

**FOR
AGENDA**

EBD/10/37

June 10, 2010

To: Members of the Executive Board

From: The Secretary

Subject: **Liberia—Poverty Reduction Strategy—Annual Progress Report**

Attached for consideration by the Executive Directors is the first annual progress report on the poverty reduction strategy prepared by the government of Liberia. This paper and the associated joint staff advisory note (EBD/10/38, 6/10/10), together with the paper on the completion point document for Liberia under the enhanced Initiative for Heavily Indebted Poor Countries and the Multilateral Debt Relief Initiative (EBS/10/113, 6/9/10), are tentatively scheduled for discussion on **Wednesday, June 23, 2010**. At the time of circulation of this paper to the Board, the authorities of Liberia have indicated that they need more time to consider whether they will consent to the Fund's publication of this paper. Publication will only proceed upon the receipt by the Fund of the member's explicit consent. Any requests for modifications for publication are expected to be received two days before the Board concludes its consideration.

Questions may be referred to Mr. Lane (ext. 39852) and Mr. Yoon (ext. 36997) in AFR.

Unless the Documents Section (ext. 36760) is otherwise notified, the document will be transmitted, in accordance with the procedures approved by the Executive Board and with the appropriate deletions, to the African Development Bank, the Economic Community of West African States, the European Commission, the Food and Agriculture Organization, and the United Nations Development Programme, following its consideration by the Executive Board.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

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Republic of Liberia

Poverty Reduction Strategy



Progress Report

(April 2008-March 2009)
March 2010

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The Government of Liberia, with support from the Liberian people and the donor community, has established a strong trajectory to economic growth and development through the PRS. The road to development still stretches far ahead of us; nevertheless, we are committed to achieving the goals of the PRS, as we continue the diligent implementation of the *Lift Liberia* agenda over the remaining two years.

Abbreviations and Acronyms

APR	Annual Progress Report
AU	African Union
CBO	Community-Based Organization
CBL	Central Bank of Liberia
CDA	Country Development Agenda
CFDC	Community Forestry Development Committee
CFSNS	Comprehensive Food Security and Nutrition Survey
COC	Code of Conduct
CPA	Comprehensive Peace Agreement
CSO	Civil Society Organization
CSRS	Civil Service Reform Strategy
CWIQ	Core Welfare Indicators Questionnaire
DEA	Drug Enforcement Agency
DTT	Deliverables Tracking Tool
ECOWAS	Economic Community of West African States
EIA	Environmental Impact Assessment
EM	Environmental Management
EMUS	Emergency Monrovia Urban Sanitation project
EPA	Environmental Protection Agency
ERC	Revitalizing the Economy pillar
FDA	Forestry Development Authority
FGM	Female Genital Mutilation
FLY	Federation of Liberian Youth
GBV	Gender-Based Violence
GC	Governance Commission
GOL	Government of Liberia
GRL	Governance and the Rule of Law pillar
HDI	Human Development Index
HDR	Human Development Report
HIPC	Heavily Indebted Poor Countries
IDP	Internally Displaced Person
IBS	Rehabilitating Infrastructure and Delivering Basic Services pillar
IFC	International Finance Corporation
IFMIS	Integrated Financial Management Information System
IHRC	Independent Human Rights Commission
IMF	International Monetary Fund
INGO	International Non-Governmental Organization
iPRS	Interim Poverty Reduction Strategy
KRTTI	Kakata Regional Teacher Training Institute
LACC	Liberia Anti-Corruption Commission
LDHS	Liberia Demographic and Health Survey
LFI	Liberia Forestry Initiative
LISGIS	Liberia Institute for Statistics and Geo-Information Services
LLRC	Liberia Law Reform Commission
LNCG	Liberia National Coast Guard
LNP	Liberia National Police
LPRC	Liberia Petroleum and Refinery Corporation
LPRS	Liberia Poverty Reduction Strategy
LRC	Liberia Revenue Code
LRDC	Liberia Reconstruction and Development Committee
LRRRC	Liberia Repatriation, Reintegration, and Rehabilitation Commission
LWSC	Liberia Water and Sewer Corporation
M&E	Monitoring and Evaluation
MCC	Monrovia City Corporation
MCI	Ministry of Commerce and Industry
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiatives
MIA	Ministry of Internal Affairs
MOA	Ministry of Agriculture
MOD	Ministry of Defense
MOE	Ministry of Education

MoGD	Ministry of Gender and Development
MOJ	Ministry of Justice
MOL	Ministry of Labor
MOT	Ministry of Transport
MNS	Ministry of National Security
MPEA	Ministry of Planning and Economic Affairs
MPW	Ministry of Public Works
MRU	Mano River Union
MTEF	Medium Term Expenditures Framework
NAC	National AIDS Commission
NACP	National AIDS Control Program
NBI	National Bureau of Investigation
NBSAP	National Biodiversity Strategy and Action Plan
NPA	National Port Authority
NEC	National Elections Commission
NGO	Non-Governmental Organization
NIC	National Investment Commission
NOCAL	National Oil Company of Liberia
NSA	National Security Agency
NSC	National Security Council
NSSRL-IM	National Security Sector Strategy for the Republic of Liberia with its attendant Implementation Matrix
NTGL	National Transitional Government of Liberia
PFM	Public Financial Management
PPA	Participatory Poverty Assessment
PPCC	Public Procurement and Concessions Commission
PRS	Poverty Reduction Strategy
RIA	Roberts International Airport
RRA	Rapid Results Approach
SEC	Consolidating Peace and Security pillar
SGBV	Sexual and Gender-Based Violence
SOP	Standard Operating Procedures
ToR	Terms of Reference
TRC	Truth and Reconciliation Commission
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNMIL	United Nations Mission in Liberia
USD	United States dollars
WACP	Women and Children Protection unit
WB	The World Bank
WHO	World Health Organization
WONGOSOL	Women NGOs Secretariat of Liberia
WTTI	Webbo Teacher Training Institute
ZRTTI	Zorzor Regional Teacher Training Institute

Executive Summary

This first Annual Progress Report (APR) describes the work that has been completed on the implementation of the Government of Liberia's Poverty Reduction Strategy (PRS), titled "Lift Liberia," between April 2008 and March 2009. It constitutes part of a national effort to highlight progress, examine challenges, and encourage broader national participation in the implementation of the PRS.

Liberia's PRS is an ambitious effort by the Government of Liberia (GOL) to implement over 300 activities identified through a national consultative process that resulted in the development of the County Development Agendas (CDAs) and the PRS. These activities are categorized into four Pillars: Enhancing Peace and Security (SEC), Economic Revitalization (ERP), Governance and Rule of Law (GRL), and Infrastructure and Basic Services (IBS). The PRS also has two framework components: the Growth and Macroeconomic Framework (GMF) and the Monitoring and Evaluation (M&E) Framework.

The APR is based principally on qualitative and quantitative information gathered over a seven-month period from all stakeholders in Liberia's development efforts, including government ministries and agencies, donors, and implementing partners, particularly non-governmental organizations (NGOs) and private sector actors. The analysis of this information shows that, throughout the first year, Liberia made slow progress on the implementation of the PRS. The impact of the global economic crisis affected implementation and slowed the pace of growth. Although the Government of Liberia did not meet the expected implementation rate, during the period under review, we established clear ownership of Liberia's development agenda and lay the groundwork for sustainable and equitable development. Once the global economy has fully recovered from the current economic crisis, we anticipate an acceleration of economic growth, which will further strengthen our current position to deliver on the PRS and meet the aspirations of our people. With the development of the Public Financial Management (PFM) framework, a PRS deliverable, the credibility of the country's financial systems is being restored, while we develop the capacity to strengthen it. Increased vigilance in tax collection efforts, expansion of the tax base, and the elimination of discretionary exceptions led to a rise in revenue by 13.5 percent from US\$207 million in Fiscal Year (FY) 2007/08 to US\$235 million in FY 2008/09.

Besides Macro-Economic reforms, the GOL achieved important goals across the four PRS Pillars. Under the Security Pillar I, the Government took steps to transform the country's national security sector by changing the architecture of core security functions. This included reform of the Armed Forces of Liberia and preparations for the establishment of the National Coast Guard. The extension of law enforcement coverage outside Monrovia contributed to the increase in civil society's trust in police and the promotion of community awareness of sexual and gender based violence (SGBV).

Completed deliverables in the Economic Revitalization Pillar II supported the forestry, financial services, and private and employment sectors. The Government drafted the Community Rights Law with respect to forestland; it is currently under review by the National Legislature. The newly established Community Forestry Development Committee (CFDC) signed agreements in Gbarpolu, Lofa and River Cess Counties. In addition, the Government established SME Business Support Units in Gbarnga, Bong County and Zwedru, Grand Gedeh County. While the Business Reform Committee reduced business registration procedures from 59 to 21 steps, the Central Bank of Liberia (CBL) established a Microfinance Unit, which prepared a draft of the National Microfinance Policy for Liberia. Lastly, a total of 59,739 short-term labor-intensive jobs were created through community-based and local economic development projects, from January through November 2008.

Advancements under the Governance and Rule of Law Pillar III improved human and personal security; supported a stronger system of national integrity and justice; enhanced the promotion of human rights; strengthened civil society engagement, and began the rehabilitation process within the corrections system. Enforcement of the Inheritance Law and the Rape Law resulted in the protection of the basic human rights of all Liberians, especially women and girls. The Government also undertook several strategic measures to fight corruption including: (i) establishing the Liberia Anti-Corruption Commission (LACC); (ii) developing the Code of Conduct for public servants, which is before the Legislature for enactment into law; and (iii) submitting the Whistle Blower Statute to the Legislature. To demonstrate GOL's commitment, President Sirleaf has signed an Executive Order to protect whistleblowers while the Legislature debates the bill. Civil society organizations (CSOs) played a key role in the fight against corruption by contributing to the formulation of the Freedom of Information Act and the Whistle Blower Statute, which are pending passage by the Legislature. The Independent Human Rights Commission (IHRC) Act was enacted into law to establish an institution that monitors Government compliance with human rights standards, and facilitates the implementation of the Truth and Reconciliation Commission's recommendations. The Government created the Juvenile Justice Forum, a newly formed technical working group under the leadership of the Ministry of Justice, and established a Magisterial Court at the Monrovia Central Prison.

Under the Infrastructure and Basic Services Pillar IV, progress was made most notably in rehabilitating roads and bridges. Over the past year, work on primary roads included 28 miles of paved, and 650 rehabilitated roads. The government rehabilitated 69 miles, and paved 37 miles of neighborhood roads. During the same period we completed the rehabilitation of 107 all-weather secondary roads. A total of six Bailey bridges were constructed. In the health sector, the GOL built eight (8) clinics in River Cess, Lofa and Bomi counties.

We also made progress in the transportation, telecommunications, housing, health and education sectors. The Government conducted capacity building in the areas of transport management, economic research, and meteorology. A Comprehensive Telecom and ICT Policy was also developed and is awaiting the approval of the Cabinet. In the housing sector, a finalized plan for the construction of 300 units in Bomi, Margibi and Montserrado Counties was submitted to the Cabinet for approval. The Government acquired 310 acres of land for the development of low income housing in Margibi County. In order to rehabilitate health infrastructure and strengthen social welfare programs, architectural standards for hospitals, health centers and clinics were developed, and a National Social Welfare Policy and Strategic Plan was submitted to the Cabinet for endorsement. Lastly, a new curriculum for "C" certificate teacher training was adopted. Eighty (80) teacher trainers have been recruited, trained and assigned to the various regional teacher-training institutions. A total of 1,115 in-service teachers have been trained and awarded "C" certificates under the new curriculum.

Although the projected implementation costs of the PRS relied primarily on external assistance, the Government of Liberia's budgetary commitment to the PRS in the initial year was 68% of the Fiscal Year 2008/2009 Budget. The PRS implementation rate for the period of April 1, 2008 to March 30, 2009 was approximately 21%. The following interventions were successfully implemented on schedule: 20 interventions under the four Pillars in three major implementation categories, capacity (7), operations (7) and policy (6). There were also 14 activities which were on track to be completed while 73 interventions failed to meet the delivery date. Nearly 80% of year one activities were completed under the Monitoring and Evaluation (M&E) Framework.

It is too early to evaluate the impact of the implementation of these activities. However, the Government of Liberia over the last 12 months has clearly established ownership, enhanced its ability to provide strong leadership in M&E, and developed a mechanism to effectively guide sector program development. At the same time the challenges of low capacity to implement projects, weak institutional arrangements around cross-cutting issues, and slow disbursement of external finances adversely affected delivery.

In light of this assessment of the gains and challenges in the first year of implementation, the Government devised a way forward to ensure effective implementation through strategic interventions for the remaining PRS period. These actions were implemented through the use of a results-based project management approach around PRS deliverables through 90 day cycles. Key sector ministries and agencies, including Health, Public Works, Education, and Agriculture, have incorporated this Rapid Results Approach (RRA) into their work. Thus, the implementation rate has improved from 21% to an outstanding 88%, as of the end of November 2009. Planning capabilities throughout the Government will continue to be strengthened through results-based training exercises for the remainder of the PRS period.

1. Introduction

The Annual Progress Report (APR) presents a review of progress made toward the full implementation of Liberia's Millennium Development Goals (MDGs) based Poverty Reduction Strategy (PRS), which covers the period from April 1, 2008 to June 30, 2011¹. The Ministry of Planning and Economic Affairs (MPEA) has prepared this report in collaboration with all stakeholders in Liberia's development efforts, including government ministries and agencies, donors, and implementing partners, particularly non-governmental organizations (NGOs) and private sector actors. This APR reviews PRS implementation from April 1, 2008 to March 31, 2009. A preliminary first year report was released in June 2009. The Poverty Incidence Map of Liberia (Figure 1-1) represents the challenge facing Liberia's development. Improving upon this map will require the collective engagement of the Government, national stakeholders and the international community.

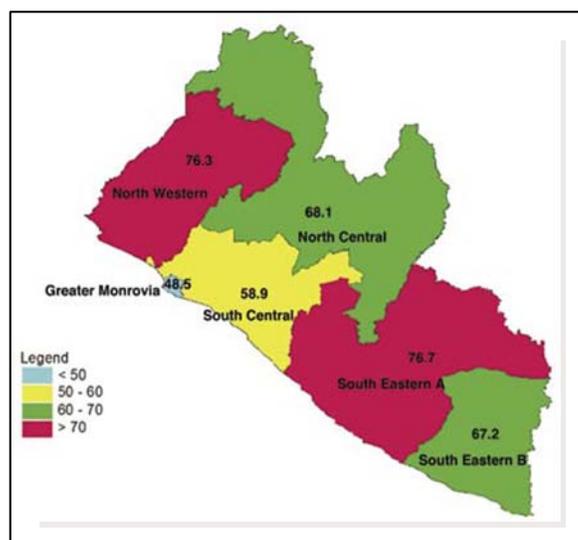


Figure 1-1: Poverty Incidence Map Liberia (LISGIS) 2007

The APR is intended to promote a deviation from the past where development reporting and citizens' participation in the various aspects of development were non-existent. It provides a gauge for measuring performance and national ownership through the budgetary process.

This report was developed with the following objectives and scope:

- Conduct a full-scale desk review of implementation status of sector-level outputs in the PRS;
- Review monitoring data from the national M&E Deliverable Tracking Tool to assess the progress of implementation in all priority intervention areas;
- Document implementation progress of sector outputs against projected timeframe;
- Assess implementation activity across all sectors and lead Ministries for all priority intervention areas;
- Assess implementation activity across the functional areas of policy formulation, capacity development, and operational programs;

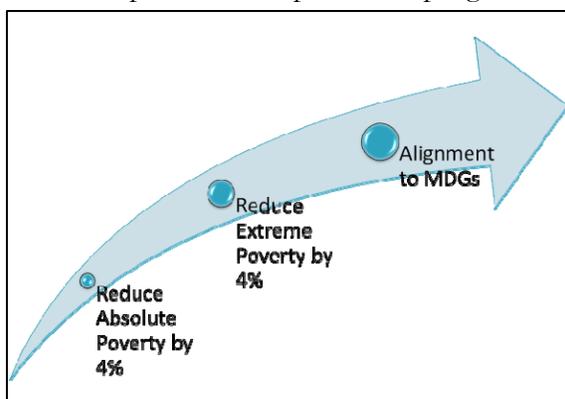


Figure 1-2: Poverty Reduction Objectives (Source: PRS, 2008)

- Assess progress in implementing cross-cutting priority interventions;
- Identify specific cross-cutting issues in implementation such as gender equity, peace building, the environment, HIV/AIDS, and children and youth; and
- Identify implementation gaps based on stakeholder inputs.

¹ Poverty Reduction Strategy, Republic of Liberia, April 2008:13

The APR documents actual deliverables due, progress achieved, challenges, and lessons learned during the PRS implementation from April 1, 2008 to March 31, 2009. It also serves as a tool to increase successful performance during the PRS' second and third years.

This report is organized into the following chapters: Chapter 2 analyzes the macroeconomic and growth framework of Liberia; Chapter 3 provides an analysis of the implementation of deliverables in the four PRS Pillars; Chapter 4 discusses M&E processes, measurement of progress toward M&E achievements, and M&E institutional arrangements; Chapter 5 examines five cross-cutting issues including gender equity, peace building and conflict sensitivity, the environment, HIV/AIDS, and children and youth. Finally, Chapter 6 presents preliminary findings from the first year of PRS implementation and gives recommendations for accelerating implementation.

2. Macroeconomic and Growth Framework

As Liberia makes progress in overcoming the devastating effects of years of civil conflict, the Government's implementation of policies to foster economic growth, increase foreign direct investment and promote exchange-rate stability, are crucial. Real gross domestic product (GDP) grew by 7.8 percent in 2006. The growth rate increased to 9.4 percent in 2007, before slowing to an estimated 8.3 percent in 2008 (IMF & GoL Staff estimate, 2009). GDP was projected to decrease to 6 percent in 2009 and 5.5 percent in 2010, before recovering to 11 percent in 2011. These projected growth reductions were due to the global financial crisis, which adversely affected inflow-export earnings, remittances, and unemployment. The crisis led to a drop in rubber prices of over 63 percent between October 2008 and January 2009. There was also a loss of income by the Central Bank of Liberia (CBL) from reduced interest rates on its foreign deposits. A decrease in remittances from US\$303.3 million at the end of 2007 to US\$181 million at the end of November 2008 also occurred. Salary cuts and lay-offs, especially in the rubber sector, led to a reduction in both current and planned investments. The Government responded by taking several fiscal measures, such as proposing specific tax cuts on personal and corporate incomes and eliminating taxes on the importation of rice.

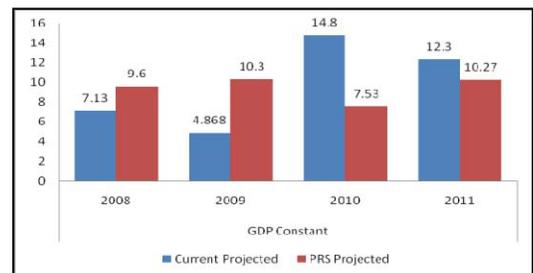


Figure 2-1: Economic Growth Rate PRS vs. Current (Source: IMF & GoL)

2.1 OUTLOOK OF SELECTED MACROECONOMIC INDICATORS

In spite of the global financial crisis, economic growth performance has been positive. The 2008 growth rate fell below the projected 9.5 percent, and maintained a healthy 8.3 percent.² The rate of inflation has been steadily declining since its peak in mid-2008. Moderating food and fuel prices has helped to decelerate the growth of the consumer price index (CPI) to 9.4 percent at the end of December 2008 from its height of 26.5 percent in August 2008. Consumer price inflation is expected to decline further to 7 percent by the third year of the PRS.

² This slowdown of GDP growth was primarily caused by the decline in prices of agricultural exports and unfavorable terms of trade.

Agriculture was one of the major contributors to GDP growth during the last three years, most notably in the production of rubber, cassava, and rice. Agricultural output expanded by an estimated 7.3% in 2007. Rubber production leveled off in 2008, consistent with the lack of growth in rubber exports after the first quarter of 2008. As a result, agricultural output was expected to expand by 3.6% in 2008.

Forestry production, which was initially predicted to increase in 2008, remained stagnant. Fortunately, GOL awarded forestry contracts to two Liberian companies, Liberia Tree and Trading Company and BJ&J Investment Corporation. These agreements promise over USD\$20 million in investment and are expected to create more than 500 jobs.

Gold and diamond production began to increase in 2007 and accelerated in 2008. These two sectors made an important contribution to overall growth in the last two years. Iron ore production has yet to resume, but it has the potential to make an enormous contribution to overall GDP in the upcoming years.

The most significant contributions to growth came from a variety of service industries. Expansion by 10-15% in construction, hotels, restaurants, trade, and financial and government services has made important contributions in overall output in the last several years. Growth in these industries continued in 2008.

2.2 PUBLIC FINANCIAL MANAGEMENT

The Government developed the Public Financial Management (PFM) framework, submitted a new comprehensive PFM law to Legislature, began implementation of an integrated financial management information system (IFMIS), improved a manual of the accounting system, and created a medium-term macro-fiscal framework.

2.3 FISCAL POLICY

The Government committed itself to the improvement of revenue collection by implementing tax administration reform and automation, developing a comprehensive national debt management strategy, and improving the country's debt management capacity. A number of deliverables implemented are highlighted below.

2.3.1 Tax Policy Reform and Modernization of Revenue Administration

In order to maximize the benefits from natural resources, the mineral and forestry taxation policies and procedures were revised. Discretionary exemptions for tax and customs are no longer granted and the Government now has an amended Liberia Revenue Code (LRC), which is consistent with the Liberia Investment Code (LIC). The Government also prepared a list of exceptions to the Liberian tariff rate and the phased transition plan for harmonization to the Economic Community of West African States (ECOWAS).

2.3.2 Revenue

Government's projected revenue continued to rise by 49 percent from US\$199 million in 2007/08 to US\$298 million in 2008/09. The expected rise in revenue is due mainly to vigilance in tax collection efforts, expansion of the tax base, and elimination of discretionary exceptions. The Government continues to maintain a balanced budget until borrowing can resume, following the completion of the Highly Indebted Poor Country (HIPC) program expected in June 2010.

2.3.3 Expenditure

As the GOL continues to operate a cash-based balanced budget, projected expenditure and projected revenue are equal, although actual expenditure could be less than actual revenue collection. Total actual expenditure in 2008/09 was US\$251 million, which is an increase in 23 percent from US\$203 million in 2007/2008.

2.3.4 Domestic Debt Management

The Government's total domestic debt was US\$913 million in June 2009. US\$615 million of this amount is in unverified claims. Since 2006, the Government has made total debt payments of US\$26.5 million, leaving the total verified outstanding debt stock at US\$298 million.

2.3.5 External Debt Management

The Government significantly reduced its external debt by implementing HIPC compliance requirements – the PFM law, alignment of the investment code with the LRC, and finalizing the IFMIS. The Government made big strides on the HIPC program. Liberia's external debt decreased from a total of US\$4.9 billion in June 2007 to US\$1.8 billion in June 2009. This extensive debt forgiveness includes US\$1.7 billion in commercial debt and US\$896 million in bilateral debt. The majority of total outstanding debt is owed to the IMF and other Paris Club bilateral donors.

3. PRS First Year Implementation

The PRS committed the GOL to completing a total of 107 deliverables in the first year of implementation, in the following categories: capacity, operational, and policy. The discrete cumulative completion rate during the first year was approximately 21% across all Pillars (see Figure 3-1). Table 3-1 shows the breakdown of the first year's deliverables by pillar and category, and Table 3-2 shows the breakdown of deliverables by category and framework. In addition to the four Pillars, the PRS also includes two framework components: the Growth and Macroeconomic Framework and the Monitoring and Evaluation Framework. It should be noted that, for the first year, policies and policy dependent deliverables constituted 61% of all deliverables, while 24% were projects (operational) and 15% were capacity related (see Figure 3-2).

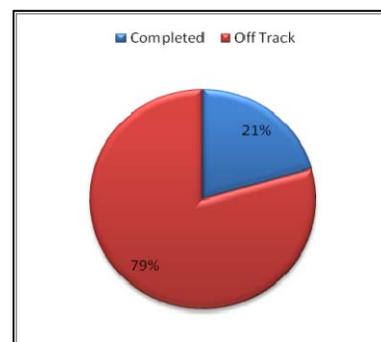


Figure 3-1: Completion Rate - PRS Year 1 (Source: DTT 2008-2009)

Pillars	Capacity	Operational	Policy	Grand Total	Minor Pillars	Capacity	Operational	Policy	Grand Total
ERC	10	10	26	46				4	4
GRL	3	8	7	18				1	10
IBS	1	11	20	32					
SEC	3	2	6	11					
Grand Total	17	31	59	107	Grand Total	5	4	5	14

Table 3-2: Deliverables by Frameworks (Source: DTT 2008-2009)

Table 3-1: Deliverables by Pillars (Source: DTT 2008-2009)

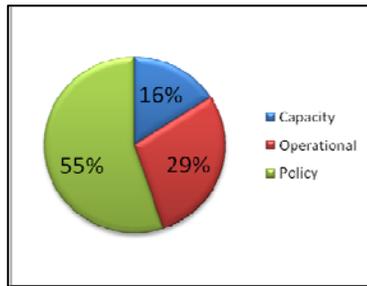


Figure 3-2: Category of deliverables (source: Deliverable Track Tool (DTT), 2008-2009)

3.1 PROGRESS ON PILLAR I: CONSOLIDATING PEACE AND SECURITY

The SEC Pillar was expected to have completed 11 deliverables. Of this number the Pillar completed 2 deliverables or 18%, while 9 deliverables or 82% were incomplete. The most frequently cited constraints by line ministries and agencies that work within the SEC Pillar were:

- Lack of funding to implement deliverables;
- Legislative constraints to pass security related bills (i.e. draft legislation to amalgamate security agencies are complete, but streamlining is expected to be completed after security legislation is ratified);
- Overlapping and ambiguous activity descriptions;
- Limited timeframes to implement deliverables.

3.1.1 Progress and Achievements on Strengthening Peace and Security

The overarching goal of Pillar I is to create a secure and peaceful environment, both domestically and in the sub-region, that is conducive to sustainable, inclusive, and equitable growth and development.

3.1.2 PRIORITY AREA I: Restructuring and Reforming Security Institutions

The strategic objectives for this priority area are (i) to provide strategic and statutory guidance for security institutions, and (ii) build the capacity of security institutions. The following deliverables are due in this reporting period:

- Formulate and implement the National Security Sector Reform Liberia – Implementation Matrix (NSSRL-IM), consistent with the PRS Cycle and annual validation exercises with associated costing;
- Streamline security institutions to curb proliferation of agencies;
- Repeal and amend statutory provisions of streamlined security agencies and that of host agencies in line with the NSSRL and National Security Architecture;
- Include gender and disabilities-sensitive, as well as environment-sensitive modules in curricula of security institutions;
- Reassess the ongoing vetting process and other practices with relation to the recruitment, training, and deployment of LNP personnel, including consideration of establishing merit-based standards; entry requirements; accountable procedures for promotion and assignment; a Civilian Oversight Board and mentorship programs;
- Establish the National Coast Guard, pending enactment of the Defense Act;
- Conduct an operational needs assessment of security institutions;
- Prepare a medium-term budget for each national security institution to meet operational needs.

Armed Forces of Liberia: The Armed Forces of Liberia (AFL) have completed the basic training of 2000 soldiers and reactivated the 23rd Infantry Brigade. A number of specialized training programs were conducted nationally and internationally. Soldiers from the United States and West Africa are currently providing mentorship to the AFL. In order to be fully operational, the AFL needs to complete the ongoing Army Training Evaluation Program (ARTEP), and is expected to do so by the end of November 2009.

Liberia National Police, Civilian Oversight Board and Mentorship Programs: The Liberia National Police (LNP) personnel vetting and verification process is complete, and an updated personnel list, merit-based standard entry requirements, revised promotion policy and accountability procedures have been developed. In addition, a British team performed the LNP's administrative and operational assessment and submitted a report.

Overall, some progress was made towards building the LNP's capacity. Although LNP was slow in establishing a Civilian Oversight Board, discussions regarding its development are being held amongst relevant ministries and agencies. Staff recruitment has been slower than projected. In 2007, there were 3,679 LNP staff members. In October 2009, there were 3,975 LNP staff members and the police-citizen ratio was 1:880. LNP is unlikely to achieve its target of a police-citizen ratio of 1:700 by 2011.

Liberia National Coast Guard: The Defense Act of 2008 instituted the Liberia National Coast Guard (LNCG). The LNCG has a mandate to ensure the security of Liberia's maritime borders and natural resources. The LNCG Selection Board chose forty-four Coast Guard personnel and the Coast Guard Commandant. Africa Command (AFRICOM) and the United States Coast Guard HG are advising in the recruitment of an on-site Coast Guard Programmer.

Conduct operational needs assessment: A technical team conducted the operational needs assessment of security institutions, including the Liberia National Police (LNP), Bureau of Immigration & Naturalization (BIN), Bureau of Corrections (BOC), National Fire Service (NFS), Armed Forces of Liberia (AFL), Special Security Services (SSS), and National Security Agency (NSA). The result of the assessment was useful in the formulation of the National Security Sector Strategy for the Republic of Liberia with its attendant Implementation Matrix (NSSRL-IM) for each security agency. Implementation of the NSSRL-IM has begun for all security institutions.

Comprehensive Deployment Plans: The LNP and NSA are implementing their deployment plans throughout the country.

Medium-term budget: All security institutions (LNP, BIN, BOC, NFS, AFL, SSS and NSA) have established the requisite medium-term budgetary mechanism for PRS and NSSRL-IM activities. However, the Government has not yet implemented the medium-term budgetary framework. Programs in the security sector are budgeted under the Government's fiscal year budgetary framework. In order to know which programs will be financed during the ensuing fiscal year, the Government must implement the medium-term budgetary framework.

Streamlining security institutions: The primary challenge in streamlining the security institutions involves gaining political will. A legal framework for security sector reform, with specific amendments to the security sector's statutory instruments, has also been difficult to develop. It is unlikely that the security forces will be fully streamlined by 2011. A transitional committee has been formed to design the new

security architecture and strategy³; a team headed by the LNP submitted a preliminary report to the Ministry of Justice. It is necessary that an independent team be formed with a mandate to define the structure of the LNP, in accordance with the new security architecture.

Repeal and amend statutory provisions of streamlined security agencies: A merger of security agencies is underway. Draft legislation for the merger is complete and the bill is pending approval by the Legislature. In order to provide strategic and statutory guidance, some progress has been made in repealing and amending statutory provisions of security institutions with respect to the NSSRL and National Security Architecture.

Standard operating procedures: Although the majority of security institutions have not yet devised their standard operating procedures (SOPs), the NSA implemented SOPs for their officers.

3.1.3 PRIORITY AREA II: Strengthening of Human and Personal Security

The strategic objectives for this priority area are to (i) provide adequate territorial protection and law enforcement services to the general population of Liberia, and (ii) ensure institutional participation in security governance and functions. The following are deliverables due in this reporting period:

- Enhance Community-Oriented Policing to improve relations between civilians and security institutions;
- Prepare comprehensive deployment plans for security institutions;
- Provide adequate human and personal security, especially for women, girls of school age, and persons with disabilities; including ensuring more speedy prosecution of violations against human security;
- Develop a county-based security mechanism to coordinate and promote local management of peace and security, including civilian and local government participation in security governance.

Community-oriented policing: Minister of Justice and the Deputy Special Representative of the United Nations Secretary-General (DSRSG) for Governance and the Rule of Law, H.E. Henrietta Mensah-Bonsu visited the Republic of Ghana to view the community policing system and gather lessons learned to inform the Liberian system. The LNP has also instituted mechanisms and structures to improve security-civilian relations. At the community-level, there has been significant progress in enhancing community-oriented policing and improving relations between security institutions and civilians. The provision of communication equipment (over 70 mobile phones) was instrumental in the expansion of the police coverage in all fifteen counties. In addition, over 500 community meetings, led by County Chairpersons, were conducted on a regular basis. Rotational meetings were also held between LNP authorities and the forum members.

A community telephone hotline was established by the police law enforcement service to improve police operations, promote better interaction with the public, and raise the profile of law enforcement. Over 70 phones were procured for the LNP to provide support for community-friendly policing purposes. This gives the public more opportunities to report crimes and acquire information about police activities. A police forum has been established at the LNP Headquarters, which incorporates an alternative dispute resolution framework aimed at resolving minor family offences and misdemeanor crimes. Within this

³ Gompert, David C., Olga Olikier, Brooke Stearns, Keith Crane, and K. Jack Riley. *Making Liberia Safe: Transformation of the National Security Sector*. RAND National Defense Research Institute, 2007, pp. 88.

setting, community leaders, parties to the conflict, witnesses, and LNP officers find amicable resolutions to disputes.

Inadequate communication equipment, transportation, and other logistical support are among the significant constraints undermining community-friendly policing nationwide. These challenges are most severe at the district and county levels.

County-based security mechanism: At the county-level, a coordinated security mechanism is functioning in nearly all of the fifteen counties. The County Security Council (CSC) was developed with full participation of the County Superintendents, and will be operational as of December 2009.

Mainstreaming gender, justice and equality: While the overall crime rate has declined, the higher number of reported rape cases appears to be a result of an increase in Sexual and Gender Based Violence (SGBV) sensitization awareness campaigns by the Government and CSOs. There is also a growing willingness on the part of women and girls to report rape and other violent sexual crimes, and an increase in the public's confidence and trust in the police. The Sexual and Gender Based Violence SGBV Crimes Unit at the Ministry of Justice, and Criminal Court E at the Temple of Justice, were both established to prosecute rape and other SGBV offences. A judge was appointed and other court personnel are being recruited. The development of SOPs for police and prosecutors in SGBV cases is ongoing. The Government also established the Women and Children Protection (WACP) section at the LNP Central Headquarters in Monrovia and the fifteen county capitals. The expansion of WACP outside of the capital brings much-needed assistance to women and children who suffer from all forms of abuse in the remote areas.

3.1.4 PRIORITY AREA III: Building and Maintaining Regional Peace and Security

Although there are no deliverables in the PRS for Priority Area III, the Government made the following accomplishments during the reporting period:

Liberia participates fully in the Mano River Union (MRU), Economic Community of West African States (ECOWAS), and the African Union (AU); and the Government has undertaken measures to foster stronger collaboration with member States of these organizations. Liberia hosted the Conference of ECOWAS Chiefs of Defense Staff where a strategic framework was created for Liberian participation in ECOWAS and AU Standby Forces. The AU and ECOWAS have also made regular contributions to Liberia's Security Sector Reform. ECOWAS military officers serve as mentors in the restructured AFL, through their participation in the Security Pillar.

3.2 PROGRESS ON PILLAR II: REVITALIZING THE ECONOMY

3.2.1 Progress and Achievements on Economic Revitalization

The goal of the Economic Revitalization (ERC) Pillar is to establish a stable and secure environment for sustainable economic growth and development. The ERC Pillar was expected to have completed 46 interventions in the first year (including 4 deliverables from the GMF component). Of this number, the Pillar successfully completed 11 deliverables (or 24%); 3 deliverables (or 7%) are "on track," while 32 deliverables (or 69%) have missed delivery dates, despite some progress. The latter 35 deliverables are considered incomplete. ERC had the largest number of policy and legislative related deliverables in its first year.

The most frequently cited constraints by line ministries and agencies in the ERC pillar were:

- Lack of funding to implement deliverables;
- Legislative constraints to pass ERC related bills; and
- Lack of human capital to implement deliverables.

3.2.2 PRIORITY AREA I: Agriculture and Food Security

During the first year of PRS implementation, the Government had no specific deliverables planned for the agriculture and food security sector. All deliverables are due at the end of the second and third years of PRS implementation. The Government must therefore accelerate its deliverables in the coming years, given the significance of the sector for economic growth, and given the dependence of 70 per cent of the rural population on agriculture and farming for their livelihood and employment.

3.2.3 PRIORITY AREA II: Forestry

The forestry sector was stagnant in 2008 and 2009. Major investments totaling over US\$20 million are expected to create jobs and contribute to the growth of the economy. The Forestry Priority Area of the PRS had two strategic objectives for the reporting period: (i) to conserve Liberia's biodiversity and maintain resource benefits for local communities; and (ii) encourage local communities to sustainably manage their forest by creating rights, transferring control and building local capacity for forest management within the communities.

The anticipated deliverables over the same period are:

- The management of existing protected areas (Nimba Nature Reserve, and Sapo National Park);
- Develop, update and implement policies and regulations on bushmeat, wood energy, and other non-wood forest products;
- Empower local communities to establish their rights and responsibilities with respect to forest management that allows communities to maximize their benefits from all potential uses.

In the forestry sector, the GOL undertook actions to re-energize economic growth through job creation and rural employment, especially for women. The Ministry of Agriculture and the Forestry Development Authority (FDA) created a livelihood project, which is geared towards promoting peace and security through sustainable community-based natural resources management.

More specifically, the FDA took actions to protect and manage the Nimba Nature Reserve and the Sapo National Park. The Inter-ministerial Concessions Committee (IMCC) has also approved three additional protected areas in the country: Wanagizi Forest in Zorzor District, Lofa County; Gola Forest in Bopolu District, Gbarpolu County; and Lake Piso, in Grand Cape Mount County.

The FDA also developed draft policies and regulations on bushmeat, wood energy and other non-wood forest projects. Government is awaiting a national consultative process, before moving forward with this. The FDA, working in collaboration with MOA and MIA, has also drafted the Community Rights Law with respect to forestland; it is currently under review by the National Legislature. Since its establishment, the Community Forestry Development Committee (CFDC) has signed forest management agreements in Gbarpolu, Lofa and River Cess Counties.

Given the great significance of wildlife conservation and the economic empowerment of local communities, three FDA staffs were trained in the Republic of Guinea, in the area of cane rat and ground hog farming. The building materials for the construction of cane rat shelters are currently being procured.

3.2.4 PRIORITY AREA III: Mining

The global financial crisis had a negative impact on the mining sector in Liberia. However, the mining sector was able to move forward with several strategic PRS-related objectives, including establishing a guiding framework for the management of mineral resources. Key deliverables in the mining sector during the period were:

- Review and amend the new Minerals and Mining Law to align it with the National Mining Policy, the Public Procurement and Concession Act, the new Forestry Law, the Extractive Industries Transparency Initiative (EITI), the Kimberly Process, and the Revenue Code;
- Consolidate stakeholders' comments on a model Mineral Development Agreement (MDA), including those of Government ministries and agencies;
- Secure Cabinet and Legislative endorsement of the Model MDA;
- Review and approve the draft design of a Mining Cadastre Information Management System (MCIMS);
- Obtain the physical location, trained staff and equipment necessary to implement MCIMS;
- Analyze the impact of existing regulations on small-scale miners, and amend them to facilitate small-scale mining and ensure the protection of human rights and the environment;
- Initiate sensitization and awareness campaigns to encourage the use of cooperative schemes, human rights protection, and environmentally sound practices;
- Provide training and equipment to small-scale miners to improve efficiency and lessen the negative environmental impacts;
- Train staff to implement MCIMS.

The Government began the process of establishing a guiding framework for the management of mineral resources. This framework defined clear terms and provisions for mining operations; developed the tools for assigning title to mineral claims and resolving disputes; and provided support for small-scale mining, with emphasis on advanced techniques and better social and environmental practices. The new Minerals and Mining Law has been reviewed and amended with respect to the proposed Public Procurement and Concession Act (PPCA). The International Senior Lawyer Program is finalizing the PPCA harmonization amendments. They will essentially eliminate the need for a PPCA 002 exploration license, reducing the bureaucratic procedures involved in mining.

Further efforts have been made to define clear terms and provisions for mining operations. All comments and feedback from major national stakeholders and key line ministries and agencies were incorporated into the model Mineral Development Agreement (MDA). International lawyers worked on revising the document, and a final draft of the model MDA was submitted to Cabinet and the National Legislature for approval.

A recently completed office building for the Mining Cadastre Information Management System (MCIMS) will enable the Government to develop and obtain the tools for assigning title to mineral claims, and to remove claims disputes. The Government has also contracted a short-term technical assistant on artisanal small-scale mining. This individual will be responsible for analyzing the impact of existing regulations on small-scale miners, making amendments to facilitate small-scale mining and ensuring the protection of human rights and the promotion of environmentally safe best practices.

National stakeholders' workshops have been conducted on the four mineral regulatory framework documents. The workshops served as a first step in the public sensitization and awareness campaigns

about exploration and mining activities. Countywide tours will further explain the differences between exploration, mining and other issues.

3.2.5 PRIORITY AREA IV: Land and Environmental Policy

Progress on the development of the Land and Environmental Policy was slower than anticipated. An act to establish a Land Commission was drafted and presented to the National Legislature. Once signed into law, the Government will expedite the appointment and orientation process of the Commissioners and the Commission's Technical Secretariat.

3.2.6 PRIORITY AREA V: Private Sector Investment

The goal of this priority area was to create a strong enabling environment for private sector investment and exports in non-traditional activities. The strategic objectives for this area are: (i) to reduce or eliminate unnecessary business regulations and administrative requirements; (ii) to improve the investment code; (iii) to build the capacity of the investment-promotion institution; (iv) to facilitate the integration of Liberian firms with regional and global markets.

The deliverables for the period under review are:

- Implement established administrative reforms as identified by the Business Reform Committee, with initial emphasis on those associated with starting a business, licensing, registering property, and trading across borders;
- Submit legislation to streamline investment procedures and to level the playing field between domestic and foreign investors;
- Establish an SME Business Support Unit;
- Investigate the feasibility of developing an SEZ near Buchanan and other locations over the medium term;
- Convene major investment forums;

Private sector investment in terms of previously agreed upon administrative reforms, investment code, and SME business support were areas where improvement was made.

In order to reduce unnecessary business regulations and administrative requirements, a Business Reform Committee was formed. Subsequently, the Committee reduced business registration procedures from 59 to 21 steps. The implementation of agreed administrative reforms has made continued progress, but legislative enactment and judicial processes are still pending.

Moreover, a revised Liberian Investment Code was developed to streamline and improve investment procedures and regulations. A stakeholders' consultative workshop on the investment code for re-submission and enactment by the National Legislature was conducted.

The International Finance Corporation (IFC) provided support in the amount of US\$2 million to implement an initial survey on the reorientation of the functions of the National Investment Commission (NIC) from a regulatory role to facilitating role as the investment-promotion institution of Liberia. The goal is to build the capacity of the NIC to attract greater investment to the country.

The Government has spent US\$1 million to support the establishment of an SME Business Support Unit in Gbarnga, Bong County and Zwedru, Grand Gedeh County. More funding is still required to expand SMEs' services in other parts of the country.

3.2.7 PRIORITY AREA VI: Financial Services

In order to promote a stable market-based financial system, and enhance the viability of this sub-sector, GOL through the Central Bank of Liberia (CBL), the National Legislature, and the Ministry of Justice (MOJ) aimed for the accomplishment of two priority interventions during the lifespan of the PRS. The objectives of these interventions are twofold: (i) ensuring that commercial banks were fully capitalized, and (ii) broadening and extending financial services to Micro, Small and Medium enterprises (MSME). The actual deliverables during the reporting period are as follows:

- Increase minimum capital requirement for entities that operate as banking institutions from \$2,000,000;
- Develop a national microfinance policy;
- Modify appropriate provisions of the Financial Institution Act to make it applicable to microfinance and other non-deposit taking financial institutions;
- Publish a list of banks licensed to operate in Liberia.

To this end, the CBL raised the minimum capital requirement for commercial banks to US\$6 million in December 2008. The bank also established a Microfinance Unit, and prepared a draft National Microfinance Policy document for Liberia, which is currently being reviewed by all stakeholders. Further, the CBL in collaboration with the IFC has drafted the legal and regulatory framework with modified provisions for the Financial Institution Act. GOL is currently analyzing the draft framework which, when approved, would be either an amendment to the Financial Institution Act, or maintained as a separate framework to be submitted to the National Legislature for approval.

In line with the strategic objective of strengthening depositors' protection and improving confidence in the financial system, the CBL, on March 19, 2008, published the official list of commercial banks and financial institutions licensed to operate in Liberia.

3.2.8 PRIORITY AREA VII: Generating Productive Employment

A major goal of the Government over the life of the PRS is the promotion of productive employment that will reduce poverty, ensure peace, and enhance the overall wellbeing of the Liberian population. In order to accomplish this goal, GOL laid out three priority interventions in the PRS for the period under review: (i) strengthening of overall labor policy and administration; (ii) creation of more and better jobs for Liberian men, women and youth; and (iii) developing a national market information system.

The deliverables for the reporting period are:

- Formulate a draft labor code and submit for enactment;
- Conduct sensitization and awareness campaigns on labor code;
- Review and set a national minimum wage;
- Establish an institutional framework for the Liberia Employment Action Program (LEAP);
- Promote community-based job creation through labor-intensive public works projects;
- Establish a data repository system for labor market information;
- Provide computers and accessories for Statistical Bureau;
- Conduct labor force survey.

In furtherance of the associated strategic objectives, a Tripartite Committee to organize a national labor conference for the purposes of reviewing and reforming the labor laws was formed, and a stakeholder workshop was conducted in order to solicit ideas that could inform new labor policies and laws.

Other government initiatives included the formation of The Inter-Ministerial Employment Committee and its Technical Sub-committee; and the formation of the National Bureau of Employment (NBE), which was borne out of the merger of Bureau of Employment Services (BES) and the Liberia Employment Action Program (LEAP). On the job creation front, 59,739 short-term, labor-intensive jobs were created between January – December of 2008, through community-based, and local economic development projects. The Minimum Wage Board, which has a mandate to review and set a minimum wage in Liberia, has been constituted, and they are expected to act on recommendations from independent research on Liberia’s labor force survey.

3.2.9 PRIORITY AREA VIII: Management of State-owned Enterprises, and Regulatory Agencies

The strategic objectives under this sub sector are geared towards the dissolution or privatization of State-Owned Enterprises (SOE) and agencies that are moribund, unnecessary, or more appropriate for private ownership. The Government will also continue to improve efficiency and economic governance within the remaining SOEs. This area remains a challenge for GOL, as little or no progress was made in managing state-owned enterprises and other regulatory agencies.

3.3 PROGRESS ON PILLAR III: STRENGTHENING GOVERNANCE AND THE RULE OF LAW

High rates of corruption, limited justice, and the lack of human capacity have weakened governance and the rule of law. The Governance and Rule of Law (GRL) Pillar was expected to have completed 18 deliverables during the period under review. Of this number, the Pillar completed only 4 (or 22%) deliverables; and 14 (or 78%) are off track. The most frequently cited constraints by line ministries and agencies under the GRL pillar were:

- Lack of funding to implement deliverables;
- Aggregation of MOJ and the Judiciary activities;
- Need for the separation of the Governance component from the Justice and Judiciary components;
- Lack of human capital to implement deliverables.

In developing this pillar, the GoL was guided by a set of principles that are essential for strengthening democratic rule and good governance, including providing for meaningful inclusion and participation of Liberians across the regions and social classes in Government processes; empowering all Liberians to participate in and take ownership of decision-making and development; building consensus around national priorities; ensuring responsiveness by Government to the concerns expressed by Liberians; increasing the transparency and accountability of Government decisions and actions; applying rules fairly and impartially; and creating opportunities for all Liberians.” (PRS, April 2008:85).

3.3.1 Progress and Achievements on Governance and the Rule of Law

The goal of the Governance and Rule of Law Pillar is to build and operate efficient and effective institutions and systems, in partnership with the citizens, that will promote and uphold democratic governance, accountability, justice for all, and that will strengthen peace. There are three strategic objectives that are aligned with this goal: (i) increase and enhance citizen participation in and ownership of government policy formulation and implementation; (ii) strengthen and enhance the effectiveness and

efficiency of public institutions and functionaries; and (iii) strengthen and enhance the effectiveness and integrity of legal and judicial institutions.

Deliverables during this reporting period:

- Develop and endorse a national decentralization policy and strategic operational agenda;
- Review and reform the mandate of the Monrovia City Corporation to improve service delivery and manage urban growth;
- Complete a comprehensive civil service reform strategy;
- Formulate, approve and commence implementation of policy guidelines and an operational framework to effectively guide the recruitment, placement, training, management and retirement of public servants and functionaries in a gender equitable manner;
- Enact and begin implementation of a Code of Conduct for public servants promulgated by the National Legislature and adopted as guiding principles for the public service;
- Design and install a biometric identification system to ensure greater transparency and accountability in the allocation and utilization of public servants and Government officials, and link the system to the Integrated Financial Management System (IFMIS) at the Ministry of Finance;
- Finalize the structure and mandate of, and establish by legislation, the Anti-Corruption Commission adequately resourced with capacities to monitor and ensure greater transparency and accountability in the prudent use of national assets and resources, and address corruption effectively;
- Identify critical staffing and skills gaps within all legal and justice institutions, and develop a prioritized strategy for remedying these that is gender sensitive, in particular focusing on recruitment standards, in-service training, pay and incentives, appropriateness of pre-employment legal education, and full use of wider national programs for enhancing civil service capacity, e.g. SES/TOKTEN;
- Identify a prioritized list of outstanding infrastructure and operational equipment requirements for all legal and judicial institutions, focused on: ensuring effective and equal delivery of justice in all counties and districts; tackling serious crime and disorder; and enabling the rapid resolution of commercial and property disputes;
- Strengthen the juvenile justice system, with a particular focus on diversion programs for youth;
- Establish a national policy for crime prevention, with an emphasis on community participation;
- Establish a Law Reform Commission that will review, and make recommendations to revise civil, criminal and commercial laws; and
- Identify and implement specific measures to boost the focus on rehabilitation within the corrections system.

The most significant improvement made by the Government has been the consolidation of democratic development in post-war Liberia. Since 2005, eight consecutive legislative by-elections have been conducted in a free, fair and peaceful manner, where the ruling Unity Party won four elections and lost four to the opposition political parties. This is evidence of legislative strengthening and the maturation of Liberia's newly functioning democracy.

Stronger governance and the rule of law have also emerged in the country. Enforcement of the Inheritance and Rape Laws has resulted in the protection of the basic human rights of all Liberians, particularly women and girls. Prior to the passage of the Inheritance Law, Liberian women could not

inherit either land or property under customary laws. Due to the passage of this law, women are now entitled to inherit one-third of her deceased husband's property.

The Rape Law was amended and strengthened in December 2005 to explicitly state that rape is a criminal act. In addition, Title 17 of the Judicial Law of 1972 was amended to establish Criminal Court "E" which has original jurisdiction over sexual crimes of rape, gang rape, aggravated involuntary sodomy, involuntary sodomy, voluntary sodomy, corruption of minors, sexual abuse of wards and sexual assaults. Further, a SGBV Crimes Unit has been set up by the Ministry of Justice (MOJ) to prosecute sexual crimes.

All of these legal instruments indicate remarkable achievement. Governance and the rule of law are advancing human and personal security, as well as improving the socio-economic well being of women and girls.

3.3.2 PRIORITY AREA I: Enhancing Citizen Participation in and Ownership of Government

GOL has launched several priority interventions that are meant to: i) increase and enhance citizen participation in and ownership of government; (ii) build a system of national integrity; (iii) strengthen civil society participation in governance; and (iv) address gender inequalities.

Decentralization of political governance and social responsibilities: The Government is developing a policy framework document and a strategy paper for the national decentralization agenda.

Building a system of national integrity: GOL has undertaken several strategic measures to fight corruption including: (i) the establishment, in October 2008, of the Liberia Anti-Corruption Commission (LACC), which has a mandate to build its capacity to the extent that it will be able to ensure greater transparency and accountability in the use of national resources;(ii) the submission to the Legislature a proposed bill on the Code of Conduct for public servants; and (iii) the presentation of the Proposed Whistle Blower Statute to the Legislature.

Strengthening civil society participation in governance: Since 2005, civil society organizations (CSOs) have played a larger role in the fight against corruption. For example, the CSOs played a pivotal role in the formulation of the Freedom of Information Act and the Whistle Blower Statue. These proposed legislations have since been passed by the National Legislature.

Addressing gender inequities: GOL has experienced immense successes in the formulation, approval, and implementation of policy guidelines and an operational framework to effectively guide the recruitment, placement, training, management, and retirement of public servants and functionaries, in a gender equitable manner. Gender equity is a cross-cutting issue in the Civil Service Reform program, emphasized in the Civil Service Reform Strategy (CSRS), and is currently integrated into various sections of the CSRS including human resources management, pay reform and pension with varied and extended dates.

Code of Conduct: A Code of Conduct for public servants has been developed and submitted to the National Legislature for approval. This activity has been aligned strategically with a number of related human resources management reforms, including the CSRS.

3.3.3 PRIORITY AREA II: Building Effective and Efficient Public Institutions

Reviewing laws and the Constitution: During the period under review, GOL established the Liberia Law Reform Commission, which has the mandate to review and make recommendations on the legal and

regulatory framework to promote the rule of law. The Commission will revise all conflicting statutes including civil, criminal and commercial laws, and propose amendments to the Legislature.

Civil service reform: The Government designed and adopted a comprehensive Civil Service Reform Strategy (CSRS), which was approved by Cabinet on June 19, 2008. The CSRS has been well received by national stakeholders, with Liberians at home and abroad embracing the Government's efforts to improve the public sector. The implementation of the CSRS was fully achieved with specific priority areas, including pay reform, right-sizing, restructuring, and the development of a national biometric identification card system for public sector workers.

3.3.4 PRIORITY AREA III: Strengthening the Effectiveness and Integrity of the Legal and Judicial system

Identifying human capacity gaps within legal and judicial institutions: Having identified critical staffing and skills gaps within the legal and judicial institutions, the Ministry of Justice (MOJ) recommended the appointment of three new Assistant Ministers (Litigation, Taxation, and Codification) and 12 County Attorneys who are qualified law school graduates. The two Assistant Ministers for Taxation and Litigation have been appointed, while the Assistant Minister for Codification is yet to be appointed. All 12 County Attorneys and 3 Assistant County Attorneys are qualified lawyers, representing an improvement over previous lower standards in the country. MOJ and the Judiciary have held several strategic planning sessions, geared at addressing these pertinent issues. Development and dissemination of the implementation plan is in progress.

Identifying infrastructure and operational equipment requirements for legal and judicial institutions: GOL has undertaken assessment of legal and judicial institutions to identify and prioritize outstanding infrastructural and operational tools required for the effective functioning of all legal and judicial institutions. This is specifically focused on ensuring successful delivery of justice in all counties and districts, tackling crimes, and enabling the rapid resolution of commercial and civil disputes. In furtherance of the aforementioned, GOL built several corrections facilities, and provided new vehicles and other supplies to officers of the court and members of the Judiciary. These actions are indicative of the support that GOL has given its legal institutions in the counties as they work towards the achievement of their PRS deliverables.

Juvenile Justice System Strengthening: The Ministry of Justice is working with UNICEF on the implementation of a 2008-2012 United Nations Plan for Child Justice in Liberia; and as a direct result of this initiative, the Juvenile Justice Forum has been established and is now operational. MOJ leads the forum, which meets on the first Friday of every month. A technical working group has presented working papers to the consultant who is drafting a children's bill, as MOJ conducts a feasibility study on the creation of a community relations and outreach unit.

Rehabilitation within the Corrections System: GOL made significant strides as regards to capacity building and rehabilitation of the corrections system. The renovation of the National Palace for Corrections has been completed. The United Nations High Commissioner for Refugees (UNHCR) and the United Nations Mission in Liberia (UNMIL) constructed additional prison facilities through quick impact projects. With the support of UNDP, MOJ has undertaken the second phase of the corrections facilities' assessment.

In order to curb, or eradicate extended pre-trial detention, GOL established a new Magisterial Court at the Monrovia Central Prison. Other improvements at the prison included: the painting of the fence for the first time in 3 years; construction of a new gate; improved fencing; and the building of a mud oven to

allow prisoners to bake their own food. Finally, UNMIL's Civil Affairs unit, UNITHAS, has facilitated GOL's efforts to reform its corrections system.

3.3.5 PRIORITY AREA IV: Access to Justice, Protection and Promotion of Human Rights

Strengthening the provision of legal aid and access to justice: Sexual and Gender-Based Violence (SGBV) remains an area of concern in Liberia, and the Government has committed itself to addressing sexual violations and abuses against women, girls, and children. As highlighted under the Security Pillar of the PRS, there was a sharp rise in the cases of SGBV, and child abuse within the country. While the situation remains alarming, the higher number of cases may be attributed in part to more reporting due to increased SGBV-sensitization awareness campaigns, and the increased public confidence and trust in the police. GOL has recognized that there is room for improvement in the area of access to justice, especially as it relates to the poor, women, and children.

Amid these challenges, GOL made advances in the development of a policy and operational framework to ensure that gender justice and equality become core values within the legal and judicial system. This is reflected in the SOPs that are currently being developed for police and SGBV prosecutors.

Enhancing the protection and promotion of human rights: The GOL, in 2005, passed legislation that created the Independent Human Rights Commission (IHRC). Since then, the president has appointed the members of the Commission, pending confirmation by the Liberian Senate. The Commission has a mandate to monitor Government's compliance with human rights standards, as well as to develop a framework for the implementation of the recommendations of the Truth and Reconciliation Commission (TRC).

3.4 PROGRESS ON PILLAR IV: REHABILITATING INFRASTRUCTURE AND DELIVERING BASIC SERVICES

The Infrastructure and Basic Services Pillar (IBS) has the overall goal of: (i) providing infrastructure and basic services through recoverable fees and levies on users and beneficiaries, and support from the national budget; (ii) setting up appropriate regulatory and oversight institutions to organize and coordinate the delivery of services; (iii) encouraging public-private partnerships; (iv) decentralizing service delivery; and (v) creating suitable frameworks for the maintenance and sustainability of infrastructure assets. Under the IBS Pillar, 31 deliverables were due during the reporting period. Of this number, 6 deliverables or 18% were completed. 25 deliverables or 80% are incomplete.

The most frequently cited constraints by line ministries and agencies in the IBS Pillar were:

- Lack of funding to implement deliverables;
- Lack of capacity;
- Limited time for project implementation (construction of roads and bridges can only be implemented during the dry season); and
- The discrete nature of progress measurement (all or nothing).

3.4.1 PRIORITY AREA I: Roads and Bridges

The strategic objectives in this priority intervention area are to: rehabilitate, construct and reconstruct primary/secondary, feeder and neighborhood roads, and (ii) build human resource capacity. There are no deliverables due during this reporting period.

As a result of the many impassable roads during the rainy season, IBS deliverables have been hindered. According to the PRS Action Matrix on Roads and Bridges, the Government had no specific deliverables planned for the first year PRS implementation in this sector. All deliverables were initially due at the end of the PRS period in June 2011 (PRS, April 2008:114). However, GOL has made substantial progress on the rehabilitation of major streets in Monrovia and its surrounding communities during the period under review. The Government, with funding from the World Bank under the Liberia Reconstruction Trust Fund (LRTF), has also undertaken several short-term road projects in the counties. Additional efforts for the construction of main highways across the country are underway.

3.4.2 PRIORITY AREA II: Transportation

GOL's activities in the transportation sector have three primary objectives to: (i) improve land transport through private sector-driven transportation services; (ii) enhance the air transport system by rebuilding the capacity of the Roberts International Airport (RIA) to international standards; and (iii) strengthen the maritime and inland waterway transport system by developing the capacity of the National Port Authority (NPA).

The following deliverables are due during this reporting period:

- Formulate and launch a National Transport Policy;
- Formulate and launch a National Transport Master Plan;
- Harmonize national meteorological and hydrological services within the appropriate legal framework, in line with World Meteorological Organization standards;
- Conduct training for Ministry of Transportation staff in transport management, economics, research and meteorology;
- Reacquire land encroached upon by squatters at the Liberia Domestic Airports Agency (LDAA);
- Resurvey and fence the LDAA to ensure safety and control of airport facilities
- Formulate and implement a Master Plan for RIA;
- Integrate RIA and LDAA's operations under National Airport Authority through legislation; and
- Improve the operational performance of NPA by privatizing management of operations.

GOL has performed the preliminary work to improve the transportation sector through the formulation of a national transport policy and a national transport master plan. A draft act on the harmonization of national meteorological and hydrological services was prepared and a team reviewed the legal framework. The Government through its lead partner, GTZ, conducted capacity building training of staff at the Ministry of Transport in the areas of transport management, economic research, and meteorology. Further efforts are underway to enhance the operational effectiveness of the National Port Authority through the establishment of a Public Private Partnership. The World Bank conducted the bidding process for firms that are interested in the management of port operations.

3.4.3 PRIORITY AREA III: Energy

The overall goal for this priority area is to provide reliable, sustainable and affordable energy services to all Liberians in an environmentally sound manner. GOL's activities in the Energy sector has four key strategic objectives to: (i) extend grid electricity throughout Monrovia and its environs; (ii) develop hydro capacity and other renewable energy sources; (iii) expand grid electricity to other urban areas and some rural areas; and (iv) widen the upstream and downstream petroleum sectors.

Deliverables due during this reporting period:

- Complete and publish the National Energy Policy;
- Prepare a strategic plan for the energy sector; and
- Merge LPRC and NOCAL.

The Government has focused specifically on improving the legal, institutional and regulatory frameworks in the energy sector. A draft of the National Energy Policy and the strategic plan for the energy sector have been developed, and submitted to the Cabinet for approval. As a part of the process, three consultative and validation workshops were held with national stakeholders in Monrovia, Gbarnga, and Zwedru. If implemented, these policy initiatives will improve the energy sector.

3.4.4 PRIORITY AREA IV: Post and Telecommunications

Priority area IV's goal is to progress towards the provision of universal services as defined by the Universal Post Union (UPU) and the International Telecommunications Union (ITU). The strategic objectives in this priority area are the following (i) to build postal and telecom infrastructure, equipment and systems; (ii) develop national postal and telecom policies and improve institutions; (iii) to develop human resources.

The following deliverables are due during this reporting period:

- Complete a feasibility study on a nationwide database block/house numbering system;
- Create a nationwide database for effective and accurate delivery;
- Obtain vehicles to deliver mail to and from regional centers and land borders; and
- Formulate and implement a modern and comprehensive Telecom and ICT Policy to facilitate Universal Access, transparency, and reliable, low-cost provision of services nationwide.

The Government began building postal and telecommunications infrastructure, equipment and systems. Three new mail vans, one double cabin pick up and five motorbikes were purchased utilizing the Public Procurement and Concessions Commission (PPCC) procurement process. These vehicles have greatly enhanced postal operations in various rural and urban communities throughout the country. The Government has also developed a Comprehensive Telecom and ICT Policy, which is awaiting the Cabinet's approval. Once the Policy is approved, it will establish a framework for strengthening the Post and Telecommunications sub-sector.

3.4.5 PRIORITY AREA V: Water and Sanitation

The Government's three strategic objectives in this area are to: (i) increase access to safe drinking water from 25 to 50 percent, including 45 percent of the rural population; (ii) increase access to human waste collection and disposal facilities from 15 to 40 percent, and to 35 of the rural population; and (iii) ensure the sustainability of 90 percent of water and sanitation facilities in the country.

Deliverables due during this reporting period are the following:

- Conduct a sector assessment and publish a strategic sector plan;
- Develop and enact a National Solid Waste Management Policy, strategy and regulations;
- Develop plans and undertake an Environmental Impact Assessment (EIA) for the Mount Barclay landfill facility in Monrovia and closure of the Fiamah dump-site; and
- Close the Fiamah dump-site, and make operational the Wehn Town facility.

While 51 percent of households have access to safe drinking water, 60 percent have no access to improved solid waste and sanitation facilities. During the period under review, the Government began developing a National Solid Waste Management Policy, and regulations; a technical working session for its preparation was conducted. The World Bank submitted a draft letter on the solid waste sector policy under the Emergency Monrovia Urban Sanitation Project (EMUS) to the Monrovia City Corporation, for comments. This letter aimed to assist key national stakeholders in better managing and limiting the huge environmental and health hazards linked to the massive quantity of solid and disposal waste in Monrovia. The letter provides a policy framework for public dialogue and decision-making. Two transfer stations have been proposed, including the Fiamah sanitary facility and another at the old Bong Mines Pier, where negotiations are being held with the NPA management.

The Government has closed the Fiamah dump-site and initial preparation has been done to open the new Wehn Town Sanitary facility. UNDP procured work for a 12-month contract to develop the Wehn Town Sanitary facility, which is urgently needed. Its development is a high priority for the Government. As a major part of the process, an environmental impact assessment was performed and submitted to the Environment Protection Agency (EPA) for approval.

3.4.6 PRIORITY AREA VI: Public Buildings and Housing

The overall goal in the Public Buildings and Housing priority area is to rebuild and rehabilitate public buildings and related community and household-level infrastructure. The Government has two main objectives in the public buildings and housing sector to (i) strengthen urban infrastructure and city planning; (ii) facilitate access to low-income housing; (iii) build capacity and train GSA, MCC, NHA and MPW employees in urban infrastructure-related issues; and (iv) provide safe public spaces for children and youth. Deliverables for this priority area are ongoing.

The Government made efforts to strengthen urban infrastructure and city planning and facilitate access to low-income housing around the country. The first phase of repair work, painting and fencing, was done on both the Old Executive Mansion and the Centennial Pavilion buildings. Twenty-four (half of first year target) district administration buildings and 15 commissioners' compounds have been rehabilitated. Four out of five playgrounds have been constructed and turned over to the West Point, Saye Town, Jacob Town, and Stephen Tolbert Estate communities. This has further strengthened child and youth development in Monrovia and the surrounding communities.

The Government acquired 310 acres of land for the development of low income housing in Margibi County. The construction will take place in Bomi, Margibi and Montserrado Counties. A housing plan for 300 units has been finalized and submitted to the President for approval. Negotiations are underway for the acquisition of 750 acres of land in Montserrado bay. The Government through the National Housing Authority (NHA) has also earmarked 450 acres of land in Whiteplains, Montserrado County. UNHCR is also building 60 low-income housing units at the cost of US\$155,000 in Bensonville, Montserrado County.

3.4.7 PRIORITY AREA VII: Health

In the area of Health, the Government made enormous progress against policy priorities and objectives. This priority area's overall goal is to expand access to basic health care of acceptable quality and establish the building blocks of an equitable, efficient, responsive and sustainable health care delivery system.

The strategic objectives are to: (i) build human resources, (ii) expand access to the Basic Package of Health Services (BPHS), and (iii) rehabilitate the health infrastructure.

Deliverables due during this reporting period are the following:

- Develop guidelines and conduct a study on gender to guide all human resources decisions;
- Develop and institute architectural standards for health infrastructure; and
- Develop a National Social Welfare Policy and Plan, with a focus on gender, internationalization, war-affected youth, mental health, HIV and AIDS, and disabilities.

The Government undertook actions to rehabilitate health infrastructure, strengthen social welfare programs, develop support systems, and strengthen health financing. The architectural standards for hospitals, health centers and clinics have been developed. With the funding from the World Health Organization (WHO) in the amount of US\$12,000, a National Social Welfare Policy and Strategic Plan has been developed and submitted to the Cabinet for endorsement. In addition, the accreditation process and licensing standards have been developed for welfare institutions and social workers. The newly established Health Management Information System Unit and the External Aid Coordination Unit are both functioning.

3.4.8 PRIORITY AREA VIII: Education

The overall goal is to provide access to quality and relevant educational opportunities at all levels and to all, in support of the social and economic development of the nation.

The Government had seven strategic objectives to (i) strengthen the curriculum; (ii) improve access to quality, safe, and hygienic schools; (iii) recruit and train qualified teachers; (iv) improve learning achievement and school completion rates; (v) strengthen the quality and accessibility of skills and vocational training; (vi) improve the quality of tertiary education; and (vii) strengthen the overall governance, management, and financial basis of the education system.

Deliverables due during the reporting period are as follows:

- Scrutinize and harmonize the MOE payroll and establish a teacher database;
- Rehabilitate three Regional Teacher Training Institutes to train between 650-1000 new teachers annually;
- Review and revise the salaries of teachers and introduce salary scales based on qualification, experience, performance, position/responsibility, teaching subject, and place of teaching;
- Construct 35 houses per year; and
- Produce M&E framework and evaluation sheet and commence training of staff on their use.

The Government has undertaken measures to recruit and train qualified teachers, improve learning achievement and school completion rates, and strengthen the overall governance, management and financial well-being of the educational system. The review and harmonization process of the teacher payroll at the Ministry of Education (MOE) is still ongoing. This process involves the teacher payroll vetting and verification, which has been carried out by MOE. Volunteer teachers within the education system have been paid off and qualified teachers are being recruited for inclusion on the MOE payroll. A new salary structure has been put in place to match teacher qualifications and experience.

A new curriculum for “C” certificate teacher training has been developed and adopted for both Pre-Service and In-Service. 80 teacher trainers have been recruited, trained and assigned to the various regional teacher-training institutions and the field-based In-Service Training Program. A total of 1,115 in-service teachers have been trained and awarded "C" certificates under the new curriculum. A total of 656 teacher

trainees have been recruited for the Pre-Service Teacher Training at the Zorzor Regional Teacher Training Institute (ZRTTI) and the Kakata Regional Teacher Training Institute (KRTTI). In addition, 24 computers and accessories have been provided to KRTTI and ZRTTI. UNHCR rehabilitated the Webbo Teacher Training Institute (WTTI) at the cost of US\$97,913. United Nations Educational, Scientific and Cultural Organization (UNESCO) also awarded US\$51,444 to two Liberian-owned construction companies for the building of teacher housing at WTTI in River Gee County.

The school feeding program was instrumental in improving learning achievement and school completion rates. 565,361 primary students are currently being fed nationwide and 22,010 adolescent girls are currently receiving take-home rations. Though primary students are the main targets for school feeding, other students also benefit in schools with multi-grade levels. Initial progress was achieved in the establishment of a Monitoring and Evaluation (M&E) framework at the MOE. Relevant staff has been recruited for training in M&E and a school has been identified for the M&E training program.

3.5 PROGRESS ON FINANCING AND CAPACITY

The resource requirements (fiscal and human) for the implementation of the PRS are substantial. The PRS costs estimated at US\$1.6 billion, with an average of about US\$540 million per year (Figure 3-3), is an ambitious endeavor.

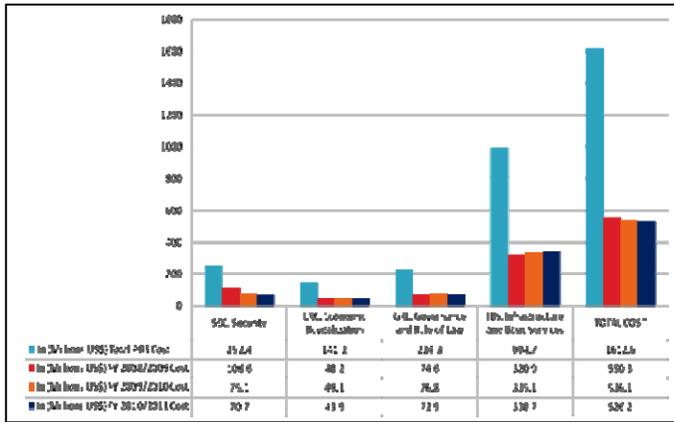


Figure 3-3: PRS Cost (Source PRS 2008)

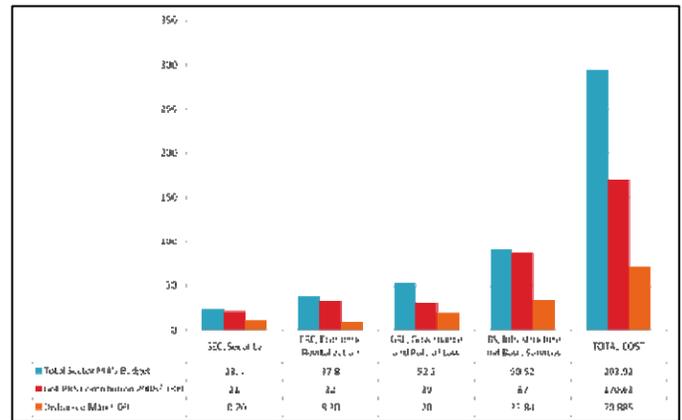


Figure 3-4: PRS GOL Commitment vs. Disbursement (Source: Dept. of Expenditure MOF 2008-2009)

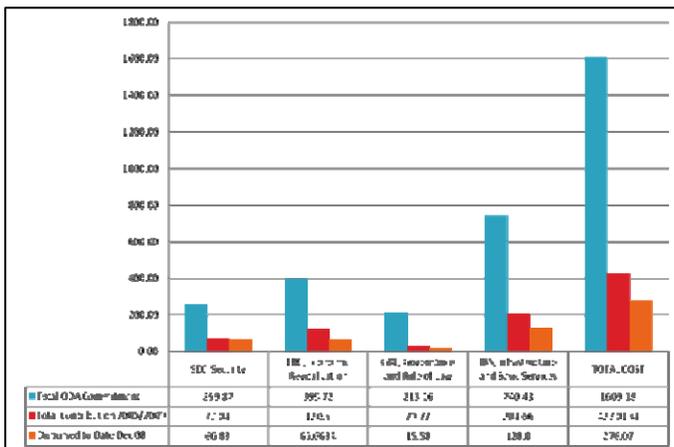


Figure 3-5: ODA Commitment vs. Disbursement (Source: AMU Ministry of Finance, 2009)

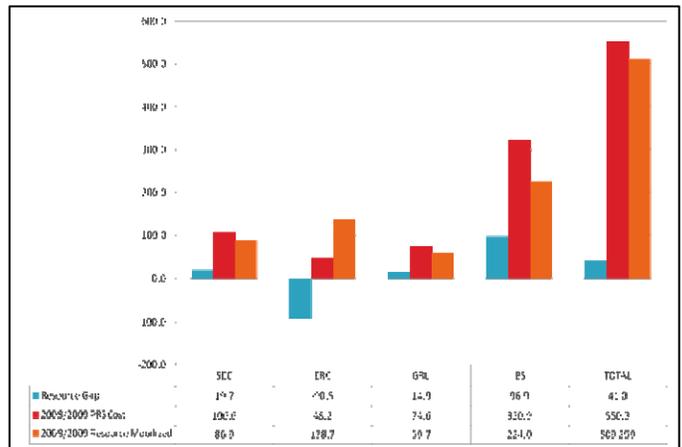


Figure 3-6: Fiscal Gap Analysis (Source: MPEA 2009)

The annual budget of Liberia for the inception year of the PRS (2008) was US\$298 million. By the fourth quarter of FY08/09, the GOL had expended less than 50% of its own commitment to the implementation (Figure 3-4). Commitments from partners through Official Development Assistance (ODA) during the period were high. Donor commitments reported through the Aid Management System totaled over US\$1.6b over the period 2006 through 2012, with US\$427 million committed for FY08/09 (Figure 3-5).

Progress on disbursement was 64% (US\$276m), during the same period. The majority (85%) of disbursements were channeled neither through the budget, nor through the country's national systems⁴.

Capacity constraints have consistently been cited as the primary implementation challenge. The tracking of the PRS has validated the original framing, which listed low internal capacity as a key implementation risk of the PRS itself. During early 2009, the Government, through the Ministry of Planning and Economic Affairs proposed the development of a National Capacity Development Strategy (NCDS) to address the long-term capacity needs of Liberia. This proposed strategy is intended to transform the capacity development discourse into a solutions-oriented platform for investing in capacity development programs that will target sustainable human and institutional capacity building. Based on this proposal, the National Capacity Development Unit (NCDU) was created within the MPEA. The unit is currently operational, and is active in providing coordination and technical services in the capacity development arena.

In tandem, the Government, with support from key donors, has continued to invest in the Emergency Capacity Building initiatives facilitating the placement of high-caliber professionals in Liberian institutions through the SES, TOKTEN, LECBS, and Scott Family Fellows Program.

4. Monitoring and Evaluation System

4.1 M&E IN THE APR PROCESS

The primary objective of the Monitoring and Evaluation (M&E) Framework in the Annual Progress Review is to provide a picture of Liberia's progress toward PRS goals by tracking key outcome and output indicators. In addition, frequent monitoring of PRS deliverables will enable the Government and its partners, through the Cabinet and Liberia Reconstruction and Development Committee (LRDC) Steering Committee, to swiftly adjust programs and activities as needed. This type of monitoring will help to assess and ensure the sustainable achievement of the goals and strategic objectives of the PRS.

The M&E collection and reporting structure (outlined in Figure 4-1) allows for efficient collection of data. However, capacity for even more efficient collection will be built over the PRS period. The Secretariat of the LRDC has overall responsibility for monitoring PRS implementation, while LISGIS plays the central data collection and vetting role. Both LRDC and LISGIS have strengthened and expanded their capacity for effective monitoring of progress during the first year implementation of the PRS.

The primary goal of the M&E framework is to monitor output indicators in the first year against the goals set out in the PRS action matrices. PRS deliverables will also be tracked to ensure that implementation is proceeding smoothly. In addition, the M & E unit will monitor financial flows from the Government of Liberia and its development partners in an effort to get a better overall picture of how the Government's inputs and external support are being used. Efforts will also be undertaken, along with the Regional and Sectoral Department at the Ministry of Planning and Economic Affairs, to improve the quality of county-level data over the next three years.

⁴ Analysis of donors implementing agencies Aid Management System 2009

4.2 DATA COLLECTION PROCESS AND CHALLENGES

The PRS M&E system focuses on tracking impact as well as a variety of outputs from each Pillar. The Ministry of Planning established an effective and integrated National M&E system characterized by:

- National ownership;
- Strengthened capacity of county officials and line ministry staff in reporting, and monitoring and evaluation;
- Strengthened inter-agency coordination; and
- Formalized information flow, a reporting structure has been formalized and operational.



Figure 4-1: Reporting structure and deliverables tracking information flow (Source: MPEA DTT 2008)

The M&E working group chaired by LISGIS and the LRDC Secretariat selected M&E indicators with stakeholder input. Line ministries and agencies, civil society representatives and partners worked through their respective Pillar structures to develop Pillar Indicator Matrices. Baseline data have been generated for most PRS indicators, drawing from the Core Welfare Indicator Questionnaire (CWIQ) and Liberia Demographic and Health Survey (LDHS). The main source of quantitative data was generated from line ministries and agencies. Both CWIQ and LDHS continue to be the main sources of statistical data for PRS M&E. The National Population and Housing Census also served as a key source of data.

4.3 PROGRESS IN M&E DURING 2008/2009

During the first year implementation period, there were successful efforts to expand and strengthen the county-level M&E institutional framework. The County Administrative Information Management Team composed of County Statistics Units (CSUs) and Project Planning Units were equipped with IT equipment (computers, printers, etc.) and internet access (which was crucial in assisting county governance structures with compiling and sharing information). During this period, funding was secured for the recruitment of Information Management Officers (IMO) who will ensure the continued operation of the CSUs. LISGIS has decentralization strategies with fifteen IMOs.

County Development Steering Committees (CDSCs) serve as the LRDC Steering Committee on the County level, tracking local PRS implementation and reporting significant issues back to the LRDC Steering Committee. CDSCs were established with the County Development Officers (CDOs) serving at the secretariat.

4.4 M&E INSTITUTIONAL ARRANGEMENTS

The LRDC Secretariat is the key institution responsible for reporting on M&E. This involves consolidating the M&E outputs and outcomes at the national level, in close collaboration with LISGIS, to ensure the quality and consistency of the data and statistics. Data originates from within line ministry at the local and national level, and survey reports by international organizations supplement the national data collection effort. This information is published as part of the Annual National PRS Progress Review for public dissemination and discussion.

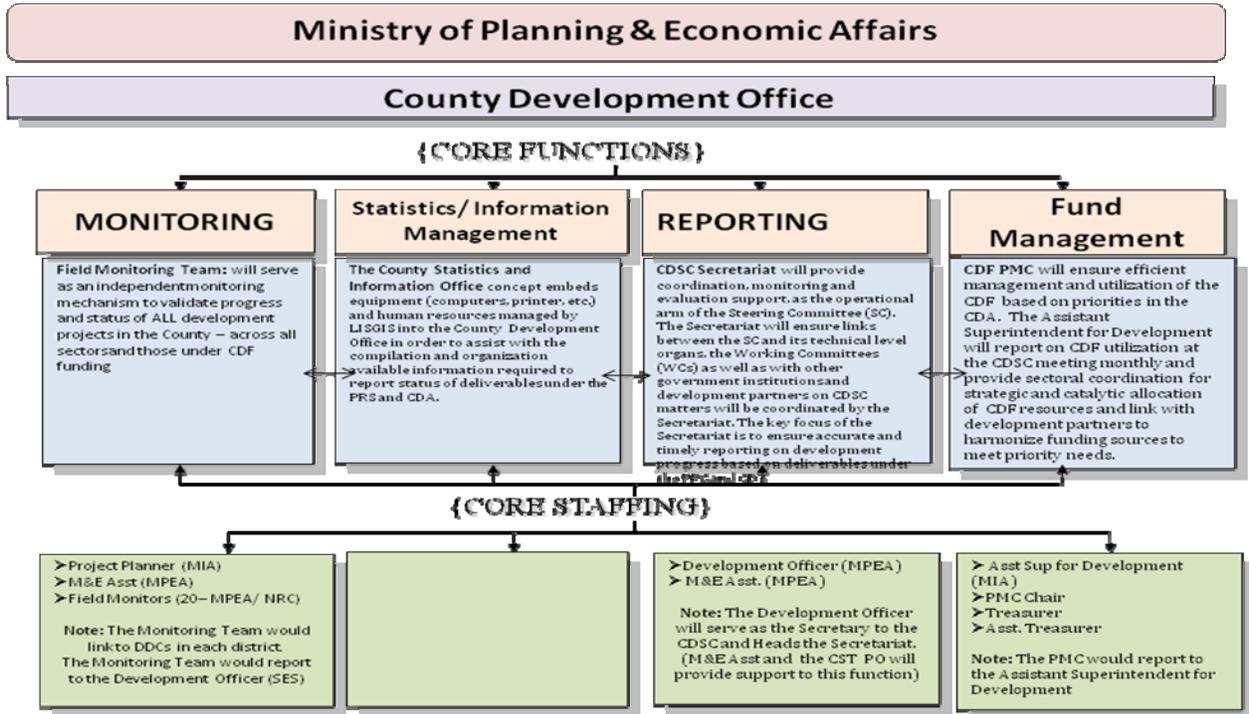


Figure 4-2: Monitoring & Evaluation framework for PRS and CDA implementation

LISGIS is responsible for ensuring the quality of the data and will eventually forward vetted national data to the LRDC Secretariat. The LRDC Secretariat then shares the data with the representatives of the relevant Pillars to produce the National Annual PRS Progress Report, which will be broadly distributed throughout Liberia and made available on the internet through a dedicated Lift Liberia website at <http://www.liftliberia.gov.lr>.

As Liberia moves towards decentralizing political authority, it is becoming increasingly important for county officials to have quality data at their disposal. This has started through the County Development Officers and the M & E Assistants during the PRS period through the generation of county-by-county reports based on county-disaggregated data emerging from line ministries and LISGIS survey instruments. This has been a collaborative effort of the M & E Unit at MPEA and LISGIS, with support from the County Statistics Officers.

The methods of reporting on deliverables vary depending on the nature of the action being monitored. For actions that occur at the national level – such as the implementation of a new National Investment Policy – reports on deliverables will be channeled through the national Pillar structure. Pillars will report on implementation challenges, as necessary, to the LRDC Steering Committee.

At the county level, program and project-level M&E reporting will originate principally from line ministry officers. Line ministries at the county level will share their reports on project deliverables with the Office of the County Superintendent, in addition to their existing reporting relationship within their respective ministries. The County Superintendent's Office shares information at county level Pillar meetings, where progress is tracked and any actions required for implementation are discussed and reported, as necessary, to the County Development Steering Committee (CDSC). The CDSC reviews progress across all pillars and forwards required actions for implementation to the LRDC Secretariat.

4.5 MAJOR CHALLENGES AND WEAKNESSES

To successfully monitor Liberia's progress towards its key PRS goals, the capacity of the M&E unit must be significantly strengthened. Currently, the Unit manages data from the Pillars in collaboration with LRDC. Additional staffing will be required in order to build the necessary capacity that will ensure the effective compilation of key information, analysis of data, and generation of the critical annual reports needed to monitor PRS progress.

The accurate and timely collection of data by line ministries is crucial for the successful monitoring and evaluation of the PRS, yet it continues to be a weakness in the reporting system. Significant training and capacity building of line ministry staff in the areas of data collection, collation, analysis and standardization at national and sub-national levels has been undertaken in order to strengthen reporting. The strengthened institutional links between GOL ministries and LISGIS are expected to contribute positively to the functioning of the M&E system by ensuring that data are collected consistently, and are credible, accessible, and published in a timely manner. Although County Statistics Officers have been recruited, transportation and logistics remain a challenge.

4.6 LOOKING FORWARD

The PRS M&E framework provides for clear reporting channels, and thus contributes to greater accountability and transparency in PRS implementation. While considerable resources have been pledged for PRS implementation, however, relatively little has been allocated for enabling its M&E framework. There is a need for increased investment into the operational implementation of the PRS M&E framework at the local level, where most data originates.

With support from the United Nations Country Support Team (UN-CST) and the Norwegian Refugee Council (NRC), MPEA has piloted innovative control mechanisms at the county and national levels, to ensure that PRS progress reports are reliable and accurate.

The County Information Management and Monitoring (CIMM) project has embedded human resources (15 M&E Assistants and 300 Field Monitors) and equipment (computers and motorbikes) within the newly created county development offices to enable them to track PRS/CDA deliverables independently from line ministries. All Field Monitors (20 per county on average) have undergone an intensive training program in PRS/CDA monitoring. Monitors track PRS/CDA deliverables in their respective communities and districts using standard PRS/CDA tracking forms developed by MPEA.

MPEA-County Development Officers validate Monitors' and line ministries' reports, and discrepancies are discussed before or during Pillar meetings. Field visits are organized to reconcile reports emanating from CDOs and line-ministry officers before they are forwarded to the national level. This control mechanism has ensured that county-based line-ministries reports to the CDSC are reliable, and that county administration's decisions are therefore based on accurate, up-to-date information. The network of monitors has also enabled MPEA to fill in critical information gaps when line ministries failed to report on

some PRS/CDA deliverables. Failure to report should, obviously, not be encouraged, but the presence of monitors at least ensures that PRS/CDA reports are produced on time, an imperative for deliverables.

While the primary function of the network of monitors will be to validate line ministries' reports, the network will also assist line-ministries in their data collection. Most line ministries lack the human and logistical means to visit all communities on a regular basis, particularly during the rainy season. Furthermore, development partners, particularly NGOs, do not always inform line ministry officers of their projects being implemented in the respective counties. Monitors will help fill in information gaps by reporting to line ministries on their respective sectors on a monthly basis, in accordance with MPEA. The network of monitors is multi-functional and they have proven their capacity to adjust rapidly to new information demands, thus making it important to continue the program.

5. Cross-cutting Issues

5.1 CCI – INTRODUCTION

The PRS identified, and prioritized the Government's cross-cutting issues, which include promoting gender equity, peace building, protecting the environment, caring for persons living with HIV/AIDS, and protecting children. The Government has specifically focused on strategies and actions to address these issues for equitable and sustainable development, and poverty reduction under the four PRS pillars.

5.2 CCI – GENDER EQUITY

The Government is committed to reducing gender inequalities, and is collaborating with local government, non-governmental organizations, community and faith-based organizations, the private sector, donors and international development partners in order to achieve this goal. The PRS recognizes that gender norms have contributed to poverty in Liberia, and GOL is committed to reversing these norms through the implementation of the PRS.

Key achievements

National Security Pillar:

Strengthen the protection, empowerment, and promotion of women and girls:

- Prepared the Liberia National Action Plan for the implementation of United Nations Resolution 1325;
- Developed the first draft of the standard operating procedures for legal and security institutions under an SGBV taskforce. The police and prosecutors will use these procedures to ensure a more speedy investigation and prosecution of SGBV and child abuse cases;
- Established the Women and Children Protection Section at the LNP Central Headquarters in Monrovia, and in each county capital;
- Aligned all national security institutions to employ a minimum of 20 percent women. At present, 31 percent of the Bureau of Immigration and Naturalization staff and 32 percent of the Liberia National Fire Service staff are women. Liberia National Police and Bureau of Corrections are in second place with 14 and 16 percent. In comparison, the Armed Forces of Liberia and the Emergency Response Unit have the lowest at 3 and 1 percent; and
- Involved the Ministry of Gender and Development in the recruitment drive of women for positions in security institutions.

Economic Revitalization Pillar:

Promote gender equality and the economic empowerment of women, as well as facilitate the women's access, especially the poor, to micro-credit programs and loans.

- Established rural women structures, which have improved agriculture and farming;
- Provisioned seeds and implements to promote farming;
- Provided access to micro-credit loans, benefiting nearly 6,000 rural women in five counties: Lofa, Bong, Grand Bassa, River Gee and Nimba; and
- Set up a food and nutrition program for rural women in three counties: Lofa, Bong and Nimba.

Governance and the Rule of Law Pillar:

Strengthen the civic participation, political leadership and respect for the legal status of women, girls and children.

The Liberian Constitution (1986), consistent with the principles of fundamental rights enshrined in the Articles 11 and 18, has established the political and legal rights of Liberian citizens irrespective of ethnic background, race, sex, creed, place of origin and political affiliation. Gender equality is therefore promoted by the Constitution.

- Built capacity of institutions in charge of the protection and promotion of women and girls, and vulnerable children;
- Increased Liberian women's representation, civic participation and political leadership in decision-making bodies: the Legislature (14 percent), the Executive (25 percent) and the Judiciary (40 percent);
- Designed and implemented strategic gender-sensitive awareness programs in six counties;
- Raised awareness among traditional leaders on the rule of law and encouraged women to participate in local governance at district, chiefdom and clan levels;
- Oriented the Government to take the gender dimension into consideration, including in strategic interventions detailed in the PRS, Civil Service Reform Strategy, and National Gender Policy;
- Enforced the Inheritance Law and Rape Law;
- Established the SGBV Crimes Unit at the Ministry of Justice and expanded it to 15 counties;
- Established the Criminal Court E at the Temple of Justice;
- Trained judges to combat gender-based violence and support law reform; and
- Recruited judges, prosecutors and other court personnel to prosecute SGBV cases.

Infrastructure and Basic Services Pillar:

Strengthen and promote the health and education of women and girls, and provide adult literacy training.

- Created the Free and Compulsory Education Policy;
- Created the National Policy on Girls' Education;
- Established the Girls' Education Unit at the Ministry of Education. The Government has provided no funding for the unit since the first amount of US\$50,000 in 2006/2007.

A number of significant challenges and weaknesses still remain:

- The political and socio-economic status of women is still weak;
- There is insufficient data disaggregated by sex and age in all sectors; and
- Poverty and performance indicators linked to gender are insufficiently developed.

Essentially, gender equity has not been systematically integrated in policies, programs, projects and laws and at the operational level.

Despite having a conducive political environment for enforcing gender policy, significant financial constraints exist in the planning, execution, and monitoring and evaluation systems. Also, there is a lack of gender responsive national budgeting, with respect to ensuring a more equitable distribution of public resources for the needs of men and women.

5.3 CCI – PEACE BUILDING AND CONFLICT SENSITIVITY

The Government has made achievements in addressing key conflict-sensitive issues, which were earmarked for the first year implementation of PRS. GOL has also institutionalized peace building within the country and put in place conflict sensitive approaches to policy making and development. Though there has been progress in enhancing national reconciliation and in developing capacities in conflict management and conflict sensitive development, the irreversibility of a durable and lasting peace has yet to be ensured. More efforts are needed to ensure coherence and coordination in peace-building related activities and amongst various peace-building actors; and to strengthen political, inter-ethnic and inter-communal reconciliation. There is also a dire need to strengthen state institutions, especially those delivering services that meet the basic needs of the citizenry.

Analysis of the PRS Conflict Sensitive and Peace-building Implementation

Peace-building is the process of addressing the root causes and potential areas of conflicts by fostering reconciliation and developing social structures that address core grievances, protect rights, and meet basic human needs. The Reflecting on Peace Practice (RPP) Methodology guides the peace-building process. Peace-building interventions must seek to change attitudes, knowledge, skills, perceptions, and behaviors at the individual level, as well as social norms and state structures for formulating policy. The Government's key peace-building achievements within each PRS pillar are listed below.

Key achievements

National Security:

- Restructured Liberia's security architecture;
- Reformed and restructured the Liberia National Police; and
- Developed and implemented the National Security Strategy.

Economic Revitalization:

- Improved the tax revenue collection systems;
- Enacted the New Forestry Reform Law for Liberia, October 2006;
- Established the Forestry Reform Monitoring Committee;
- Chaired the Joint Taskforce with United Nations on Rubber Plantations / Rubber Task Force;
- Hosted the West Africa sub-regional conference on harmonizing trading, law enforcement and tax policy on diamond mining;
- Established a National Diamond Task Force to implement the Kimberly Process Certification Scheme; and
- Developed the new National Pit-Sawing Policy.

Governance and the Rule of Law:

- Established the Governance Commission;
- Established a National Anti-Corruption Strategy and drafted legislation to ratify international and regional anti-corruption conventions;
- Established a Code of Conduct for Public Servants;
- Instituted the General Auditing Commission and performed an external audit of Government expenditures;
- Established the Independent National Commission on Human Rights;
- Reviewed the dual justice system (abolishing tribal law elements such as "Trial by Ordeal");

- Established a national legal framework for Judicial and corrections institutions;
- Established the Land Commission; and
- Developed the National Decentralization Policy for Liberia.

Infrastructure and Basic Services:

- Rehabilitated and constructed some primary, community and feeder roads;
- Constructed educational and health facilities across the country;
- Rehabilitated water and sewer systems; and
- Revitalized the electricity grid.

Major challenges and weaknesses:

In the area of security, the GOL has begun the process of institutionalizing civilian oversight of security institutions. More efforts are being exerted to decentralize these initiatives by the establishment of County Security Committees (CSC) – to be chaired by the County Superintendent. This process needs to be clearly articulated and accelerated so that the local population can be assured that they are able to participate in the discussion of security matters affecting them.

In the area of Governance and the Rule of Law, special attention needs to be given to the following:

- Separating political from economic power;
- Overcoming the rural-urban divide;
- Ensuring impartiality and neutrality in society’
- Ensuring that the State is not an instrument in creating and exacerbating social divisions, by marginalizing certain social groups or by consolidating the domination of elites.
- Ensuring that citizens understand their civic responsibilities. Ensuring that the political system is a vehicle for peaceful political competition.
- Strengthening the political party system so it can perform its democratic function of offering policy platforms, participating in policy debates and holding government accountable;
- Ensuring the effectiveness, transparency and responsibility of governance institutions and practices; and
- Strengthening partnerships with civil society and the media.

5.4 CCI – ENVIRONMENT

Key achievements

National Security:

- Ended through administrative action illegal trans-border trade involving round logs to Sierra Leone; and
- Recruited, trained and deployed 19 individuals at the various FDA check points.

Economic Revitalization:

- Prepared bid documents for 6 Timber Sales Contracts (TSCs) and 7 Forest Management Contracts (FMCs);
- Awarded 6 TSCs and 3 FMCs totaling 265,876 hectares;
- Issued 1,346 permits to various transporters of non-timber forest products such as charcoal, round poles, rafters, cam wood, generating US\$17,646;

- Issued 3,442 waybills to various transporters of sawn timber, raising US\$625,150.20. A total of US\$642,796 was deposited at the Central Bank of Liberia;
- Assessed and auctioned 9,986 m3 Ekki logs abandoned at Buchanan Port, Grand Bassa County, which generated US\$280,086.42;
- Re-assessed and auctioned 664 m3 of teak logs abandoned at the FDA Plantation in Cavalla, Grand Gedeh County, which generated US\$16,000;
- Implemented a participatory bookkeeping project for 25 women of Mamba Kaba District, Lower Margibi County, with the provision of technical support from Mercy Ships and financial assistance from Fauna and Flora International (FFI);
- Formed Community Forestry Development Committees (CFDC) and signed Social Agreements between Forest Resource License Holders (three TSCs and two FMCs) and affected rural communities;
- Selected two pilot project areas out of seven proposed Livelihood and Landscape Strategy (LLS) sites to improve the living standards of forest dependent communities in Montserrado and Lofa Counties;
- Secured a grant of US\$25,000 from the United Nations Development Programme (UNDP) for a Cane Rat multiplication project, as an alternative to bush meat, around the East Nimba Nature Reserve; and
- Submitted two project proposals to International Tropical Timber Organization (ITTO) entitled: National Reforestation Policy and Afforestation Strategy consistent with Liberia's 3-Cs Approach; and Reviewing Forestry Education in Liberia which was approved for total funding of US\$693,610.

Governance and the Rule of Law:

- Deployed EPA environmental inspectors to Lofa and Sinoe counties, two of the remaining nine un-staffed counties;
- Established Environmental Units in 15 key line ministries and agencies, including LRRRC, MOL, MPEA, MCC, FDA, LWSC, MFA, MPW, MOT, MIA, NPA, LISGIS, MOJ, LPRC, and MOA;
- Applied Environmental Impact Assessment requirements to 21 companies for compliance with environmental laws;
- Drafted and vetted Regulation Number 13-08 on Environmental Impact Assessment;
- Submitted the Community Rights Law consistent with forestland to the National Government;
- Developed an action plan to evict illegal miners, settlers, hunters and farmers from the Sapo National Park, in collaboration with development partners such as Liberia Forest Initiative, UNMIL, FFI, and Conservation International;
- Developed a National Action Plan for Mano River Union (MRU) States for the collaborative management of trans-boundary forest areas;
- Developed and submitted an action plan to mitigate human-elephant conflict;
- Finalized a draft National Conservation and Wildlife Management Law for submission to the National Legislature; and
- Drafted and vetted two regulations: Reg. # 111-08 on Non-Timber Forest Products (NTFPS) and Reg. #112-08 on Wood Marketing and Processing.

Infrastructure and Basic Services:

- Prepared maps of the 15 political sub-divisions for the Ministry of Internal Affairs;
- Identified and mapped out approximately 416,500 hectares of land suitable for agricultural purposes in Grand Cape Mount, Gbarpolu and Bomi Counties for the Ministry of Agriculture;
- Created a database on forest inventory, social economic survey and forest carbon biomass;
- Submitted Liberia's Readiness Project Information Notes (RPINs) to the World Bank Forest Carbon Partnership Facility (FCPE); it was accepted and an initial amount of US\$200,000 was provided to the

Republic of Liberia to build capacity for Reduced Emission for Deforestation and Degradation (REDD); and

- Conducted Forest Inventories (0.3 percent of TSC and 0.002 percent FMC) based on the land suitability studies.

Major challenges and weaknesses:

- Insufficient financial resources for the environment results in a shortage of environmental inspectors, county offices, office supplies, vehicles, and communication equipment nationwide;
- There is a lack of environmental education in schools;
- Liberians have limited awareness of the environmental issues;
- Bad road conditions hamper protection efforts;
- Local communities are unwilling to adapt new concepts such as protected areas and buffer zones demarcation;
- Political interference in the passing of the Community Rights Law; and
- Political interference in the establishment of TSCs and FMCs.

5.5 CCI – HIV/AIDS

Key achievements

Economic Revitalization:

- Provided free antiretroviral (ARVs) drugs; and
- Provided free STI drugs, equipment and other medical supplies.

Infrastructure and Basic Services:

- Increased HIV care and treatment service delivery areas by 27 percent;
- Increased prevention of mother-to-child transmission services by 17 percent;
- Expanded HIV counseling and testing services by 7 percent; and
- Raised HIV awareness in the priority areas of prevention, care, treatment and support.

Major challenges and weaknesses:

- Limited trained human resources; and
- Stigma and discrimination are still pervasive.

5.6 CCI – CHILDREN AND YOUTH

Key achievements

National security:

- Established 22 Women and Children Protection sections at police stations and depots across the country;
- In collaboration with partners, set the standard and framework for the revitalization of existing Child Welfare Committees and established 120 new ones at the community and town level in Bomi, Cape Mount and Gbarpolu counties to monitor and report child rights violations; and
- Although this initiative was not a PRS deliverable, the Ministry of Youth and Sports has established a Working Group on Adolescent Girls in Liberia. The group was formed to respond to security challenges and other interventions concerning adolescents, especially girls.

Economic Revitalization:

- Initiated a process to implement an Economic Empowerment of Adolescent Girls and Young Women - EPAG Project that will include skills and business training for girls in Montserrado and Margibi Counties;
- Strengthened several vocational and skills training programs for the direct benefit of a total of 1,700 youths in Monrovia and Bensonville in Montserrado County; and
- Implemented a Youth on-the-job training program, an apprenticeship that benefited 122 youths in Monrovia, and at the Liberia Agriculture Company in Bassa and Margibi Counties.

Governance and the rule of law:

- Established 15 Children’s Assemblies – one in each of the 15 counties – to ensure children’s participation in county and community level decision making;
- Enacted a Children’s Law, introduced by the Gender Equity and Child Development Committee of the House of Representatives;
- Established The National Liberian Children’s Parliament;
- Reactivated the Child Justice Forum;
- Submitted Liberia’s combined second, third and fourth Country Reports on the implementation of the United Nations Convention on the Rights of the Child;
- Established the Federation of Liberian Youth County Secretariat in six counties: Grand Cape Mount, Bomi, Gbarpolu, Montserrado, Margibi and Bong;
- Established the Ministry of Youth and Sports County Coordinating Officers in all 15 counties; and
- Completed the draft National Youth Act, and the National Youth Development Trust Fund.

Infrastructure and Basic Services:

- Launched the free and compulsory primary education scheme;
- Built the “One safe home” program to benefit girls and women;
- Built community youth recreation and resource centers in Tubmanburg, Buchanan and Monrovia;

Major challenges and weaknesses:

- Inadequate budgetary allotment for children’s programs;
- Lack of policy instruments to support children’s programs;
- Slow adjudication of cases of abuse against children by the justice system; and
- Very low capacity of private construction firms for timely delivery on contracts.

5.7 CCI – POLICY RECOMMENDATIONS

In close collaboration with major national stakeholders and development partners, the Ministry of Gender and Development must work out key gender indicators for each sector and a clear system of monitoring and evaluation of gender mainstreaming. The Government should develop a long-term action plan on gender mainstreaming in the private sector, which will aim to reduce gender inequalities and to promote the advancement of women to senior positions.

6. Post First Year Implementation

6.1 BROAD FINDINGS

According to the preliminary inception report (Lift Liberia Scorecard), a number of major challenges and weaknesses negatively affected the first year implementation of the PRS:

- Low human capital is a binding constraint on implementation;
- Ownership is not backed by sectoral leadership;
- Weak institutional coordination around cross-cutting issues including gender equity, peace building, the environment, HIV/AIDS, and children and youth; and
- Weak communication between coordinating government bodies.

The Government foresaw these challenges, and was initially very clear about the critical risks and constraints to a successful implementation of the PRS, and warned about the risks of external financing, limited leadership, low administrative and technical capacity at various levels in the public and private sectors, and internal and external instability (PRS, April 2008:160-162).

As recommended in the draft strategy and action plan for the implementation of the PRS, the Government would require strategic interventions and actions to increase both human and institutional capacities in order to facilitate an effective implementation of the PRS.⁵ As a consequence of the limited qualified human resources and funding, the Government was hard pressed to fully cover the first year's PRS deliverables. This capacity issue will continue to pose a serious challenge during the remaining PRS period.

6.2 GAINS BEYOND THE FIRST YEAR OF IMPLEMENTATION

The release of the preliminary progress report on the first year implementation of the PRS was very timely, thereby providing the Government and its development partners the opportunity to urgently and adequately address the challenges and constraints. It was the first time in recorded Liberian history that the Government had mustered the courage to inform the Liberian people that things were not going as planned, but that commitment to reverse course and accelerate implementation of the agenda was still strong across the Government.

In order to ensure that implementation was brought back on course, or even accelerated, the LRDC instituted a results-based management approach. With assistance from the World Bank Institute (WBI) and the UNDP, a training program in the use of Rapid Results Approach (RRA) was organized in October 2009. Several key sector ministries and agencies including Health, Public Works, Education, and Agriculture attended this training and have started implementing results-based planning in their daily functions and around PRS deliverables.

As a result of the vigorous PUSH from the 90-day planning based on the RRA method, the Government was able to improve the implementation rate, as of November 2009, from 19% to an outstanding 90%.

⁵ Emmanuel Akwetey and Augustus Goanue. Developing Human Capacity for Effective Implementation of Liberia PRS 2008-2011, Draft Strategy and Action Plan, July 2008, pp. 1-44.

Even unscheduled deliverables were completed, as a result of the urgency and attention given the PRS from the highest political authority in Liberia, as well as support from our development partners.

More results-based training exercises are scheduled for 2010, and ministries and agencies are improving their planning capabilities across the Government. In fact, the RRA approach is being used as a vehicle to drive the implementation of the Common Assessment Framework (CAF) and the Medium Term Expenditure Framework (MTEF).

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