



2015 Annual Work Plan

PROMOTING PRIVATE SECTOR DEVELOPMENT AND NATURAL RESOURCES GOVERNANCE PROGRAMME



Empowered lives
Resilient nations

UNDAF OUTCOMES:

2.2: Private sector development: Improved equal access to sustainable livelihoods opportunities in an innovative and competitive private sector for rural and urban areas

2.4: Macro-economic policy environment: Improved evidence-based policies to maintain a stable and inclusive macro-economic environment

4.3: Natural Resources Management: By 2017, Liberia has an effective and efficient natural resource management framework enabling transparent, accountable and

equitable distribution of economic benefits and protection of rights of all

#2 : Inclusive and sustainable economic transformation informed by evidence-based macro-economic policy promoting access to livelihood, innovative and competitive private sector and efficient natural resource management

EXPECTED CP OUTCOME:

UNDAF ACTION PLAN OUTPUT:

2.2.2: Mechanisms developed to streamline the regulatory framework for the private sector, including standardization of enforcement mechanisms by 2017

2.2.3: Increased access to business development services and quality vocational training, focusing on employment creation, MSMEs development targeting youth, women and persons with disabilities

2.2.4: Enhanced access to sustainable financial services, market linkages and value chain upgrading for MSMEs, with special focus on the rural areas

2.4.2: Provide technical and advisory support for enhanced natural resources governance facilitation with focus on revenue management, as well as on coordinating negotiation in the concessions/ contracts in the oil sector and the strengthening of tax administration through adoption of VAT

2.4.3: Strengthened national framework for regional and global economic cooperation and integration towards macroeconomic harmonization and convergence by 2017, with focus on international trade

4.3.4: By 2015, government's capacity for contracts, agreements and concessions negotiations enhanced

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**EXPECTED PROGRAMME
OUTPUTS:**

1. An enabling environment for inclusive and sustainable private sector development created
2. Improved productivity and competitiveness of local enterprises

Implementing Partner:

National Investment Commission

IMPLEMENTING AGENCIES:

National Investment Commission (NIC); Ministry of Commerce and Industry (MOCI), Liberia Business Association (LIBA), Central Bank of Liberia

Programme Brief



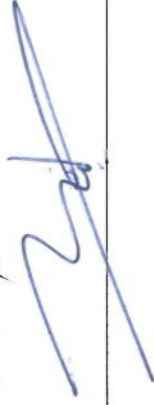
UNDP under its 2013-2017 Country Programme seeks to support the Government's drive for sustainable Economic Transformation by rolling out a package of measures aimed at reducing obstacles to enterprise/private sector development, expanding access to inclusive financial services while strengthening governance of natural resources. The program hopes to build on on-going assistance to microfinance institutions to expand the range and reach of inclusive finance to areas such as micro-insurance and leasing; and effective natural resource management and linking natural resources to value-addition and jobs creation. Also, the focus will be on strengthening governance of natural resources in the context of reconciliation and peace consolidation and the overall transformation of the Liberian economy.

The Private Sector Development Programme is in consonance with the national vision for a private sector-led growth as encapsulated in the Economic Transformation Pillar of the Agenda for Transformation (AFT). The Programme focuses on a mix of upstream policy and regulatory interventions and downstream catalytic and transformational interventions which will facilitate inclusive and sustainable growth. The 5-Year Programme will adopt a two prong approach aimed at:

- Creating an enabling environment for inclusive and sustainable private sector development,
- Developing the capacity of the local entrepreneurs for improved productivity and competitiveness

The programme is anchored on two outcome areas of UNDAF as aligned with AFT all geared toward promoting sustainable economic transformation in a coherent coordinated and accountable way.

Programme Period:	2013-2017	Total resources required:	425,000
Key Result Area (Strategic Plan): Sustainable Economic Development		Total allocated resources:	400,000
Atlas Award ID:		Regular:	400,000
Start date:	Jan 1, 2015	Other:	
End Date:	31 December 2017	Donor:	
PAC Meeting Date:		Government:	
Management Arrangements	NIM	Unfunded budget:	
		In-kind Contributions:	

Agreed by	Signature	Date
Hon. Amara M. Konneh Minister Ministry of Finance and Development Planning Republic of Liberia		2/24/15
Hon. George G. Wisner, II Executive Director/ Acting Chairman National Investment Commission Republic of Liberia		Feb. 20, 2015
Dr. Kamil Kamaluddeen Country Director, United Nations Development Programme		23/02/2015

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EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activities to be implemented</i>	TIMEFRAME				RESPONSIBLE PARTY	FUNDING SOURCE	PLANNED BUDGET			
		Q1	Q2	Q3	Q4			Cash Transfer Modality	Budget Description	Amount US\$	
Output 1: AN ENABLING ENVIRONMENT FOR INCLUSIVE AND SUSTAINABLE PRIVATE SECTOR DEVELOPMENT											
Activity Result 1.1: Formulation of National Private Sector Development Plan											
Baseline: Fragments and uncoordinated policies and program for private sector development.	Activity 1.1.1 Host consultations with various ministries, agencies, development partners, legislature and civil society on endorsing the draft Comprehensive Inclusive Growth Framework (CIGF) and PSD plan.	X	X			NIC	UNDP	Direct Payment	75700 Training and workshop	8,000.00	
	Activity Result 1.2: Support to the implementation of the Private Sector Development Plan										
	Indicators <ul style="list-style-type: none"> A National Private Sector Development Plan developed and adopted through a participatory process. # of work sessions for mainstreaming PSD Plan # of businesses registered at the country level # of GoL/Donor coordinating mechanism for private sector development institutionalized. Liberia's position in World Bank Ease of Doing Business Ranking Percentage increase in FDI Industrial Sector Support Programme formulated and implemented 	Activity 1.2.1 Host PSD Conference/established a PSD Charter and adopt PSD Plan	X	X			NIC	UNDP	Direct Payment	75700 Workshop 71300 Local Consultant	12,000.00
Activity 1.2.2 Work session for mainstreaming PSD Plan into M&As and development partners' work plans		X	X			NIC	UNDP	Direct Payment	75700 Workshop	5,000.00	
Activity 1.2.3. Develop an implementation roadmap/framework for Liberia's National Private Sector Development Programme.		X	X	X		NIC	UNDP	Direct Payment	71300 Local Consultant	10,000.00	
Activity Result 1.3: Trade and Investments Promotion											
Target 1.1: <ul style="list-style-type: none"> 1 National Private Sector Development Plan 	Activity 1.3.1 Provide support for the conduct of investment mapping throughout Liberia aimed at building linkages between the domestic private sector, FDIIs and concessionaires and support investment promotion outreach aim at attracting investors globally	X	X	X	X	NIC	UNDP	Direct Payment	71300 Local Consultant	8,000.00	
	Activity 1.3.2 Conduct detailed industrial sector analysis to								72300		

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activities to be implemented</i>	TIMEFRAME				RESPONSIBLE PARTY	FUNDING SOURCE	Cash Transfer Modality	PLANNED BUDGET	
		Q1	Q2	Q3	Q4				Budget Description	Amount US\$
<ul style="list-style-type: none"> formulated and approved by stakeholders 8 PSD work sessions held <p>Target 1.2:</p> <ul style="list-style-type: none"> PPP Unit established and fully functional Investment and joint venture profiling developed 1 Investment promotion and lesson learn tour conducted UN Global Compact launched in Liberia. PPP activities coordinated in all sectors <p>Target 1.3:</p> <ul style="list-style-type: none"> Conduct detailed industrial sector analysis to identify key competitive sectors for targeted action and support. Formulate National Industrial Sector Implementation plan for 5 years. Support the finalization of the Special Economic Zones (SEZ) law and establishment of Special Economic Zones (SEZ) in Buchanan, Sinoe and Ganta. Investment promotion in the SEZs facilitated At least 1 SEZ at the Monrovia Industrial Park operational <p>Target 1.4:</p> <ul style="list-style-type: none"> National Private Sector Development Strategy 	<p>identify key competitive sectors for targeted action and support</p> <p>Activity 1.3.3 Facilitate Inter-Governmental dialogue to finalize the draft PPP Policy</p>	X	X	X	X	MOCI	UNDP	Direct Payment	Goods & Services	8,000.00
	<p>Activity Result 1.4: Formulation and Implementation of an Industrial Sector Support Programme</p>									
	<p>Activity 1.4.1 Conduct and monitor implementation of the Industrial Sector Support Programme and conduct a public awareness campaign to increase awareness of consumer rights</p>	X	X	X	X	MOCI	UNDP	Direct Payment	71300 Local Consultant	8,000.00
	<p>Activity 1.4.2 Develop and implement National Labor Productivity programme linking training, staff development and remuneration with productivity and industrial skills requirement</p>	X	X			MOCI	UNDP	Direct Payment	75700 Training and Workshop 71300 Local Consultant	8,000.00
	<p>Activity 1.4.3 Facilitate the establishment and implementation of a robust consumer education, good manufacturing practice, and awareness program; e-commerce, and website to enable consumers have market information; hiring of IT Consultant to work with MOCI IT Unit</p>	X	X	X	X	MOCI	UNDP	Direct Payment	71300 Consultancy (local) and equipment	8,000.00
	<p>Activity 1.4.4 Host one consultative workshop with the legislature on the draft SEZ law and two radio talk shows to sensitize the public on the importance and benefits of passage into law the SEZ act</p>	X	X			NIC	UNDP	Pending availability of funds	75700 Training and Workshop 71300 Local Consultant 72400 Communications & Audio visual Equip	9,000.00
	<p>Activity 1.4.5 Surveying of the proposed SEZ land space around the port area in Buchanan, Grand Bassa County (500 acres to be used for the pilot phase)</p>		X	X	X	NIC	UNDP	Pending availability of funds	71300 Local Consultant	16,000.00

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activities to be implemented</i>	TIMEFRAME				RESPONSIBLE PARTY	FUNDING SOURCE	Cash Transfer Modality	PLANNED BUDGET	
		Q1	Q2	Q3	Q4				Budget Description	Amount US\$
Target: <ul style="list-style-type: none"> 1 strategic plan developed. 1 impact investment study conducted. 30 Liberian entrepreneurs trained in business management. At least 30 youths trained in livelihood & entrepreneurial development. 										

**Output 2:
IMPROVED PRODUCTIVITY AND COMPETITIVENESS OF LOCAL ENTERPRISES**

Baseline:
Majority of Liberian owned businesses are informal with limited business management skills, limited access to finance and business opportunities

Indicators:

- 25 % increase in business training services for local entrepreneurs
- # of financial assistance to rural business Liberian through the LMA
- At least 1,000 Liberian business owners/managers trained in entrepreneurship and business management
- Training in African Agribusiness Supplier Development Programme (AASDP) completed

Activity Result 2.2: Promote Inclusive Market Development Through Business Linkages and Value Chain Development

Activity 2.2.1 UN Global Compact in Liberia to promote Corporate Social Responsibility and business Linkages	X	X			UNDP/CRF/NIC	UNDP	Direct Payment	71300 Local Consultant 75700 Workshop	15,000.00
Activity 2.2.2 Organize and host one Agribusiness Supplier Development Training Workshop			X		UNDP/AFIM/MOA	UNDP	Direct Payment	71200 International Consultant 75700 Workshop	15,000.00
Activity 2.2.3 Enhance capacity of Liberian women entrepreneur in Labelling, Packaging and Food Security	X	X			MOCI (AWEP)	UNDP	Direct Payment	75700 Workshop and Training	10,000.00
Activity 2.2.4 Continuation of support to business models to improve the cassava and fish value chain to promote the commercialization of cassava and fish.		X	X		MOCI (NCSSC)	UNDP	Direct Payment	71300 Local Consultant 75700 Workshop and Training	8,000.00
Activity 2.2.6 Cash assistance for alternative livelihoods of female bush meat sellers	X				UNDP/LMA	UNDP	Direct Payment	74500 Miscellaneous	25,000.00

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activities to be implemented</i>	TIMEFRAME				RESPONSIBLE PARTY	FUNDING SOURCE	PLANNED BUDGET		
		Q1	Q2	Q3	Q4			Cash Transfer Modality	Budget Description	Amount US\$
Activity Result 2.3: Enhancing Access to Finance and Inclusive Financial Services										
<ul style="list-style-type: none"> Business linkages established between at least 2 concessionaires and local businesses. 5 Liberian women groups trained in labelling, packaging and food security. 10 Mobil Money Agencies established in strategic rural areas to support LMA operations. Affected bush meat sellers supported through cash transfer program. 	<p>Activity 2.3.1 Facilitate the expansion of the Mobile Money Agency Network to rural Liberia through the Liberia Marketing Association (LMA) and local businesses.</p>					CBL (Micro Finance Unit)	UNDP	Direct Payment	75700 Training and Workshop	30,000.00
Activity Result 3.1: Programme management, quality assurance, monitoring and operations										
PROGRAMME MANAGEMENT / QUALITY ASSURANCE	Activity result 3.1: Programme management, quality assurance, monitoring and operations									
	Activity 3.1.1 Communications, partnerships and NIM including conduct of quarterly HACT Trainings for IPs.	X	X	X	X	UNDP	UNDP	DI	75700 Training	5,800.00
PROGRAMME MANAGEMENT	Activity 3.1.2 Programme management, operations, logistics and drivers' salaries	X	X	X		UNDP	UNDP	DI	71300 Training	15,000.00
MONITORING/EVALUATION, FIELD VISITS, DPCS AND BANK CHARGES	MONITORING/EVALUATION, FIELD VISITS, DPCS AND BANK CHARGES	X	X	X	X	UNDP	UNDP	DI	74500 Miscellaneous Expense	4,200.00
	Activity 3.1.3 Support PSDS Co-ordinator (salary for PSD Coordinator)	X	X	X	X	NIC	UNDP	Direct Payment	71300 Individual Consultant (Local)	42,000.00
	Activity 3.1.4 Support to enhancing the capacity of PSD Coordinator using Project Management Professional Toolkit.	X				NIC	UNDP	Direct Payment	71600 Travel Cost and Training 75700	13,000.00
	Activity 3.1.5 Support to the logistics and operation of the PSD Project Unit at NIC (Fuel, communications and vehicle repairs)	X	X			NIC	UNDP	Direct Payment	72300 Equipment	5,000.00
	Activity 3.1.6	X	X	X	X	MOCI	UNDP	Direct	72800	35,000.00

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activities to be implemented</i>	TIMEFRAME				RESPONSIBLE PARTY	FUNDING SOURCE	PLANNED BUDGET		
		Q1	Q2	Q3	Q4			Cash Transfer Modality	Budget Description	Amount US\$
	Support to membership and business registration drive at decentralized level, purchasing of one vehicle							Payment	Equipment	
	Activity 3.1.7 Plow and carry out training and production activities (Procure one farm tractor and accessories complete – plow, harrow, booster, trailer and electric shovel). Office supplies and stationeries.	X	X	X		Center Songhai	UNDP	Direct Payment	72800 Equipment 72300 Goods and Services	36,753.00
	Activity 3.1.8 Provide (5) five cassava processing machines for female cooperatives in (5) counties	X	X			MOCI (AWEP)	UNDP	Direct Payment	72800 Equipment	8,000.00
Sub-Total										425,000

IMPLEMENTATION AND MANAGEMENT ARRANGEMENTS

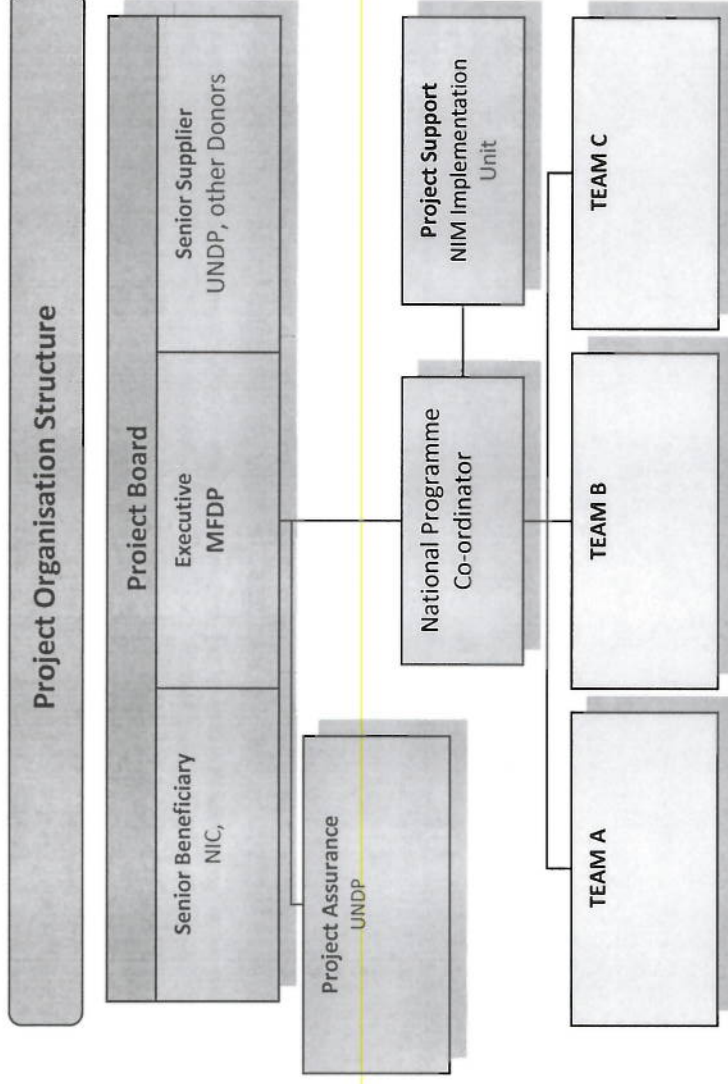
The project will be implemented under the national implementation modality. The National Investment Commission will assume direct responsibility for the implementation, the NIC will also manage and co-ordinate the activities of this programme, supported by the National Programme Coordinator (NPC) as focal point. NIC will report to UNDP, MFDP as Government Coordinating Agent and the other donors on the production of outputs, achievement of objectives and the use of resources provided under this programme. Accordingly, the NIC and the national responsible parties will follow national systems and procedures and shall make reference to the national implementation guidelines on accounting, financial reporting and auditing and shall be responsible for maintaining records on all implementation actions, including financial records to the extent possible that they do not contravene UNDP financial rules and regulations.

UNDP will provide support services in the recruitment of staff, training and monitoring and evaluation. UNDP will work closely with the NIC to ensure policy direction, guidance and technical support to the project. In line with UNDP's Executive Board decision 98/2 "all costs associated with the delivery of other resources funded programme at country level are to be fully covered through cost recovery mechanisms". In this regards, General Management Service fee of approximately 7% if applicable will be charged on non-core resources mobilized in the implementation of this programme and UNDP Direct Project Costs (DPCs) for implementation support services, make reference to the blanket Letter of Agreement signed between UNDP and Government of Liberia (GOL) annexed to this programme document and Standard Level Agreement (SLA) signed between NIC and UNDP on the provision of support services by UNDP Country Office.

A Project Board comprising the Ministry of Finance and Development Planning (MFDP) as chair; UNDP as co-chair and, National investment commission, Central bank of Liberia, Ministry of Commerce & Industry, National Bureau of Concession, Ministry of Youth and Sports and Liberia Marketing Association and donors as members will be established. Other stakeholders may be added as the project evolves.

¹ Refer to Letter of Agreement (LOA) between GOL and UNDP on provision of Support Services

ORGANISATION STRUCTURE



Definitions and Accountabilities of Implementing Partner and Responsible Party

As stated in Financial Regulation 27.02 of the UNDP Financial Regulations and Rules, an implementing partner is “the entity to which the Administrator has entrusted the implementation of UNDP assistance specified in a signed document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs as set forth in such document.” By signing a project document, an implementing partner enters into an agreement with UNDP to manage the project and achieve the results defined in the relevant documents. The accountability of an implementing partner is to:

- Report, fairly and accurately, on project progress against agreed work plans in accordance with the reporting schedule and formats included in the project agreement;
- Maintain documentation and evidence that describes the proper and prudent use of project resources in conformity with the project agreement and in accordance with applicable regulations and procedures

This documentation will be available on request to project monitors (project assurance role) and designated auditors.

As stated in the Financial Regulation 17.01 of the UNDP Financial Regulations and Rules, an implementing partner may enter into agreements with other organizations and entities, known as responsible partners, who may provide goods and services to the project, carry out project activities and produce project outputs. Responsible parties are accountable directly to the implementing partner.

A Responsible Party is defined as an entity that has been selected to act on behalf of the implementing partner on the basis of a written agreement or contract to purchase good or provide services using the project budget. In addition, the responsible party may manage the use of these goods and services to carry out project activities and produce outputs. All responsible parties are directly accountable to the implementing partner in accordance with the terms of their agreement or contract with the implementing partner. Implementing partners use responsible parties in order to take advantage of their specialized skills, to mitigate risk and relieve administrative burdens.

Implementing Agency Capacity Assessment

The implementing agency of the project NIC is government institution mandated to encourage, promote and assist in the development of foreign direct investment in all sectors of the economy of Liberia other than those sectors in which foreign direct investment is prohibited by law. The overall risk micro assessment rating for the NIC is **significant Risk'** for financial management capacity.

Financial Disbursement and Reporting

Financial Accountability: The Implementing Partner shall be responsible for ensuring that the allocated resources for the Annual Work Plan are utilized effectively in funding the envisaged activities. It shall have a tracking system that it will maintain records and controls for the purpose of ensuring the accuracy and reliability of the Annual Work Plan's financial information. The tracking system in place shall ensure that envisaged disbursements are within the approved budgets. The tracking system shall track the disbursements and the commitments besides capturing expenditure records through direct payments and support services made by UNDP on behalf of the Implementing Partner.

Cash Transfer (NEX Advance) modality: UNDP country office will provide quarterly NEX Advances to the implementing partner or responsible according to the AWP activities, from which funds the national partner will incur its expenditures. At the end of each quarter (calendar), replenishment of advances will be granted by the UNDP upon submission of the financial report of the prior quarter expenditures. The harmonized financial tool i.e. the Funding Authorization and Certificate of Expenditure (FACE) will be used as the financial reporting and request instrument. *UNDP financial rules and regulations will apply on NEX Advance management, i.e. 80% of all previous outstanding NEX Advance/s made to the IP under all UNDP programmes/projects must be accounted for with supporting documents before the next NEX Advance is made to the IP.*

Efforts will be taken by the UNDP Country Office to avoid the occurrence of similar problems from the past whereby the IPs were unable to report the expenditures incurred from the Cash Advances, resulting in un-liquidated advances that remained long outstanding in the UNDP books and became subject of critical comments from both external and internal audit. Effective Quality Control will be placed for payments of Advances. Any advance that is not liquidated two weeks following the submission deadline will result in the suspension of the Advance modality application to the IP and payments will be effected on the basis of direct payment requests until such time that the outstanding advance is liquidated and the corresponding financial report is submitted. NIC may not qualify for NEX Advances due to the micro assessment risk rating on financial management.

Direct payments: As agreed, UNDP country office shall make direct payments to other parties for services procured by the Implementing Partner in accordance with the Annual Work Plan. Funds will be disbursed to vendors or third parties for obligations incurred by the Implementing Partner on the basis of requests signed by the designated official of the national implementing partner A Direct payments will be made to vendors or third parties for

obligations incurred by UNDP in support of activities agreed with Implementing Partner. The Head of NIC or a designated official will sign the request for direct payment. For UNDP to procure the goods and services included in the AWP, Implementing Partner will draft the technical specifications for goods and the terms of reference for the services to be procured. Documentation of payment by the Country Office must be made available to the Implementing Partner. A register for such requests shall be maintained to facilitate follow-up.

Direct Agency Implementation – UNDP conducts expenditure from requisition through to disbursement with no cash being transferred to the implementing partner. However, the implementing partner has full programmatic control and so full control over expenditures – refer to Letter of Agreement between UNDP and the Government of Liberia for the Provision of Support Services by UNDP Country Office.

Cost recovery: The cost of the support services provided by UNDP CO will be recovered from the project based on the Letter of Agreement signed between the GOL and UNDP on the provision of support services, copy of the Letter of Agreement attached as annex.

Financial Reporting: UNDP at the end of the month will submit to the Implementing Partner a detailed expenditure report, supporting documents can be availed when necessary. The Implementing Partner should verify the disbursements and revert to UNDP for any correction to be made. On quarterly basis, UNDP will submit to the Implementing Partner the Combined Delivery Report (CDR) for verification and signature as a true record of quarterly expenditure report and end of the year CDR is produced at the end of February of the following year for signature by NIC.

Fiduciary Compliance: In managing the Annual Work Plan resources, the Implementing Partner has fiduciary and compliance responsibilities to UNDP. It also has compliance responsibility for UNDP's reporting procedures.

Procurement of Goods and Services: Liberia's Government established rules and procedures governing procurement may be used when Government procures, as long as it does not contravene UNDP's rules and procedures. However, UNDP must be informed of procurement processes within the Implementing Partner and when necessary UNDP must be represented in procurement committees that are held to evaluate quotations and bid offers.

Ownership of equipment, supplies and other properties financed from the UNDP funding shall be considered as UNDP's, unless title is transferred on purchase. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

MONITORING & EVALUATION

Monitoring is a continuous function that aims primarily at providing management and main stakeholders of a country programme or a project with early indications of the progress, or lack thereof, towards delivering intended results. Effective monitoring is not demonstrated by merely producing reports in a prescribed format at set intervals. As a minimum, on annual basis, the following monitoring activities must be carried out in accordance with the programming policies and procedures outlined in the UNDP User Guide:

- On quarterly basis, project progress reports shall be submitted to NIC through UNDP.
- An Issue Log shall be activated in Atlas and updated to facilitate tracking and resolution of potential problems or requests for change.
- A risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the AWP implementation.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events
- An annual review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the AWP and appraise the Annual Work Plan (AWP) for the following year.

- A representative from the UNDP office should visit each project at least once a year. Field visits serve the purpose of results validation and provide latest information on progress for annual report preparation. Field visits should be documented through brief and action-oriented reports, submitted within the week of return to the office.

AUDIT CLAUSE

Audit is an integral part of sound financial and administrative management, and part of the UNDP's accountability system. Audit services cover the overall management of the project's implementation, monitoring and oversight. The audit of projects nationally implemented by Government or by non-governmental organizations will be more of a financial nature that is ultimately meant to have the auditors express their opinion on:

- The annual expenditure;
- The assets and equipment;
- The cash position of a given project.

To this effect, the audit work should include the review of work plans, progress reports, project resources, project budget, project expenditure, project delivery, recruitment, operational and financial closing of projects (if applicable) and disposal or transfer of assets. As part of its assurance responsibilities, UNDP will conduct spot checks on the assets and documentation on the use of project resources.

6.1. Annual Audit

Annual audits will be conducted by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government in accordance with the established procedures set out in the Programming and Finance manuals.

6.2. Quality Management for Project Activities

Replicate the table for each activity result of the project to provide information on monitoring actions based on quality criteria. To be completed during the process of "Defining a Project" if the information is available. This table shall be further refined during the process "Initiating a Project".

OUTPUT 1: An enabling Environment for Inclusive and Sustainable Private Sector Development	
Activity 1. (Atlas Activity ID)	Formulation of National Private Sector Development Plan
	Start Date: 01/01/2015 End Date: 12/31/2015
Purpose	There are currently a number of sector policy frameworks and strategies aimed at enhancing the development of the private sector. These include the MSME Policy, the Industrial Policy and Strategy, PPP Guidelines and Strategy, Special Economic Zones Law; and Business Linkages and Growth Corridor Studies. However, there is no overarching policy framework to serve as a convergence platform for these various initiatives and co-ordination among the various institutions whose work impact on private sector development is limited. Therefore, the Government of Liberia, under the leadership of the National Investment Commission will

	be supported to formulate a National Private Sector Development Strategy.		
Description	<p><i>Planned actions to produce the activity result.</i></p> <p>i. Provide technical support to the adoption of PPP guideline through translation into policy, facilitating PPP in some areas to broker pro-poor investment/growth 2.2.1.5 Support capacity building of civil society and media towards enhanced advocacy for job creation</p> <p>ii. Support the Government to design an inclusive Private Sector Development strategy and program</p>		
Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i>		Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>

OUTPUT 1: An enabling Environment for Inclusive and Sustainable Private Sector Development			
Activity 1. (Atlas Activity ID)	Support to the Implementation of the Private Sector Development Plan Start Date: 01/01/2015 End Date: 12/31/2015		
Purpose	The implementation modality framework for an effective Private Sector Development Plan will absolutely ensure that the policy goals and objectives are achieved through a phase approach using the strategy plan as a based document. The hope is that the PSD plan can firstly be adopted and then mainstreamed into MACs and development partner work plan to ensure activities and linkages are established amongst programme/projects in support to the PSD plan.		
Description	<p><i>Planned actions to produce the activity result.</i></p> <ul style="list-style-type: none"> Support the Government to design an inclusive Private Sector Development strategy and program 		
Quality Criteria	Quality Method	Date of Assessment	

<i>How/with what indicators the quality of the activity result will be measured?</i>	<i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	<i>When will the assessment of quality be performed?</i>

OUTPUT 1: An enabling Environment for Inclusive and Sustainable Private Sector Development		
Activity 1. (Atlas Activity ID)	Trade and Investments Promotion	Start Date: 01/01/2015 End Date: 12/31/2015
Purpose	<p>The National Investment Commission (NIC) is mandated to encourage, promote, co-ordinate and advice on investments to accelerate economic growth and development in Liberia. In pursuance of this the NIC has proposed a number of key policy instruments and initiatives. Key among these are the Public Private Partnership Guidelines to deepen private sector investments in Liberia and the Business Linkages Policy to foster the participation of Liberian businesses in the country's economic growth and enhance market access for small and medium enterprises. UNDP will support the review and finalization of the PPP guidelines and development of a PPP Policy to provide the legal framework for operationalizing PPPs particularly in infrastructure and service delivery (transportation and energy). This will help in meeting the critical needs of the country and expand opportunities for investments in those sectors and local business participation.</p> <p>Additionally, the programme will support strengthening PPP management and approaches; profiles of investment and joint venture opportunities. As part of support to strengthening linkages and pro-poor investment, the program will support collaboration through the UNDP Istanbul International Center for PSD, the Ross Business School, the NIC and the Liberian local private sector in development a National Local Procurement Strategy. It will also support Liberian businesses in, building their capacity to take advantage of the emerging business opportunities.</p> <p>Support would also be provided to establish and institutionalize a PPP Unit at the NIC to lead and co-ordinate work on integrating PPPs in the national development process and facilitate the development of various</p>	

	<p>instruments for the effective use of PPPs in various sectors of the economy. The IICPSD will facilitate knowledge transfer from Turkey and other relevant developing countries). In this regard, Turkey's Minister of Development has offered capacity building support and the Government of Poland is also willing to join.</p>		
<p>Description</p>	<p><i>Planned actions to produce the activity result.</i></p> <ul style="list-style-type: none"> • Provide technical support to the adoption of PPP guideline through translation into policy, facilitating PPP in some areas to broker poor investment/growth 2.2.1.5 Support capacity building of civil society and media towards enhanced advocacy for job creation • Support the Government to design an inclusive Private Sector Development strategy and program 		
<p>Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i></p>	<p>Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i></p>	<p>Date of Assessment <i>When will the assessment of quality be performed?</i></p>	

<p>OUTPUT 1: An enabling Environment for Inclusive and Sustainable Private Sector Development</p>			
<p>Activity 1. (Atlas Activity ID)</p>	<p>Formulation and Implementation of an Industrial Sector Support Programme</p>	<p>Start Date: 01/01/2015 End Date: 12/31/2015</p>	
<p>Purpose</p>	<p>The Government of Liberia with support from UNDP and other partners has developed a National Industrial Policy. The Policy seeks to guide the diversification of the economy and improve the performance and productivity of the industrial sector and maximize the use of the country's productive capacities and her comparative advantages. The policy provides a clear set of priority instruments and measures to be undertaken to enhance the productivity, efficiency and competitiveness of Liberia's</p>		

industrial sector. Operationalizing the Industrial Policy requires an Industrial Sector Support Programme (ISSP), with detail Implementation Plan, outlining the key activities to be undertaken, the expected chain of results, timeframe, estimated costs, and the management and coordination arrangements.

- UNDP will support the Government of Liberia in developing of a 5 years Industrial Sector Support Programme with a view to transforming Liberia into an industry-driven economy that delivers high levels of productivity for Liberian businesses through the provision decent and sustainable jobs. Special Economic Zones have the potential to propel economic development by increasing and diversifying production and exports, boosting employment, attracting FDI, transferring skills and technology, stimulating linkages and piloting new economic policies. The Government of Liberia has already initiated work on establishing Special Economic Zones to jump-start investments and the provision of infrastructure for key strategic sectors. Feasibility studies have been undertaken, sites identified and an SEZ Law has been drafted and awaiting feedback and finalization. The Industrial Sector Support Programme will support the finalization of the law and kick-start work on establishing Special Economic Zones (SEZ) in Buchanan, Sinoe and Ganta and an Industrial Park in Monrovia.

▪ Quality Standards

The development and effective use of national standards, based on relevant international standards are important for industrial development as it assures consumers of the safety and suitability of products. Support will be provided for the establishment of a new National Standards Authority (which brings together all government agencies with roles in ensuring quality standards) with the responsibility for testing and verifying the standard of all exports and imports. Measures to ensure awareness creation, capacity development and consensus-building regarding the process of developing voluntary standards will be implemented to enhance the commitment of manufacturers to the effective development and use of national standards.

	<ul style="list-style-type: none"> ▪ <u>Co-ordination of the Implementation of the Industrial Policy and Industrial Sector Support Programme.</u> The Ministry of Commerce and Industry will be supported to develop a Management Information System to track and report on the implementation of the ISSP. 										
Description	<p><i>Planned actions to produce the activity result.</i></p> <ul style="list-style-type: none"> • Support to the development of the consumer protection policy standard regime • Support to formalization and registration of MSMEs 										
Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i>	<table border="1"> <thead> <tr> <th data-bbox="359 257 598 504">Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i></th> <th data-bbox="598 257 928 504">Date of Assessment <i>When will the assessment of quality be performed?</i></th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>								
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OUTPUT 2: Improved Productivity, Competitiveness and Diversification of MSMEs	
Activity 2. (Atlas Activity ID)	<p>Business Development and Skills Training for MSMEs Provided</p> <p>Start Date: 01/01/2015 End Date: 12/31/2015</p> <p>Purpose</p> <p>The Central Bank of Liberia has made available a capacity building grant of US\$250,000 to the Liberia Business Association (LIBA) to expand outreach and develop the capacity of indigenous Liberian businesses. UNDP will build upon this and other training initiatives by supporting LIBA for the development of business development training/capacity building initiatives and business incubator designed to improve efficiency, performance and take advantage of market opportunities. UNDP will work with high performing training service providers, as assessed by graduate entrepreneurs, thereby being responsive to market actor's feedback. These will contribute to UNDP model of strengthening</p>

linkages, facilitating inclusive investment for growth at the bottom of the pyramid.

UNDP will focus its capacity building efforts on the Micro (0-3 employees) and Small (4 -20 employees) enterprise segments as they comprise the majority of the SME sector actors and tend to be operated by women and youth.

UNDP will pilot a Technical Assistance Matching Grant Scheme, linked to the EAP program, which will support the provision of technical assistance in the form of professional consulting services for the development of business plans and feasibility studies for the acquisition of loans for business expansion and improvements. Businesses will receive a rebate of up to 50% of cost of technical services provided to them, on the completion of the assignment.

The NIC will provide additional support to businesses, by securing the commitment for participation of large firms and concessionaires in the targeted sectors and business associations, as well as government support for the project.

To facilitate the linkages, NIC will collaborate with LIBA to develop a profiling and ranking system of SMEs, serve as the basis for the development of a Sub-contracting and Partnership Exchange (SPX), a UNIDO tool for promoting linkages and outsourcing between large firms and SMEs.

Based on the successful pilot and demonstrable benefits of the scheme to both large firms and SMEs, large firms may be encouraged to contribute to the scheme and the size of the rebate reduced incrementally over time.

Business Incubation

Working with the Liberian Business Association (LIBA) and similar firms, business incubators will be established to provide support services and resources to businesses during their formative stages. The focus will be to provide sector and value-chain specific incubation services where businesses, through economies of scale, can access technical and logistical support and other resources.

Support for the Promotion of Local Innovation and Catalytic Inclusive Market Initiative:

To test the concept of inclusive market development, UNDP in collaboration with the National Cassava Sector Coordination Committee, will undertake the development of business models to promote cassava and fish value chain as a commercial crop in West Africa and Liberia.

The initiative entails a study of the cassava value chain in Liberia and design of business models to enhance productivity in the sector. Operators in the cassava value chain will be supported with improved planting material and agronomic practices to boost production and productivity. Knowledge and experience sharing and advocacy within the sub-region will be promoted to facilitate marketing and scaling-up. The experience from the initiative will enable the Committee to support its members to source funding for scaling up from the Central Bank of Liberia's US\$ 10million Agriculture Support Fund.

As part of effort to address poverty through innovation and value chain development The UNDP will support the piloting of projects in the development of clay oven in the 15 political sub-division within the program lifespan.

Description	<i>Planned actions to produce the activity result.</i>		
Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>	
	<ul style="list-style-type: none"> Support SME policy and program development 		

OUTPUT 2: Improved Productivity and Competitiveness and Diversification of MSMEs

Activity 2. (Atlas Activity ID)	Promote Inclusive Market Development Through Business Linkages and Value Chain Development	Start Date: 01/01/2015 End Date: 12/31/2015
Purpose	<p>UNDP will work with the NIC to roll-out a pilot inclusive market initiative, the Enterprise Advancement Project. This project incorporates business linkages and development services to small and medium-sized enterprises (SME), enabling them to respond to market opportunities with the support of more mature firms.</p> <p>The intervention adopts a hybrid approach to address the supply and demand for business linkages by providing business development/capacity building services and facilitate linkages, joint ventures and subcontracting between large firms and SMEs.</p>	
Description	<p><i>Planned actions to produce the activity result.</i></p> <ul style="list-style-type: none"> Support SME policy and program development 	
Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>

OUTPUT 2: Improved Productivity and Competitiveness and Diversification of MSMEs		
Activity 2. (Atlas Activity ID)	Enhancing Access to Finance and Inclusive Financial Services	Start Date: 01/01/2015 End Date: 12/31/2015
Purpose	<p>UNDP will build upon the work done with UNCDF and the Central Bank of Liberia on Inclusive Financial Services and leverage the successor Liberia Inclusive Financial Sector Phase II (LIFS II) to expand access to financial services: credit, savings, insurance and remittances, targeting women owned enterprises. In alignment with CBL's priorities and market</p>	

opportunities UNDP will support the proliferation of community managed savings and lending association such as VSLAs (Village Savings and Lending Associations) and Credit Unions. Generally managed by and benefitting women, VSLAs have a proven track record of being sustainable locally based mechanisms which provide an appropriate platform for financial literacy, business development training and financial services. Credit Unions, by comparison are more formal institutions which are also managed by community shareholders and tend to provide financial services to low income and financially marginalized individuals in Liberia.

UNDP will also seek value adding strategic synergies such as the Financial Literacy Index Initiative of the IICPSD and VISA to expand access of poor households to financial services. The IICPSD in collaboration with VISA is implementing a Financial Literacy Index initiative as well as providing financial education and inclusion to change consumption patterns, improve financial management at the household level and provide access to individuals to financial services. Under the programme, collaboration will be forged with the Central Bank of Liberia and local financial institutions to include Liberia in the Financial Literacy Index initiative.

The UNDP IICPSD will support the roll-out of the Turkish Technology Development Foundation (TTGV) Impact Investment model to provide venture capital for innovative small and micro enterprises. Implemented as a pilot project the programme will seek to make investments with the intention to generate measurable social and environmental impact alongside a financial return.

Impact investments target a range of returns from below market to market rate, depending upon the circumstances. Impact investors actively seek to place capital in businesses and funds that can harness the positive power of enterprise. Impact investment is generally seen as an emerging asset class with the prospect of achieving market-rate returns and social good at the same time. With increasing numbers of investors interested in the double bottom line (social and financial returns), the impact investment

	<p>market is particularly relevant in catalyzing innovation and financial inclusion. The UNDP IICPSD will support the roll-out of the Turkish Technology Development Foundation (TTGV) Impact Investment model to provide venture capital for innovative and bottom-of the pyramid enterprises.</p>		
Description	<p><i>Planned actions to produce the activity result.</i></p> <ul style="list-style-type: none"> • Support SME policy and program development 		
<p>Quality Criteria <i>How/with what indicators the quality of the activity result will be measured?</i></p>	<p>Quality Method <i>Means of verification. What method will be used to determine if quality criteria has been met?</i></p>	<p>Date of Assessment <i>When will the assessment of quality be performed?</i></p>	

VII. Legal Context

If the country has signed the Standard Basic Assistance Agreement (SBAA), the following standard text must be quoted:

This programme document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Government of Liberia and UNDP, signed on 27 April, 1977.

Consistent with the Article III of the Standard Basic Assistance Agreement (SBAA), the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP’s property in the executing agency’s custody, rests with the executing agency. The executing agency shall:

- a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) Assume all risks and liabilities related to the executing agency’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via

ANNEXES

Risk Analysis -

Agreements - Any additional agreements, such as cost sharing agreements, \letter of Agreement between GOL and UNDP for the provision of support services by UNDP country office should be attached.

Terms of Reference - TOR for key project personnel should be developed and attached

Capacity Assessment -Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)

Special Clauses - In case of government cost-sharing through the project which is not within the CPD, the following clauses should be included:

1. The schedule of payments and UNDP bank account details.
2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.
3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.
4. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.
5. All financial accounts and statements shall be expressed in United States dollars.
6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.
7. If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph [above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.
8. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

- (a) [7%]cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost of DPCs as per the SLA signed between UNDP and NIC - implementing partner or the blanket Letter of Agreement on UNDP Support Services signed between UNDP and MPEA (then Government Coordinating Agency now MFDP) .

9. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.”

Compensation Benefit – UNDP under this project will support the remuneration component for the PSD Coordinator

Name	Title	Implementing Institution	Yearly Amount
Andrew Anderson	PSD Coordinator	National Investment Commission (NIC)	US\$42,000.00