the non-accrual status. The World Bank has just initiated the drafting of an Interim Strategy Note that will be completed by December 2006 and cover the next 18 months starting January 2007 to coincide with the iPRSP. In the meantime, programming of WB assistance is on a project by project basis aiming to allocate a US\$35m per year IDA grant allocation with two year being the typical timeframe of a project.
- USAID just had their country programme for FY2006 (October 2006 – September 2007) and FY 2007 approved. Their programming is typically bi-annual. Their interventions beyond that are expected to remain in the same sectors in the future.
- The United Nations has just started preparations for the next programming cycle in Liberia (2008-2011) following the finalization of the Common Country Assessment in July 2006, the UN Country Team (UNCT), in close consultation with Government, UNMIL and the World Bank, is embarking on the preparation of the United Nations Development Assistance Framework (UNDAF). In order to expand the potential for partnerships and to ensure that the United Nations ensures that their programme is aligned with national priorities and joined up with or complementary to that of partners, they have initiated meetings with the EC and the US that took place in October-November 2006. A Strategic Prioritisation Retreat was organized on 11 October in Monrovia where the UN agencies, government, donors (including the EC, the World Bank, IMF and USAID) and NGOs, to determine the priorities and objectives for the UNDAF and how the UN can use its strengths to support the targets of the Government, the iPRSP and the CCA. The main areas for the UNDAF in the years 2008-2011 are:
  - Consolidate national peace and strengthen security (By 2012 capacity to ensure security, respect human rights, manage conflict and prevent violence exists (within

the Government and civil society – *this point should be further discussed*) at national and local levels

- Improving Governance (By 2012 democratic, accountable and transparent governance (*add capacity?*) advanced in a participatory and inclusive manner and in accordance with human rights standards)
- Ensure broad-based growth through revitalizing traditional economic sectors and stimulate private sector development (By 2012, national capacity to formulate and implement equitable inclusive and sustainable socio-economic policies and programmes strengthened).
- By 2012, improved health & education with emphasis on reduced maternal & child mortality & increased learning achievement
- To reduce the number of new HIV infections and to reduce the impact of HIV/AIDS on individuals, families and communities (By 2012, enabling environment and organizational capacities enhanced to reduce the spread of HIV/AIDS and address stigma and discrimination)

The UNDAF will be finalised by the UNCT by the end of 2006 to be agreed with the GoL and for the UN agencies in Liberia to formulate their response in the first half of 2007 and to commence action in January 2008. The AfDB is in the process of programming their 10<sup>th</sup> African Development Funds that will cover the iPRSP timeframe of January 2007 – June 2008. Institutional Support has already been identified as a priority through an ongoing program on economic management, governance and linkages to poverty reduction. The other sectors forming part of AfDB's strategic focus in fragile states such as Liberia include infrastructure and employment creation (through infrastructure).

### **Partners Forum in Washington DC in February 2007**

Invitations were just sent out for a Liberia Partner's Forum for 13-14<sup>th</sup> February 2007 to be co-hosted by World Bank, the UN, the US Government and the EC. The Forum's objectives are to (i) jointly review progress made by the Government on the reform and reconstruction agenda; (ii) to discuss and solicit Partner's feedback on strategic priorities as outlines in the iPRS; and (iii) to discuss financing needs to enable the Government to meet pressing reconstruction and development challenges. The Forum will be followed by a one-day private sector development day co-hosted by the International Finance Cooperation, the Overseas Private Investment Corporation and possibly the EIB should they agree. It is expected that the outcome of the conference will result in several donor pledges and it is hoped that the EC can announce its 10<sup>th</sup> EDF Country Strategy orientations.

## Annex 20. Governance Profile

### LIST OF COMMITMENTS MADE BY THE GOVERNMENT OF LIBERIA

	Governance Area	Prospective Commitments
1	<b>Political democratic governance</b>	
	- Human rights	<ul style="list-style-type: none"> <li>• Human Rights Commission fully operational and effectively fulfilling it's mandate [June 2007]</li> <li>• National human rights action plan developed and under implementation [December 2007]</li> <li>• Truth and Reconciliation Commission process ongoing in all counties [December 200]</li> <li>• Developing and implementing a national action plan incorporating policies that respect and promote children's rights</li> </ul>
	- Fundamental freedoms	
	- Electoral process	<ul style="list-style-type: none"> <li>• Government continue to support NEC with sufficient core funding from the national budget to enhance the capacity of these institutions</li> <li>• NEC continues to operate as independent entities</li> <li>• Government allows national and international observers to freely observe general and local elections</li> <li>• General and local elections conducted in free and fair manner</li> </ul>
	- Principles of constitutional democracy	<ul style="list-style-type: none"> <li>• Ensure that constitutional provisions with regards to preparation of all financial reports are respected</li> <li>• Auditor General to present Audit Reports to Legislature in accordance with the Government Budgeting and Accountability Act</li> <li>• Tolerance and respect for civil society views and opinion</li> </ul>
2	<b>Political governance - rule of law</b>	
	- Judicial and law enforcement system	<ul style="list-style-type: none"> <li>• Law Reform Commission established and comprehensive systematic review of laws commenced [March 2007]</li> <li>• Comprehensive review of court administrative procedures completed and being implemented [June 2007]</li> <li>• All Circuit Court houses and magistrates courts in the country constructed or renovated, equipped and staffed [June 2007]</li> <li>• Legal aid clinics available in each county [December 2007]</li> <li>• Reduction in pre-trial detention period [ Ongoing]</li> <li>• National policy framework for Corrections Bureau formulated and approved [July 2007]</li> </ul>

		<ul style="list-style-type: none"> <li>• Corrections staff trained and deployed to the counties [July 2007]</li> <li>• Revised Penal Legislation adopted and necessary changed implemented [ December 2007]</li> <li>• Correction facilities in each county fully operational [December 2007]</li> </ul>
3	<b>Control of corruption</b>	<ul style="list-style-type: none"> <li>• Ratification and domestication of the AU and UN conventions on corruption [September 2006]</li> <li>• Adoption and monitoring of NACS Policy Paper (September 2006)</li> <li>• National Anti-corruption Strategy drafted and distributed for comments [December 2006]</li> <li>• Confirmation of Auditor General (Feb 2007)</li> <li>• Establish an independent anticorruption agency, including submission of the required legislation for legislative approval, consistent with the government's anticorruption strategy [End-September 2007]</li> <li>• Implementation of National Anti Corruption Strategy (2007)</li> <li>• Appropriate and timely follow up to findings of audit reports</li> </ul>
4	<b>Government effectiveness</b>	
	- Institutional capacity	<ul style="list-style-type: none"> <li>• Establishment of Governance Commission ( Feb 2007)</li> <li>• Implementation of civil service code of conduct [June 2007]</li> <li>• Local authorities at county level established [December 2007]</li> <li>• County superintendents offices established and equipped [December 2007]</li> <li>• Implementation of Civil Service Reform Road Map</li> <li>• Fully operational Local Government Service Commission</li> <li>• Ensure that functions are devolved as per the schedule and local Government Act</li> <li>• Adoption of a Chiefdom Governance Reform Policy</li> </ul>
	- Public finance management	<ul style="list-style-type: none"> <li>• Submit for legislative enactment and administrative procedure law that establishes a transparent process for the issuance of regulations pursuant to the Liberia Revenue Code of 2000, and submit legislation to repeal other laws and revoke regulations that are inconsistent with the law [End- September 2007]</li> <li>• Implementation of the PFM National Action Plan</li> <li>• Continued implementation of GEMAP</li> <li>• Adherence to the Public Procurement and Concessions Act</li> <li>• Improved transparency in the Bureau of Customs and Excise</li> <li>• Improved transparency in the State Owned Enterprises (especially the National Ports Authority)</li> <li>• Implementation of recommendations from PETS</li> <li>• NPPA fully functional</li> <li>• Payroll verification undertaken and elimination of 'ghost workers'</li> </ul>

5	<b>Economic governance</b>	
	- Private sector/market friendly policies	<ul style="list-style-type: none"> <li>• Replace the Monrovia Consumer Prize Index (CPI) with the Harmonized CPI [End-February 2007]</li> <li>• Commence implementation of the domestic debt resolution strategy, and develop a plan for settlement of cross-debts between the government and state-owned enterprises [End-March 2007]</li> <li>• Submit a balanced cash-based budget for FY 2007/2008 for legislative approval [End-May 2007]</li> <li>• Strengthen the Central Bank [June 2007]</li> <li>• Develop and implement a comprehensive plan to reform the investment incentive code and submit legislation to repeal Section 204(e) of the Liberia Revenue Code of 2000, as well the 2004 Act amending it, which allow the government to enter into ad hoc concession agreements with individual investors [End-June 2007]</li> <li>• Reorganize administration of domestic taxes by taxpayer segmentation [End-June 2007]</li> <li>• Establish clear audit selection and rotation procedures and criteria for the Central Bank of Liberia (CBL) to select an internationally reputable audit firm to conduct the CBL's future external audits, pursuant to ISA, beginning in financial year 2007 [End – March 2007]</li> <li>• Appoint an auditor, consistent with the criteria above, to audit the CBL's financial accounts for 2007 [End September 2007]</li> <li>• Develop a restructuring plan for the remaining undercapitalized banks consistent with the CBL's Bank Reconstruction and Resolution Policy [End-June 2007]</li> <li>• Establish Liberian Enterprise Development Fund to strengthen trade and investment climate [July 2007]</li> <li>• Completing MDG-based National Reconstruction and Development Strategy by preparing and approving a 5-year Development Agenda [November 2007]</li> <li>• Increase in economic growth in line with the (SMP) projections – between 3.8 to 8% in 2007</li> <li>• Formulate and implement an SME policy</li> <li>• Formulate and enact a competition policy</li> <li>• Establishment of financial management and budgeting procedures in line with IMF recommendations (Staff Monitored Programme)</li> <li>• Government revenue increased in line with IMF projections</li> <li>• Transparent procedures for granting of concessions implemented as recommended by the</li> </ul>

		Economic Governance Steering Committee (EGSC)
	- Management of natural resources	<ul style="list-style-type: none"> <li>• Forestry Legislation enacted [October 2006]</li> <li>• EPA institutionalised December 2006]</li> <li>• Complete the remaining steps to meet the Kimberley Process requirements [January 2007]</li> <li>• Concluding revision of existing contracts/concessions to ensure resumption of full mining operations</li> <li>• Develop and enact a National Environmental law based on the reviews and update of existing fisheries and environmental laws</li> <li>• Develop and implement an EITI implementation plan</li> <li>• Strengthen GoL management of natural resources</li> </ul>
6	<b>Internal and external security</b>	
	- Internal stability / conflict	<ul style="list-style-type: none"> <li>• Complete national security review [September 2006]</li> <li>• Produce and adopt national security strategy and commence implementation of mentioned strategy [December 2006]</li> <li>• Armed Forces of Liberia (AFL) training commences [July 2006]</li> <li>• AFL CONOPS produced [July 2007]</li> <li>• First AFL battalion operational [January 2008]</li> <li>• Deactivation of Liberia National Police (LNP) completed [July 2006]</li> <li>• 3,500 LNP officers recruited and trained [July 2007]</li> <li>• LNP PSU trained and equipped [December 2007]</li> <li>• County police stations fully staffed and operational in all counties [December 2007]</li> <li>• National Security Council and domestic structures in place and operational [December 2007]</li> <li>• Remaining caseloads of ex-combatants enrolled in reintegration programmes [June 2007]</li> <li>• Organised refugee returns concluded [December 2007]</li> <li>• Developing and implementing a national action plan incorporating policies that respect and promote children's rights</li> </ul>
	- External threats and global security	<ul style="list-style-type: none"> <li>• Small arms collection and control programme extended to all counties [Ongoing]</li> </ul>
7	<b>Social governance</b>	<ul style="list-style-type: none"> <li>• Ratify and enforce the ILOs convention on child labour</li> <li>• Domesticated CEDAW, prepare an implementation action plan and fulfil reporting requirements</li> <li>• Continuous implementation of the HIV/AIDS Strategic Plan 200xx-20xx</li> <li>• Respect for community rights</li> </ul>

8	<b>International and regional context</b>	
	- Regional integration	<ul style="list-style-type: none"> <li>• Meet the full compliance of the ECOWAS Common External Tariff (CET)</li> <li>• Participate fully in the ECOWAS Monetary Corporation Programme (EMCP) leading to the single currency</li> </ul>
	- Involvement in regional peer review mechanisms (e.g. APRM)	<ul style="list-style-type: none"> <li>• Full participation in the APRM</li> </ul>
	- Migration	
9	<b>Quality of partnership</b>	
	-Political dialogue	<ul style="list-style-type: none"> <li>• Continued engagement into dialogue with development partners</li> <li>• Committed to engage in an enhanced Article 8 Political dialogue</li> </ul>
	-Programming dialogue	<ul style="list-style-type: none"> <li>• Implementation of existing framework for dialogue</li> <li>• Continued commitment and effective leadership towards donor harmonisation</li> </ul>
	-Non state actors	<ul style="list-style-type: none"> <li>• Enhanced dialogue between government and Non-State Actors (NGO, private sector, unions, religious leaders etc.)</li> </ul>

## Annex 21. Update since the Partner Forum on Health and Education Commitments

### Annex 21.1 Health new commitments

New Commitments Since Liberia Partners' Forum - Feb. 16, 2007	Totals			
Amounts Shown are in USD (Millions)	2007-2008	2009-2011	2007-2014	Area
<i>Dept. for Intl. Dev. (DFID)-OFM</i>	\$ 1,05	\$ 0,15	\$ 1,20	support for Office of Financial Management within Ministry
<i>DFID</i>	\$ 12,60	\$ 7,20	\$ 19,80	TICO unit, NGOs (Primary Health care), Pool funding to sector plan implementation
<i>ECHO</i>	\$ 10,00	\$ -	\$ 10,00	NGOs (Primary Health care)
<i>Equip</i>	\$ 2,10	\$ -	\$ 2,10	
<i>European Comm. - 10th EDF (estimate: € 20 m starting 2010)</i>	\$ -	\$ 20,00	\$ 20,00	Pool funding to sector plan implementation
<i>European Comm. - 9th EDF NIP County Dev.(estimate)</i>	\$ 2,55	\$ -	\$ 2,55	Rehabilitation of basic services and infrastructures at community level
<i>European Commission - other 9th EDF</i>	\$ 1,49	\$ -	\$ 1,49	TICO unit (basic package, pharmaceuticals and human resources)
<i>France</i>	\$ 0,23	\$ 0,13	\$ 0,36	Nurse training at Phebe hospital
				Health Systems management: Develop and implement NMIS for management of health information and resources (Human, Material and financial) of the BPHS; Support community based operational research and establish M & E for different components of BPHS
<i>GAVI - HSS</i>	\$ 1,40	\$ 2,40	\$ 3,80	
<i>GAVI - ISS</i>	\$ 0,34	\$ 0,05	\$ 0,39	Immunization Service Support
<i>GAVI</i>	\$ 0,44	\$ 0,75	\$ 2,00	Overall system strengthening
<i>Global Fund (HiV)</i>	\$ 10,60	\$ -	\$ 10,60	HIV and capacity building
<i>IrishAid</i>	\$ 17,50	\$ 2,50	\$ 20,00	NGOs support, pool funding to sector plan implementation
<i>OFDA</i>	\$ 1,40	\$ -	\$ 1,40	Emergency health, nutrition, water & sanitation, immunization
<i>Swiss</i>	\$ 3,00	\$ -	\$ 3,00	Lofa hospital
<i>UNICEF</i>	\$ -	\$ -	\$ -	Expanded Programme of Immunization (EPI)
<i>USAID</i>	\$ 10,00	\$ 9,00	\$ 19,00	County level support to health services, training and renovation of JFK hospital
<i>William J. Clinton Foundation</i>	\$ 0,48	\$ -	\$ 0,48	HIV/AIDS initiative - Labs
<i>World Bank</i>	\$ 10,00	\$ -	\$ 10,00	Pool funding to sector plan implementation
<b>Total</b>	<b>\$ 85,176</b>	<b>\$ 42,180</b>	<b>\$ 128,17</b>	

*Annex 21.2 Who is doing what in the Education sector*

	Education Sector			
		UNICEF	USAID	EC
<b>A</b>	<b>Sector Planning</b>			
	Sector financing planning			Support to effective and efficient use of resources: Rules for financing education; Criteria for fair resource allocation; Transparent budget processes in education, Analysis of budgetary implications (recurrent costs)
	Policy Development	Policy development on girls' education and the ALP. Dissemination of documents throughout the country to education officers and the creation of awareness for local government officials.		Support to: Operational and planning capacities at all levels; Linkage to MDG, IPRs, and to complimentary sectors; Ensuring needs-based, relevant education; Ensuring fairness and accessibility in education (distribution of resources planning; teachers deployment and retaining; gender mainstreaming); Development comprehensive medium-term policy and implementation plan
	Rehab Schools Planning			Support to planning distribution of services and facilities
<b>B</b>	<b>Sector Management</b>			

	HR Management			Support to management reforms (organisation and clarification of responsibilities for MoE, revision of structure and operations, job descriptions definition for MoE functions, operation manuals, staff re-alignment, improved recruitment and performance assessment system)
	Fiscal Management			
	HQ office Rehab			Some equipment support to EMIS, coordination, information systems
	HQ office logistics			
	EMIS	Support to database set up at the Ministry of Education. Follow-up data collection on semester basis.	Technical assistance to develop systems for effective use of available data.	Support to: Quality Assurance (quality assurance guidelines, information /communication and reporting system); Monitoring and data collection instruments (indicators development, data collection and quality control)
	Sector coordination	Support sector coordination of all stakeholders with the MOE on a monthly basis	Through technical programs/input and collaboration with other donors promote effective sector coordination	Long term TA to support development of MoE coordination capacity and instruments, facilitate integration of short term TAs contributions in sector programming and implementation
<b>C</b>	<b>Teacher Training</b>			
	Rehab TT Colleagues		Renovate TT Institutes in Kakata, Webbo and Zorzor	
	Re-training TT College lecturer	TOT workshops for the lecturers at Kakata, Zorzor and Webbo RTTI.	Provide inservice training for faculty at RTTIs	

	TT Curriculum review	Support review of 'C & B' certificate curriculums in collaboration with the MoE.	Provide technical assistance with design of curriculum for BA, MA and PhD programs at University of Liberia College of Education. Support the MOE in development of a competency-based modular training program to upgrade teachers from C to B-level.	
	Teaching Materials	Provision of teaching learning materials and equipment.		Support development and production of teaching materials including guidelines, textbooks
	TT College Textbooks			
	Teacher Training	Support in-service training of 1,000 teachers at the 'C' level at Kakata, Zorzor and Webbo.		Support design and implementation of professional development courses linking pre and in-service training
	Teacher Supervision	Training of Teachers Education Bureau personnel in monitoring and supervision.		
	Teacher Refresher training	Conduct of refresher workshops for 700 in-service teachers in 7 counties (Bong, Bomi, Mont., Lofa. Grand Gedeh and Maryland).		Support development and implementation of continuous professional upgrading (including training of trainers and facilitators, workshops)
<b>D</b>	<b>Mid Level Management</b>			
	CEO Office rehab	Construction of new CEO offices in Gbarpolu and renovation of existing ones in Bomi, Bong, Grand Gedeh, Nimba and Maryland along with warehouses in the same counties.		Complementary rehabilitation and equipment of DEOs offices
	DEO Office Rehab	"		idem

	Training CEO	Training in education admin., data collection and supervision.	Through CEOs provide training and support to primary school principals. Train CEOs in ALP best practices.	Support to DEOs capacity building for: Collecting/recording/processing and updating information; Development of district and County profiles (on the job capacity building for data /information analysis and interpretation); Revitalisation of supervisory structure (supervision capacity building, performance monitoring system)
	Training DEO	"	Through DEOs provide training and support to primary school principals. Train DEOs in ALP best practices.	idem
	Logistics CEO	Provisions of vehicles, motorcycles, equipment, etc. for Bong, Bomi, Mont., Lofa, Nimba, Gedeh and Maryland.		
	Logistics DEO	"		
	Supervision costs	Support to supervision ( vehicle maintenance, fuel, etc in the 7 counties as above).		
	Reporting system	Build capacity of CEOs/DEOs in reporting information.		
	County coordination	Support regular quarterly coordination meetings at field (county) level.		
<b>E</b>	<b>Access to Schools</b>			

	School Rehab			Construct/ Rehabilitate primary school classrooms including support to standard design and procurement procedures Address the immediate infrastructure needs.
	New schools			
	Furniture	Support furniture production of 10,000 desk/benches for 100 public schools in 7 counties.		Support provision of basic equipment/furniture to rehabilitated/constructed schools
	Teaching & Learning materials	Procurement of school materials/supplies for 900,000 public school students.	Revise basic education curriculum at the junior secondary level along with training programs for junior secondary teachers.	Support further development and production of educational material, curriculum and textbooks (focus on primary education)
	Teacher reference materials			
	WatSan in schools	support to latrine and well construction in public schools 7 counties.		Provide sanitary facilities in rehabilitated / constructed schools
	School fees abolition	Advocacy and support to free compulsory primary school education through fee abolition.		
	Girls education	Support establishment of G. E. Unit at the MOE by providing resources.		
	Textbooks			Contribute to: Addressing immediate need for existing textbooks; Production / distribution of reviewed textbooks
<b>F</b>	<b>ALP</b>			
	School rehab			
	Teacher Training	Support training of 250 new ALP teachers in 60 new schools and providing re-fresher training for	Expand in-service teacher training and classroom learning through radio instruction.	Support further fast-track training of primary education teachers and distance teachers training

		1000 teachers.		
	Teaching & Learning materials		Establish and equip Education Resource Centers in each target county. Support MOE in increasing national and decentralized ALP capacity. Develop supplementary materials targeting older youth.	
	Supervision & reporting	support monitoring and reporting of all existing 244 ALP schools and new ones in 7 counties		
	Teacher reference materials	Procurement of reference materials for all 244 ALP schools.		
	Textbooks		Print additional ALP textbooks and develop supplementary instructional materials.	If further needs exist, production / distribution of textbooks
<b>G</b>	<b>Adult Literacy</b>			
	Teacher training			
	Teaching & learning materials			
	Textbooks			
	Teacher payments			
	Supervision			
	Curriculum review			
<b>H</b>	<b>Health</b>			
	HIV/AIDS	Conduct training for teachers and students on HIV/AIDS in all 244 ALP schools.	Revise supplementary materials for older youth to include HIV/AIDS component.	
	Life Skills	Conduct training for teachers and students in Life skills in all ALP schools in the 7 counties	Revise supplementary materials for older youth to include self-awareness, conflict resolution, good governance, parenting and work-readiness skills.	
	SGBV			

## Donor Commitments to the Education sector 2007-2012

<b>Programs</b>		<b>FY 07/08</b>	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11</b>	<b>FY 11/12</b>
Projected GOL/MOE budget (i)		11,330,000	12,463,00 0	13,709,30 0	15,080,23 0	16,588,25 3
USAID support		10,000,000	10,000,00 0			
EU support		5,000,000	5,000,000	5,000,000		
UNICEF support		750,000	750,000			