

SIGNATURE PAGE

LIBERIA

UNDAF Outcome(s)/Indicator(s):

(Link to UNDAF outcome, if in UNDAF, leave blank)

Theme 2: Good Governance

Expected Outcome(s)/Indicator(s):

(If outcomes linked to the SRI MYFF goal and service line)

**Enabling Environment for Sustainable Human Development
GI-SGN1-SASN2**

Expected Output(s)/Indicator(s):

(If outcomes linked to the SRI MYFF goal and service line)

**Effective Government Management of External Resource Flows
GI-SGN1-SASN2**

Implementing partner:

(Designated institution/Executing agency)

UNDP

Other Partners:

UN Agencies, NGOs, & CBOs

Programme Period: 2004 - 2005
Programme Component:
Project Title: Capacity Building for Governance and
Economic Management
Project ID: 00013436
Project Duration: 2 Years
Management Arrangement: Direct Execution (DEX)

Budget	US\$ 1,897,000
General Management Support Fee	US\$ 475,860
Total budget:	US\$ 2,372,860

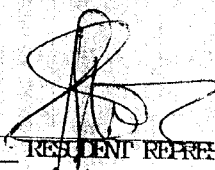
Allocated resources:

• Government	NIL
• Regular	US\$ 2,372,860
• Other:	NIL

Agreed by:


HON. CHRISTIAN HERBERT - MINISTER OF PLANNING & ECONOMIC AFFAIRS

Agreed by UNDP:


MR. ABOU MOUSSA - RESIDENT REPRESENTATIVE

The Government of Liberia

United Nations Development Programme

Partner:

(USAID, EU, GOL, IMF, World Bank, ADB, and other UN Agencies)

Project Title: Capacity Building Support for Governance

Brief Description:

This project has been conceived to contribute to the on-going post-war national reconstruction and development efforts in Liberia. The project covers two main themes: Governance and Economic Stimulus. Under the Governance theme, the project will contribute to building national capacity and facilitating public sector reform through national institutions, such as the Governance Reform Commission (GRC), the Civil Service Agency (CSA), the Legislature, as well as institutions of transparency and accountability, including the General Auditing Office (GAO). The project will support electoral management leading to Presidential and General Elections in 2005; and the review of the Constitution and the Administrative Laws creating the local government authority, and the devolution of fiscal and administrative authority to the local government.

Under the Economic Stimulus theme, the focus of assistance will be on reviewing the necessary policy instruments, developing prudent policies and strategies to support national planning, efficient resource management, and the creation of a conducive environment for private sector development, employment creation and growth. The project will contribute to strengthening the National Planning Council (NPC), the establishment of a central database system at the Ministry of Planning and Economic Affairs (MPEA), support the Liberia Reconstruction Plan as well as the processes leading to donors' conference for Liberia's reconstruction, aid coordination and resource mobilization. The project will also support the production of analytical and policy instruments needed to inform policy development and implementation, including the first Liberian Poverty Reduction Strategy (LPRS), and a Country Progress Report on the Millennium Development Goals (MDGs).

Situation Analysis:

Liberia enjoyed relative stability and modest progress until the decade of the 1980s when a combination of wrong policy choices, and later, the outbreak of full-scale civil war in December 1989 shattered the economy and completely reversed the course of economic and social development. The cessation of hostilities and subsequent elections held in 1997, ushered in unprecedented enthusiasm and fresh hopes that the country was about to witness a rehabilitation of its ruptured social and economic infrastructure and resumption of socioeconomic development. The improved climate was underscored by the resumption and expansion of donor activities, especially by major international development assistance partners.

However, the elections of 1997 did not bring the anticipated economic growth and prosperity. Barely two years following the elections, the incipient peace broke down, as a result of renewed insurgence by the Liberian United for Reconciliation and Democracy (LURD) rebels and government forces, which initially started in the Northwest and by July 2003 engulfed the entire fifteen (15) counties of Liberia. This has not only led to a complete snap of development activities and reversal of political and socio-economic prospects, but all investment made in these regions has been destroyed. Economic growth remains sluggish, averaging less than 50% of its pre-war GDP level; and unemployment rate in the formal sector rose to as high as 85% of the total labour force of about one million people. National debt is recorded as US\$ 2.8 billion, which is above the threshold of sustainability. There is evident deterioration in the living conditions and quality of life of the people, with poverty levels rising to 76.2% and 52% in absolute and extreme poverty terms, (the population living on less than US\$1.00 and US\$0.50 per person per day respectively). The Human Development Index for Liberia is estimated at 0.276 (NHDR 1999), ranking Liberia second to the least amongst 174 countries.

The country has also lost substantial institutional capacity, in terms of manpower and socio-economic infrastructure needed to support nation building. The public and private institutions have been unable to effectively utilize and retain available human capacity, while the system required for efficiency, effectiveness and transparency are absent. The situation has been made worse by national insecurity and the poor enabling environment. There is a need to assess the capacity gap that is required for national development, and to formulate and implement policies and programmes to address capacity development needs.

The civil war in Liberia was preceded by decades of civil and military misrule, mismanagement and corruption. Almost all government functionaries ceased to function effectively during the last decade. Basically, the government failed to pursue robust governance programmes; negotiated economic and financial reforms programme with the IMF failed; Official Development Assistance ceased while the national debt portfolio continues to swell.

Consequently, the unfavorable political climate, national and sub-regional insecurity, massive death, displacement of people and destruction of public and private infrastructure, and failure to secure an enabling environment for growth and development in Liberia led ECOWAS and the international community to broker the Peace Agreement on August 18, 2003 in Accra, Ghana between the GOL, LURD,

Movement for Democracy in Liberia (MODEL), Civil Society Organizations (CSOs) and political parties, which amongst other things calls for an end to the civil war, the ushering in of a Transitional Administration, the National Transitional Government of Liberia (NTGL) effective October 14, 2003. This new dispensation offers a better opportunity to consolidate the peace process and ensure recovery, growth and development.

The Accra Peace Agreement calls on UNDP and other development partners to assist the Transitional Government with post-conflict rehabilitation and reconstruction, resource mobilization and aid coordination as well as the establishment of the GRC, with the objective of promoting the principles of good governance in Liberia.

Host Country Strategy:

Notwithstanding, Liberia remains a potentially prosperous country. But, the vast resource endowments and skills of its highly resourceful population would only be harnessed in an atmosphere of peace and shared commitment to the goals and means of national development. The resilience of the informal sector and the special role of women in coping with the adverse impacts of the current crisis are symptomatic of the enormous opportunities and potentials to be unleashed in a crisis-free development-focused Liberia. Given transparent management and even playing field for all parties and candidates, the impending Presidential and Legislative Elections (scheduled for October 2005) offer fresh opportunity in this direction.

The challenge now is to assist the incipient Transitional Government to consolidate the peace and to lay a firm foundation for sustainable development in the country. The government should be assisted to pursue socio-economic reform that would engender economic growth and development. Established a system of governance that would be transparent, accountable, and uphold human rights and the rule of law.

As a follow-up to the National Reconstruction Programme (NRP) (1998-2000), the government, with UNDP's assistance prepared Liberia's Five-Year National Reconstruction and Development Plan (NRDP). The focus of the National Plan is, *inter alia*, consolidating the peace process, and laying a firm foundation for medium term transition from rehabilitation to economic recovery and development. Poverty reduction is the overarching objective of the NRDP. The Plan provides a framework that could be used by the Transitional Government to set national agenda for reconstruction and development. The Plan was prepared in a participatory manner, drawing contributions from government agencies, the private sector, CSOs, NGOs and the development partners in the country, especially the UN Agencies.

On Going/Planned Assistance:

UNDP and other UN Agencies, USAID, EU and NGOs are all intervening in Liberia, especially in providing humanitarian assistance, rehabilitation and reconstruction of social services, food security and governance.

In line with UNDP's CCF-1, UNDP launched a wide range of projects to support capacity building and strategic policy formulation. The project LIR/96/002 Microprojects support for Reintegration and Resettlement is contributing to

community infrastructure rehabilitation and social cohesion; the Project LIR/99/006 - Micro-Credit for Sustainable Livelihood supports employment creation and human resource resuscitation; LIR/99/001 - Capacity Building for Economic Management and the LIR/99/008- Good Governance Projects lay the foundation for concrete strategic intervention in the area of economic governance; the LIR/03/001- HIV/AIDS project will support policy formulation and treatment protocols development; LIR/02/002 - Protection and human rights addresses rule of law issues and civic concerns; and the LIR/02/G31 - Bio-diversity Project covers environmental policy and sustainability concerns; the LIR/02/001 - MDGs Benchmarking Project espouses sustainable human development, measures and policies. These projects have made major impact in strengthening national capacity and strategic policy formulation.

Under the new Country Programme Outline (CPO) (2003-2005), UNDP's strategic intervention would be to continue with the consolidation of the peace efforts through reintegration and reconstruction programme at the community level, and the pursuit of genuine reforms and poverty reduction through capacity building for key governance institutions and mechanism, focusing on economic policy reform, public sector reform, and management, human rights and the rule of law, regulating and restructuring of the security forces, gender mainstreaming, and enhancing capacity for HIV/AIDS monitoring and prevention, and other cross cutting issues.

The current Project will assist the Transitional Government to reform the public sector, make it more viable, reintroduce the merit system, ensure accountability and transparency in the public sector, and ignite growth and development in the country, which is consistent with the August 18, 2003 Accra Peace Accord on Liberia. The two key components of the project will be good governance and the economic stimulus programme.

Results and Lessons Learned from Past Assistance:

The above projects engendered a supportive environment for good governance. One of the outputs, the Liberia's Five Year NRDP has become one of the referenced documents for development interventions and resource mobilization for Liberia, which is being used by the Government in dialogue and negotiations with a view to attracting enhanced donor support. Also, capacity building effort at the Ministries of Finance, and Commerce and Industry; the Bureau of the Budget and the Office of General Auditing has improved the functional capacity in these institutions.

The Economic Management Project also supported the establishment of the CBL, and facilitated the replacement of the multiple Liberian Dollar Banknotes to one banknote with several denominations. These activities were undertaken in parallel with the IMF and World Bank advisory support through the Staff Monitored Programme (SMP). The IMF and World Bank have since abandoned the SMP and reduced their engagement with the Government to mere mission visits. Similarly, UNDP's contributions, in terms of the NRDP, the DCRs, the Poverty Profile Study, UNCCA and the Liberia's Economic Review have contributed immensely to providing objective analysis and credible economic and development outlook of the country.

The provision of professional and logistical support to economic management institutions, especially the MPEA has proven to be critical to making these institutions

functional, thereby helping to sustain essential services. In the absence of that support, Economic Management and advisory services, aid coordination and statistics production would have been difficult, if not impossible. It is however also clear that lack of required trained manpower and logistical capacity in these institutions remains a serious challenge that needs to be addressed.

The implementation of the good governance project has helped to sensitize, and create desired awareness on good governance concepts at the highest level in government. The production and endorsement by Government of the governance framework for Liberia lays the basis for planning good governance in Liberia.

A major lesson relates to the fact that past assistance construed capacity building in the narrow sense of isolated training episodes and consultancies that are designed to address skill deficiencies in rather ad hoc instead of systemic manner. In effect, they have been largely ineffective and unsustainable. The current project builds on this lesson, conceptualising capacity building in broader, more comprehensive terms that link interventions not only with individual, but also organizational and systems management requirements.

Justification for the Use of UNDP Resources:

UNDP has been active in development programmes in Liberia prior to and after the seven-year civil war (1989-1996), leading dialogue, advocacy and programmatic support for poverty reduction and good governance for sustainable human development. And, in the wake of emerging challenges such as HIV/AIDS and civil conflicts, UNDP has broadened its purview to embrace crisis prevention and recovery as well as HIV/AIDS prevention and impact mitigation, all of which are critically relevant to Liberia's development context and immediate areas of assistance. The project is therefore broadly consistent not only with Liberia's national development needs, but also with UNDP's practice areas.

The enormity of the prevailing challenges and limitations of available resources call for efficient prioritisation and sequencing of interventions such that efforts at any time are channeled into areas of greatest impact. Hence, the focus of the project is on deepening analytical and planning capacity, strengthening policy design and implementation, enhancing public sector reforms and management, improving resource management and intensifying broad based and engendered development, private sector resuscitation, which are fundamental to recovery. The overall goal will contribute to improving governance and laying the foundation for crisis prevention with efforts directed on economic/financial, social infrastructure reforms and put the economy on firm footing to effectively pursue the MDGs. This is in response to Chapter 6 of the Accra Peace Agreement on Liberia, which specifically call on UNDP to provide technical and logistical support to the envisaged GRC.

The project would respond to the new UNDP global development paradigm as describe in the six (6) practice areas, drawing from the best practices and lessons learned from UNDP's experiences around the world to build a national cadre for the promotion of good governance, sustainable development and poverty reduction.

The broadening of development management tools and analytical frameworks to cover the nationally led processes of producing NHDR, MDGR and Poverty Profile of Liberia is also of special significance. This is more so given their global recognition as veritable instruments of effective development management, and UNDP's leadership role in mainstreaming them into national frameworks. Attaining those objectives require considerable resources. As a long standing partner and indeed one of the few donors that maintained presence in Liberia throughout the crisis period; couple with its global network and distinctive experience in governance, poverty reduction, crisis prevention and recovery programme, UNDP is well placed to mobilize and spearhead efforts in support of Liberia's recovery and reconstruction initiatives.

Problem to be Addressed and Expected Situation at End of Project:

There is an urgent need to steer the Country towards recovery and growth. This requires varied but integrated and coordinated efforts in a number of areas. A consequence of the downscaling of donor activities in recent years is the almost total focus on humanitarian work directed at rehabilitating victims and mitigating the impacts of the crisis. However, urgent and understandable as it is to channel efforts towards humanitarian services, it is manifestly insufficient to attain the broader goals of recovery and poverty reduction. Thus, the focus of this project provides a necessary complement to ongoing assistance provided in other areas by the UNDP and other agencies currently on the ground.

Planned interventions address critical governance and capacity building requirements within the public sector, the Legislature, Executive, and Judiciary to carryout their constitutional mandate. Particular attention will focus on economic policy formulation and management institutions such as MPEA. In addition, the GRC, and the CSA will also be given special attention in light of the need to address issues of civil service reform.

The problems addressed are in respond to national needs and priorities as specifically elaborated through Article XVI of the Accra Peace Agreement on Liberia; a series of diagnostic and joint exercises with respective to institutions, as well as the assessment undertaken by the international community following the war in Monrovia in June-August 2003, and the discussions held with the Director General of the Cabinet and the Economic Advisers to the Chairman of the NTGL, as well as relevant Ministries and Agencies of government, this project has been formulated to address two key areas: Governance and the Economic Stimulus Programmes.

I. GOVERNANCE:

I. The Governance Reform Commission:

Achieving good governance is paramount to consolidation and achievement of sustainable peace in Liberia. Majority of Liberians have over the years reached a consensus that bad governance is one of the main causes for political and economic instability in the country. In this connection, the Liberian government in 1997 requested the UNDP to support good governance practice in Liberia. In response, UNDP funded the project LIR/97/008 - Support to the Promotion of Good Governance in Liberia. The key output of that project is the Good Governance

Framework for Liberia, which has not been implemented due to the civil conflict. The August 18, 2003 Peace Accord on Liberia created the GRC and specifically requested UNDP to support it. Its mandate is to (1) review existing programs for the promotion of good governance, with the objective of adjusting its scope and strategy for implementation; (2) develop a public sector management reform through assessment, capacity building and performance monitoring; (3) ensure transparency and accountability in all government institutions and activities, including acting as public ombudsman; (4) ensure subsidiarity in governance through decentralization and participation; (5) ensure national and regional balance in appointments without compromising quality and integrity; (6) ensure enabling environment which will attract private sector investment; and (7) Monitor and report to the NTLA on activities undertaken to encourage the practice of good governance in Liberia.

In keeping with the Accra Peace Agreement, the project will contribute through technical and advisory services to the establishment, operationalization and functioning of the GRC. In so doing, the project will support the review, adoption and implementation of the Good Governance Framework of Liberia in the areas of gender and human rights sensitivity, and the extent to which it provides for participation by different people, including women and youth.

2. Public Sector Reform

With regards to reforming the public sector, emphasizes will be on civil service reform, and the streamlining of the numerous ministries. The poor management of the public sector over the years gave rise to a blotted civil service. Since the outbreak of the civil crisis in Liberia over a decade ago, employment in the civil service has been based on factional allocations, with little or no reference to the civil service rules and regulations nor the CSA, which is responsible for public employment and related issues. With the economy operating at less than 50% of its pre-war level, a civil service workforce of approximately 57,000 personnel is unsustainable.

The CSA has ceased to exist as an effective public employment services agency. The institutional mechanism established to ensure merit in the employment process has since not been adhere to. The mandate and the Civil Service Rules and Regulations need to be reviewed and updated so as to restore the merit system and make the Agency functional and effective; remove ghost workers from the public roster, and design a mechanism to augment the extremely low salaries in the public sector, which is one of the causes of corruption.

With regards to structural reform, the Government operates twenty-one (21) Ministries. There is evidence of overlapping of functions in some functionaries of the Government, which must be addressed. This is particularly important for institutions of control, transparency and accountability in MPEA, GAO, CSA, BGA/Office of the Comptroller (MOF) The capacity of the Liberia Institute of Public Administration (LIPA) so that it can resume the training of Civil Servants.

3. Support to the Legislative Processes

The recent Peace Accord allows for a participatory Legislative Assembly in Liberia, drawing Legislators from warring factions, the former government, political parties, and civil society groups. Majority of the NTLA members are new to the legislative processes and procedures. This project will within the context of governance

reforms, contribute to strengthening the NTLA through exposure to contemporary legislative processes and procedures, and capacity building. The Project will facilitate the review of the Legislative rules and procedures, the establishment of the Legislative Service Commission, and the Judicial Service Commission. The project will support the review of the constitution and administrative laws creating the local government administration, support technical capacity building at the local level, and the development of a framework for the devolution of fiscal and administrative authority to the local administration. "Different Standing Committees of the NTLA, including the Committee on Gender and Child Development will be assisted to perform their functions through capacity development activities". The project will also contribute to establishing a reference center for the NTLA; and will provide capacity building opportunities for administrative staff of the Legislature.

3. Gender Empowerment

The NIHR 1999 shows that women are less opportune compared to men. For instance, representation in parliament was only 11% for women; work outside the agriculture sector, 11%. literacy rate 26% for females compared to 50% for males. Cultural and legal barriers are responsible for this phenomenon. In order to further articulate the cause and empower women, the capacity of the MGD and women groups/organizations needs to be strengthened, so as to enable them factor in and mainstream gender in national policy and development programmes. The scope and activities of the MGD should cover the entire country in order to achieve the enhancement of rural women as well.

The MGD needs to undertake an assessment of the country situation relative to gender issues, data collection for the purpose of developing a Gender Policy for Liberia; development of a national framework for operationalizing the policy and the preparation of a plan of action; the establishment of a gender disaggregated database to facilitate and ensure gender mainstreaming; building capacity for programme/project design, strategies, approaches and implementation, and for reporting on the Convention for the Elimination of all Forms of Discrimination Against Women (CEDAW); development of programmes that would integrate children's welfare and protection issues; harmonizing and engulfing CEDAW/CRC with national laws for the protection of women and children; developing strategies and materials for interpreting the CEDAW into local languages; and assessing training and capacity needs of the staff and county coordinators. This project will support these efforts of the Ministry. The Project will also support the strengthening of civil society groups, youth, women and the media to enable them contribute more meaningfully to the peace and reconciliation processes in post conflict Liberia. "It will also support capacity building in leadership, and gender analysis and advocacy skills, organizing and networking for women leaders, NGOs and gender focal points in sector ministries and within local governments."

II. ECONOMIC STIMULUS PROGRAMME

One of the objectives of the NTGL is to stir the Liberian economy toward growth and development, thus revive and restore essential services. UNDP contribution will be in the area of formulating the requisite frameworks that would engender economic growth and spur development. The project will focus on strengthening the planning mechanism; building statistical capacity; operationalizing the NRDP; developing an

interim poverty reduction strategy; strengthening resource mobilization and aid coordination; and formulating a private sector development strategy.

1. Strengthening the National Planning Mechanism

The National Planning Mechanism in Liberia is, by statute, the responsibility of the NPC, which is headed by the President of Liberia. The MPEA is the secretariat of the NPC. The Planning process is designed to take on a bottom-up approach, drawing inputs from the counties (the political subdivisions of the country) thru the relevant sectoral Ministries and Agencies. The final compilation is done by MPEA, and approval by the NPC. However, the capacity of the counties, sectoral ministries and the MPEA to prepare and coordinate national planning has been seriously eroded due to the protracted civil war that affected all parts of the country. The MPEA no longer has the capacity to effectively formulate and coordinate development policies, plans, and programmes. The NPC has been dormant for over two decades. The Planning process needs to be reviewed and operationalized.

2. National Statistical Capacity

In the same vein, the national statistical capacity is seriously eroded. There is no centralized national statistical office; coordination and consistency among statistics producers is wanting; which leads to distortion and duplication. Furthermore, the government of Liberia for over two decades has not conducted a national population and housing census; consequently, material and technical capacity to conduct surveys and process data has drained away. Through the Economic Management Project, UNDP assisted the MPEA in producing the Statistical Act creating the Central Statistical Office; the Act was forwarded to the Presidency for on-ward transmission to the National Legislature for enactment into Law, which was not achieved. There is a need to review that Act and resubmit it for enactment into law. The Central Statistical Office, when established, will not only set standards for data collection, but also on a gender disaggregated basis, processing; and will maintain a central database for the country, thus lending credibility to national statistics.

3. Supporting the Transitional Reconstruction Plan of Liberia

In view of the peace process and current humanitarian and development efforts in Liberia, this project will support and coordinate the processes leading to the donor conference on Liberia. The project will support the coordination of the preparation of the Needs Assessment Sector papers, the main Needs Assessment document, and the summary. The project will enlist participatory processes, bringing on board the government, civil society groups, UN Agencies, and development partners in the process.

Cognizant of the pervasiveness of poverty in Liberia, estimated as 76.2% nation-wide, and the need to adopt prudent reform measures for a sustain recovery and development, the project will assist the government to develop an interim poverty reduction strategy for Liberia. A poverty reduction strategy for Liberia is needed to harness available resources and international good will to refocus national development and spur growth and poverty reduction. The NRDP, the Poverty Profile of Liberia, the MDGs Country Report (2003), the NHDR (1999), UNCCAs (1997/98 and 2000/01) are important resource documents that would inform the poverty reduction strategy for Liberia. The project will therefore support government in preparing and pursuing the LIPRS. This will enable a broader consultation and

refocusing of various development interventions, and the monitoring of human progress. The project will also support the continuous production of development instruments (MDGRs, NHDRs), which required strategy and policy formulation.

4. Resource Mobilization and Aid Coordination

In order to succeed in resource mobilization and aid coordination, good governance as well as the enabling environment must be created. On the structural side, a mechanism must be established or strengthened to bring together government and its development partners to raise and coordinate development assistance. There is a need to reactivate the Aid Coordination Unit of the MPEA and reconstitute the Government of Liberia and Development Partners Forum, a framework for Aid and development programmes coordination.

5. Private Sector Development Strategy

Liberia is a free enterprise economy. However, over the years, the private sector has been contracted due to poor policies, rent seeking and protection of key industries, high tariff levels, as well as red-tap and bureaucracy. Nonetheless, the Transitional government has begun to take steps to remove monopolies and improve the investment climate in Liberia. Review of the Investment Incentive Code, credit and financing opportunities, the legal and regulatory framework, entry and exist requirements, pricing policies, and transparency and accountability are essential in inducing conducive climate for private sector development. A national private sector strategy would create the requisite climate that would provide the stimulus for economic growth and employment creation. The project will help government in developing this strategy. The project will also support policy formulation for micro-credit and micro-enterprise development (SME/Is).

Project Strategy and Implementation Management

The Project strategy will be to begin with existing capacities and improve upon them. Regular consultations will be held with heads of beneficiary institutions; and regular review of project activities and achievement will be undertaken. International and national consultants will be employed to undertake various activities under the project. The project will be directly executed by UNDP. The government through a formal agreement will entrust UNDP with the financial management of the project.

Project Staffing

The responsibility for broad direction and the delivery of the outputs under the project will rest with the Project coordinating Committee, which will be co-chaired by the Minister of Planning and Economic Affairs and the UNDP Country Director, and consisting of Ministers and Heads of other implementing institutions, such as the GRC. There will be a National Project Manager (NPM), who will serve as Secretary to the Committee. The NPM will be technically backstopped by UNDP's Strategy and Policy Unit and Programme section, which will provide overall technical guidance. The project will be supported by international and national consultants, UNDP and SURF advisors, UNVs among others will be recruited (as and when required) to undertake specific tasks during the project implementation phase.

Development Objectives

Pursuance of good governance reform and management, and the overall enhancement of the quality of life of all Liberians represent the fundamental development

objectives of this project. The approach is to strengthen public institutions/organizations responsible for economic management, public sector reforms and gender empowerment, so as to make them more efficient and accountable in the performance of their onerous roles, especially in the context of prevailing difficult national circumstances.

Project Result and Resource Framework

Intended Outcome: Enhanced national capacity to articulate, formulate and implement good governance principles and policies; and enhanced economic stimulus environment for sustainable growth and development

Outcome Indicators: the GRC operationalized and Public Sector reform effectively pursued; requisite private sector development strategies developed and adopted, and human and institutional capacity building undertaken at national and local levels.

Strategic Areas of Support: Democratic Governance and pro-poor policies, public sector reforms, aid coordination and resource mobilization, and electoral and legislative support

Partnership Strategy: USAID, EU, GOI, IMF, World Bank, ADB, and other UN Agencies

Project Number and Title: LIR/03/002 – Capacity Building Support for Good Governance and Economic Management

To strengthen the process and methodologies for sound governance and economic management in the context of rapid and sustainable recovery.

I. National capacity to support good governance principles enhanced

Intended Outputs	Output Indicators	Indicative Activities	Inputs
1. Coordinated Framework for the articulation and implementation of good governance priorities established.	1.1 The national governance framework reviewed and operationalized, in line with the Accra Peace Agreement and the priorities of the NIGL	1.1.1 Review, revise and refocus the National Governance Framework to reflect contemporary needs and realities.	Consultants US\$40,000.00
	1.2 Strategic Action Plan for good governance prepared and adopted	1.2.1. Update the governance concerns into immediate, medium and long-term priorities and action plan.	Workshops/logistics US\$126,260.00
	1.3 Number of thematic workshops held	1.2.2. Organize national stakeholders forum to validate the National Programme Framework and Action Plan.	
	1.4 IEC strategy operationalized and adopted	1.3.1. Conduct five (5) thematic workshops on good governance.	
		1.4.1 Conduct four (4) capacity building workshops for the Media.	
		1.4.2 Prepare IEC strategy on governance	

<p>2. Public Sector Reform strategy developed and operationalized.</p>	<p>2.1 Capacity of a reorganized CSA strengthened to implement major reforms.</p>	<p>2.1.1 Prepare a time bound plan of action for public sector reform</p> <p>2.1.2 Carryout an effectiveness and management assessment of the public service.</p> <p>2.1.3 Comprehensively review the existing civil service structure, processes and procedures</p> <p>2.1.4 Review the civil service general administrative rules and guidelines.</p> <p>2.1.5 Review existing wages and incentive structure for merit, efficiency, effectiveness and consistency.</p> <p>2.1.6 Prepare, disseminate and implement a comprehensive capacity building plan of action for different parts of the civil service.</p>	<p>Consultancy/Logistics US\$2,330.00</p>
<p>3. The GRC supportively established</p>	<p>3.1 Support to GRC</p> <p>3.2 A number of new governance indicators and formats adopted in practice.</p>	<p>3.1.1 Recruit an international Governance Advisor to provide technical support.</p> <p>3.1.2 Capacity building support to GRC.</p> <p>3.2.1 Set up a monitoring unit within the GRC</p> <p>3.2.2 Procure and install facilities for information processing, analyses and regular reporting.</p> <p>3.2.3 Develop set of indicators and formats for monitoring and reporting GRC programmes and the effectiveness of governance in general.</p>	<p>Capacity building/Training US\$30,000.00</p> <p>Consultancy/Logistics US\$112,630.00</p>

<p>4. Agencies and institutions for public accountability strengthened to provide effective control and oversight.</p>	<p>4.1. The mandate and the Act creating the General Auditing Office (GAO) reviewed and adopted, and capacity strengthened</p>	<p>4.1.1 Review and support the amendment of the Act creating the GAO. 4.1.2 Review and update the GAO Operational Manual 4.1.3 Build capacity/technical support to the GAO. 4.1.4 Strengthen the coordination mechanism amongst the institutions of accountability (BoB, MoF & GAO)</p>	<p>Consultancy/Logistics US\$147,845.00 Workshop/Training US\$20,000.00</p>
<p>5. Decentralization and devolution processes articulated.</p>	<p>5.1 County – central government relations strengthened.</p>	<p>5.1.1 Review the constitution or administrative laws establishing the local government administration 5.1.2 Assist in restoring administrative and technical capacity at the local level. 5.1.3 Support the preparation of a framework for the devolution of fiscal and administrative authority to local authorities</p>	<p>Consultants/Logistics US\$197,195.00 Workshops/Training US\$30,000.00</p>

<p>6. Capacity building for CSOs to strengthen their role in the legislative process</p>	<p>6.1 Capacity building interventions designed and achieved to make the Legislative Assembly fully functional and effective.</p> <p>6.2 Rules and Procedures of the Legislature reviewed and adopted</p> <p>6.3 The process leading to the establishment of the Legislative Service Commission initiated</p>	<p>6.1.1 Conduct seminars for legislators in legislative processes, rules of procedure, and codes of conduct.</p> <p>6.2.1 Support the revision of the rules and procedures of the Legislature/standing committees</p> <p>6.3.1 Initiate the process for the establishment of the Legislative Service Commission</p>	<p>Seminars/Logistics US\$102,500.00</p> <p>Consultancy US\$35,000.00</p>
<p>7. Capacity building for CSOs (media, NGOs, Women Youth Groups, labor/trade organizations, etc.) achieved</p>	<p>7.1 Framework for the coordination and effective contribution of CSOs to recovery process produced</p>	<p>7.1.1 Review and update the inventory of CSOs and NGOs active in key sectors and areas of development.</p> <p>7.1.2 Assess organizational and capacity building needs of CSOs in different sectors.</p> <p>7.1.3 Produce and publish a compendium of CSOs active in different sectors.</p>	<p>Consultancy/logistics US\$152,220.00</p>

<p>7.1.4 Revise, update and disseminate the existing PVO Guidelines.</p> <p>7.1.5 Support the setting up of database system at MPEA for CSOs.</p>			<p>7.2 Participatory techniques and rights-based culture promoted among CSOs and NGOs</p>	<p>7.2.1 Develop training modules in participatory techniques, rights based approach to development, community development in post-conflict environment, and good governance.</p> <p>7.2.2 Conduct training of trainers' workshops for umbrella CSO groups.</p> <p>7.2.3 Support the Advocacy roles of CSOs</p>	<p>Workshops US\$40,000.00</p>	
<p>H. The overall economic environment stimulated to induce employment, growth, sustainable development and poverty reduction</p>						
<p>8. Macroeconomic policy formulation and management infrastructure strengthened.</p>				<p>8.1 Existing planning mechanism, including the NPC reactivated.</p>	<p>8.1.1 Review TOR and assist the NPC to deliver effective post-conflict economic planning and management services</p> <p>8.1.2 Establish national statistical databases - CPI/National Accounts/ Miscellaneous Stats to effectively analyse and track developments and pertinent indicators.</p> <p>8.1.3 Provide equipment for economic analysis, statistical services, and upgrade documentation units of MPEA.</p> <p>8.1.4 Hold economic policy analysis and management training workshops</p>	<p>Consultancy/logistics and workshops US\$24,995.00</p>

<p>8.2 Policy analytical frameworks and tools for realistic policy management and monitoring produced.</p>	<p>8.1.5 Hold database management training for economic planning and statistical staff</p>	
<p>8.3 The implementation of the RFTF monitored.</p>	<p>8.2.1 Support the establishment of a Central Database at the MPFA</p>	
<p>8.4 Capacity for national statistical delivery enhanced.</p>	<p>8.2.2 Prepare economic & statistical updates for Liberia</p> <p>8.2.3 Prepare an interim Liberia Poverty Reduction Strategy (LPRS)</p> <p>8.2.4 Prepare and disseminate two (2) annual MDGRs information campaign.</p> <p>8.2.5 Produce and popularize NIHDRs for Liberia.</p> <p>8.2.6 Update the Poverty Profile of Liberia</p> <p>8.2.7 Conduct a study of the Informal sector</p> <p>8.3.1 Support the implementation of the RFTF.</p> <p>8.3.2 Field national consultants and coordinate the implementation of the RFTF</p> <p>8.4.1 Hold four (4) regional workshops on the NRDP</p> <p>8.4.2 Review relevant statistical laws/acts.</p>	<p>Statistics US\$10,000.00</p> <p>Consultancy US\$20,000.00</p> <p>Consultancy/ Monitoring US\$78,280.00</p> <p>Databases/statistics experts US\$30,000.00</p>

<p>9. Aid and development Coordination mechanism established</p>	<p>9.1 The development of the national resource mobilization strategy supported</p> <p>9.2 The development of web base development assistance tracking system supported</p> <p>9.3 Institutional framework for resource mobilization developed</p>	<p>8.4.3 Support advocacy for the revision and passage of the laws.</p> <p>8.4.4 Make Statistical Monitoring and Evaluation system functional</p> <p>9.1.1 Establish an External Resource Mobilization (ERM) and Aid Coordination mechanism</p> <p>9.2.1 Establish a web-site to track development assistance</p> <p>9.3.1 Development of an institutional framework for resources mobilization</p>	<p>Consultancy and logistics support US\$124,500.00</p> <p>Consultancy Services/Logistical support US\$200,210.00</p>
<p>10. Building institutional capacity of the MGD, including focal points at various institutions and county level supported</p>	<p>10.1 Reporting on gender instruments such as the BPA supported</p> <p>10.2 Gender structure strengthened for effectiveness.</p>	<p>10.1.1 Enhance and strengthen gender institutions and related issues</p> <p>10.1.2 Strengthen existing capacity and instruments for gender dis-aggregated databases for planning and policy making</p> <p>10.2.1 Gender experts to facilitate development of modular training programmes, structuring of the MGD and framework for coordination of UN theme groups on gender and gender focal</p>	<p>Consultancy/logistics US\$77,910.00</p>

	<p>points/counterparts in various sectors/Ministries/Agencies.</p> <p>10.3.1 Undertake capacity building activities for sensitization of the Legislature, Executive, Public Cooperation, focal points (training for gender focal points and county gender coordinators)</p>		
<p>10.3 Gender plan of action formulated and adopted</p>	<p>11.1.1 Establishment and operations of task forces for the development of a national gender policy, and for CEDAW and the Additional Protocol</p> <p>11.1.2 Support capacity building (technical and institutional) activities for all staff of MGD, women leaders and women's NGOs</p> <p>11.1.3 Initiate support for development of networks and networking capabilities among women's groups, including rural women's organizations</p> <p>11.2.1 Support the MGD and women's organizations to organise around key gender issues, including participation in governance, gender-based violence, economic security, HIV/AIDS, access to justice and peace</p>	<p>11.1. Technical and institutional capacity of MGD, women's organizations and networks strengthened</p> <p>11.2 A Framework for preparing Liberia's report under CEDAW, and for ratification of the Additional Protocol to the African Charter on Human and Peoples' Rights on women's rights developed and adopted</p>	<p>US\$40,000.00</p> <p>UNV Gender expert for UNIFEM execution</p> <p>UNV technical support to MGD</p>
<p>11. Strengthened capacity of the MGD to provide leadership on mainstreaming gender in national and local government policies, programmes and procedures</p>			

<p>12. Strengthened capacity of project staff and partners in mainstreaming gender and human rights throughout project activities</p>	<p>12.1 Skills in gender analysis and gender mainstreaming of all project staff and partners enhanced</p>	<p>12.1.1 Support training workshops, development of tools for project implementation, monitoring and evaluation</p>	<p>Capacity building support US\$20,000.00</p>
<p>13. Existing private sector development regulatory framework and laws assessed and reviewed</p>	<p>13.1 The existing investment incentive code reviewed and revised 13.2 The promotion of public - private partnership supported 13.3 National PSD strategy formulated and adopted 13.4 The National Investment Commission reviewed, updated and strengthened</p>	<p>13.1.1 Review and revise the private sector investment incentive code 13.2.1 Conduct forums and forge public private partnership 13.3.1 Develop a private sector development strategy 13.4.1 Contribute to the restructuring of the National Investment Commission 13.4.2 Support the assessment of Liberia's export potential</p>	<p>Consultancy Services and logistical support US\$73,645.00</p>
<p>14. Regional Peace Building Initiatives within the context of the Mano River Union (MRU) strengthened</p>	<p>14.1 The coordination capacity of the MRU Sub-office in Monrovia strengthened 14.2 The CSOs in the MRU countries engaged in peace building advocacy strengthened</p>	<p>14.1.1 Provide logistical support to the MRU Sub-office in Monrovia to make it functional 14.2.1 Support CSOs involved with peace building effort within the MRU countries, e.g. MARWOPNET, WIPNET, CSML, human right groups, etc.</p>	<p>Logistics US\$79,480.00 Regional workshops US\$20,000.00</p>

14.3 Regional dialogues to support peace building and conflict prevention efforts strengthened	14.3.1 Support the holding of regional meetings of MRU middle level policy makers and CSOs on issues of common interest to the three MRU countries, e.g. trade promotion, HIV/AIDS, water resources, networking, information sharing, etc	Regional workshops US\$20,000.00
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TOTAL INPUT COST

US\$1,897,000.00

PERSONNEL AND ADMINISTRATIVE SUPPORT

CTA/Project Management	US\$120,000.00@2yrs.	240,000.00
Programme Management	24,000.00@2yrs.	48,000.00
Adm/Finance Assistant	12,000.00@2yrs.	24,000.00
Programme Assistant	12,000.00@2yrs.	24,000.00
Office Assistant	10,000.00@2yrs.	20,000.00
Driver	8,000.00@2yrs.	16,000.00
Misc.		
Monitoring/Evaluation		50,000.00
Reporting Cost		20,000.00
Sundries		20,000.00

TOTAL PERSONNEL AND ADMINISTRATIVE SUPPORT

US\$475,860.00

TOTAL BUDGET

US\$2,372,860.00

Prior Obligations

There are no prior obligations.

Risk

Much depends on Liberia and Liberians who are at the forefront of efforts of the design and implementation of this project. Successful implementation will depend on the existence of a peaceful environment and a stable government. A low level of morale and the absence of incentive regime in the public service (including adequate and prompt remuneration of staff) will affect project's success. Experiences from past projects revealed that frequent turnover of Ministers and a massive brain drain of professionals and technicians in the implementing and beneficiary Ministries and Agencies have negatively impacted the implementation and sustainability of project activities. An enabling environment for peaceful co-existence, and the existence of incentive for private sector development would improve the project environment.

Project Review, Reporting and Evaluation

This project shall be subject to regular monitoring, and review by the project managers, the Government (MPEA) and UNDP. The project management will produce regular progress reports (Annual Programme Reports). The Project shall be subject to mid-term and terminal and post terminal evaluation so as to assess outcome and draw lessons learned.

The Legal Context

This project document is consistent with the provision of the basic standard assistance agreement between the Government of the Republic of Liberia and United Nations Development Programme signed by both parties on April 27, 1977. The host country implementing agencies shall for the purpose of this basic standard agreement refer to the government agency described in the agreement.

Revision can be made to this document with the agreement and signature of the UNDP Resident Representative provided there is assurance that signatories have no objection to the proposed changes:

- a) revision in or addition to any of the annexes of this project document;
- b) revision, which do not involve significant changes in the immediate objectives, outputs or activities of the project but are caused by the management of input already agreed or cost increases due to inflation.

Project Budget

The budget for this project is US\$2,372,860 million for a two-year period.

UNDP Liberia

Annual Workplan: Governance 2004

Project ID	Expected Output	Key Activities	Timeframe				Responsible Partner	Planned Budget			
			Q1	Q2	Q3	Q4		Fund	Donor No.	Budget Description	Amount US\$
	Good governance coordination and implementation framework established.	Review framework, develop action plan, conduct workshops and prepare IEC strategy	X	X	X	X		04000 UNDP	71200	International Consultant	40,000.00
								04000 UNDP	71300	Local Consultant	15,000.00
								04000 UNDP	72500	Stationery-office supplies	10,000.00
								04000 UNDP	74210	Printing and publication	15,000.00
								04000 UNDP	74000	Training workshops	40,000.00
								04000 UNDP	74500	Miscellaneous Expense	2,000.00
								04000 UNDP	71600	Travel	20,000.00
								04000 UNDP	75105	Facilities & Administration	4,260.00
Subtotal											146,260.00
	Public sector reform strategy developed and operationalized	Capacity building support to CSA	X	X	X	X		04000 UNDP	71200	International Consultant	40,000.00
								04000 UNDP	71300	Local Consultant	15,000.00
								04000 UNDP	72205	Office Equipment	50,000.00
								04000 UNDP	71600	Travel	30,000.00
								04000 UNDP	72220	Furniture	35,000.00
								04000 UNDP	74120	Capacity Assessment	10,000.00
								04000 UNDP	71600	Monitoring and evaluation	10,000.00
								04000 UNDP	72500	Stationery - office supplies	20,000.00
								04000 UNDP	74500	Miscellaneous Expense	1,000.00
								04000 UNDP	74100	Reporting costs	10,000.00
								04000 UNDP	75105	Facilities & Administration	6,330.00
Subtotal											112,330.00
	The GRC supportively established	Capacity building support to GRC						04000 UNDP	71200	International Consultant	40,000.00
								04000 UNDP	71300	Local Consultant	15,000.00
								04000 UNDP	72205	Office Equipment	60,000.00
								04000 UNDP	71600	Travel	20,000.00
								04000 UNDP	72220	Furniture	25,000.00
								04000 UNDP	74120	Capacity Assessment	10,000.00
								04000 UNDP	71600	Monitoring and evaluation	5,000.00
								04000 UNDP	72500	Stationery - office supplies	40,000.00
								04000 UNDP	74500	Miscellaneous Expense	1,000.00
								04000 UNDP	74100	Reporting costs	5,000.00
								04000 UNDP	75105	Facilities & Administration	6,630.00
Subtotal											112,630.00

								04000 UNDP	71200	International Consultant	40,000.00
								04000 UNDP	71300	Local Consultant	5,000.00
								04000 UNDP	74120	Capacity Assessment	5,000.00
								04000 UNDP	71600	Travel	15,000.00
								04000 UNDP	72200	Office Equipment	60,000.00
								04000 UNDP	72220	Furniture	30,000.00
						X		04000 UNDP	72505	Stationery - office supplies	30,000.00
								04000 UNDP	74500	Miscellaneous expense	1,500.00
								04000 UNDP	74000	Training/Workshops	20,000.00
								04000 UNDP	74200	Printing and binding	5,000.00
								04000 UNDP	75105	Facilities & Administration	6,345.00
											167,845.00
Subtotal											
								04000 UNDP	71200	International Consultant	40,000.00
								04000 UNDP	71300	Local Consultant	10,000.00
								04000 UNDP	74120	Capacity Assessment	5,000.00
								04000 UNDP	72205	Office Equipment	60,000.00
								04000 UNDP	72220	Furniture	50,000.00
								04000 UNDP	72505	Stationery - office supplies	30,000.00
								04000 UNDP	74000	Training/Workshop	30,000.00
								04000 UNDP	71600	Travel	25,000.00
								04000 UNDP	74200	Printing and binding	5,000.00
								04000 UNDP	74500	Miscellaneous expense	1,500.00
								04000 UNDP	75105	Facilities & Administration	7,695.00
											209,195.00
Subtotal											
								04000 UNDP	71200	International consultant	40,000.00
								04000 UNDP	71300	Local consultant	10,000.00
								04000 UNDP	72205	Office Equipment	70,000.00
								04000 UNDP	72220	Furniture	40,000.00
								04000 UNDP	71600	Travel	20,000.00
								04000 UNDP	74000	Training/Workshops	35,000.00
								04000 UNDP	74120	Capacity Assessment	3,000.00
								04000 UNDP	74200	Printing and binding	5,000.00
								04000 UNDP	74500	Miscellaneous expense	2,000.00
								04000 UNDP	72505	Stationery - office supplies	25,000.00
								04000 UNDP	75105	Facilities & Administration	7,500.00
											137,500.00
Subtotal											

