

ANNEX 1

of the Commission Decision on the 11th EDF Technical Cooperation Facility for Liberia

Action Document for "11th EDF Technical Cooperation Facility for Liberia"

1. IDENTIFICATION

Title/Number	11 th EDF Technical Cooperation Facility for Liberia CRIS number: LR/FED/037-561		
Total cost	Total estimated cost: EUR 2 000 000 Total amount of EDF contribution: EUR 2 000 000		
Aid method / Management mode and type of financing	Project Approach: Direct management (implemented by the Commission as the Contracting Authority) – procurement of services Indirect management with Government of Liberia as the Contracting Authority		
DAC-code	15010	Sector	Economic and development policy/Planning

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The overall objective of this intervention is to facilitate and support the cooperation between the EU and Liberia, notably the successful implementation of programmes and projects under the 11th European Development Fund (EDF) National Indicative Programme (NIP).

The proposed programme will be implemented through three components:

- a) Technical Assistance Facility (TAF): a facility for the engagement of short- to medium-term consultants to assist in the main stages of the project cycle to ensure the effective implementation of the NIP and other EDF programmes in support of the Agenda for Transformation (AfT).
- b) Training Support for Projects & Programmes (TSPP): this will finance various capacity development interventions such as training, seminars or consciousness-raising activities prior to or during the implementation of a project or programme.
- c) Conferences and Seminars (CS): these include: (a) more general short-term training activities for ACP officials and/or non-state actors on topics related either to the priorities of the ACP-EU Partnership Agreement (gender, public financial management, good governance, environment, trade, etc.) or to EDF or other EU administrative and financial procedures and (b) participation by ACP officials and non-state actors in international meetings or seminars on themes of development, trade, etc.

2.2. Context

The proposed action aims to provide support to the preparation and implementation of the 11th EDF NIP (2014-2020) for Liberia.

The focal sectors of the NIP are:

1. Good Governance: EUR 100 000 000
2. Energy: EUR 100 000 000
3. Education: EUR 32 000 000
4. Agriculture and forestry: EUR 40 000 000

Additionally, the NIP foresees EUR 2 000 000 in support of civil society and EUR 5 000 000 in support measures, entailing National Authorising Officer (NAO) support (EUR 3 500 000) and the Technical Cooperation Facility (TCF) (EUR 2 000 000).

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Although Liberia has enjoyed relative peace and stability since the end of the civil war in 2003, the country remains one of the poorest countries in the world with one of the lowest levels of human development (ranking 174 out of 186 countries (2013 data)), weak state capacity, and a high level of dependence on international donors. The foreseen drawdown of the United Nations Mission to Liberia (UNMIL) represents an important milestone in the transition to peace, as it will expose the capacity of the Government of Liberia to deliver security service to the population.

Economic growth has averaged 7.6% over the past seven years (2008-2014) and the country has attracted USD 16 billion in foreign direct investment commitments, in particular in the iron ore, forestry, rubber and oil palm sector. The economic growth has helped reduce extreme poverty incidence between 2007 and 2013, but the overall incidence of poverty remains high; 56% of the population is poor (2013 data) compared to 64% in 2007 (World Bank data).

Primary education enrolment has improved since the end of the war, and stood at 65% completion rate in 2011. Despite improved enrolment rates, the quality remains poor and only a limited number of students have necessary skills to continue to higher level education or vocational training. Teachers themselves are poorly trained and remunerated, and in particular in rural areas access to education remains precarious, exacerbating already existing regional discrepancies. Although there has been improved enrolment of girls, there continues to be an imbalance in education access for girls.

Liberia is ranked 143 out of 148 countries on the 2012 UNDP *Gender Inequality Index*; women are not only discriminated against in terms of access to education and employment opportunities, but gender based violence remains a grave vestige from the war.

Governance, justice and public institutions remain weak. There is limited progress in the reform of the civil service, the decentralisation process has been delayed and, although there has been good progress on public financial management reform, much

still needs to be achieved in the fight against corruption and to improve transparency and accountability, in particular in the management of natural resources.

There is nevertheless a strong political will and commitment to enhance governance reform and maintain peace in Liberia. Liberia has shown regular progress since 2006 in governance indicators, the Ibrahim Index on African Governance (Mo Ibrahim Index of Participation and Human Rights which noted an improvement from a rank of 30th in 2006 to 22nd of 52 countries in 2012) and the World Governance Indicators. Liberia's ratings are above the African average for voice and accountability and political stability, but much remains to be done to improve the rule of law.

The President has taken bold commitments to fight corruption. Transparency International's 2012 (2011) Corruption Perception Index ranks Liberia 75 (91) out of the 176 (183) countries and territories assessed, with a score of 4.1 (3.2) on a 0 (highly corrupt) to 10 (very clean) scale. In 2005, the country was ranked 137 out of the 158 surveyed with a score of 2.2. At the same time Afrobarometer in 2013 reported a wide distrust on most public institutions.

2.2.1.2. National development policy

The long term national vision is expressed in the 'Liberia Rising 2030' which aims for Liberia to reach middle income status by 2030.

The National Development Plan, the Agenda for Transformation (AfT), aims to implement this vision in the period 2012-2017. The plan has two key objectives: (1) to create wealth and (2) to increase inclusiveness for a more equal and just society. In order to achieve these two overarching objectives, the 5-year plan sets key priorities under five pillars, which are consistent with identified current challenges for Liberia: (1) Peace, security and rule of law, (2) Infrastructure and economic transformation, (3) Human development, (4) Governance and Public Institutions, and (5) Cross-cutting issues (vulnerable segments of the population, environment, HIV/AIDS, Human Rights and labour and employment).

The AfT addresses the main challenges for economic and social development in Liberia, aiming to tackle the root causes of the conflict, focusing on security, growth, social issues and civil service reform. The Liberian Development Alliance (LDA) is tasked with the coordination of government, private sector, civil society and donors in support of the implementation of the AfT, including Monitoring and Evaluation (M&E). The first annual report on advances of the AfT for 2013 was published in June 2014.

The Government of Liberia has shown a high level of commitment and ownership in implementing the plan, but remains hampered by the institutional capacity to coordinate and follow-up on implementation. In recent years, Liberia has adopted a number of good quality sector policies, strategies and work plans in a number of sectors. However, there is not always coherence between the AfT and these sector plans, in particular as regards funding priorities and indicators.

After the first year of its implementation, the credibility of the AfT has been affected by cash shortfalls in the FY2012/13 and FY2013/14 national budgets, leading to the low execution of the investment budget and a reported overall 'completion rate' of interventions in the five pillar of 58%. The Government of Liberia needs to continue and is working on public financial management reforms, improving budget management, and strengthening the coordination & monitoring mechanism.

2.2.2. Sector context

It is recognised that the lack of capacity has been exacerbated by the conflict over the years leading to poor economic management and governance at all levels. Capacity building at all levels will be fundamental to improving the human condition in Liberia, namely in the areas of situation analysis, sector policy and plan elaboration, knowledge and capitalisation of experience on development issues, programme identification and implementation, coordination and management.

The implementation of EU cooperation in Liberia continues to face challenges in terms of the capacity of Liberian counterparts in both government and civil society. The Government of Liberia is fully aware of the challenges and opportunities in terms of capacity development, which have also been outlined in the AfT.

2.3. Lessons learnt

The previous TCF under the 10th EDF was not subject to a Results-Oriented Monitoring (ROM) mission or a final evaluation. However, lessons learnt from the previous TCF and other training projects in Liberia are:

- Institutional capacity development continues to be a core element in reinforcing the implementation of EU projects and programmes in Liberia. Continued capacity constraints of public sector counterparts creates the need provide training to facilitate their involvement in the management / implementation of the NIP.
- The utilisation of proper management procedures for cooperation programmes and projects has been challenging, leading to delayed implementation and low levels of disbursement of EDF programmes. The continuation of a flexible facility for the organisation of workshops and realisation of consultancies will contribute to ensuring the quality preparation essential for project efficiency, efficacy and sustainability.
- There is a need to strengthen regular consultations with various stakeholders in the implementation of the Cotonou Agreement, including the private sector and non-state actors, as well as for sensitisation on new aspects and training in appropriate procedures and principles.
- There is a need to continue to strengthen coordination and dialogue at strategic and sector level among counterparts. The TCF, besides providing better understanding of development processes and procedures, will also reinforce networking between stakeholders in the management / implementation of the NIP.

2.4. Complementary actions

The 11th EDF NIP foresees EUR 3 500 000 in continued support to the NAO function of the Ministry of Finance and Development Planning of Liberia. This support will aim not only at strengthening the NAO office, but at improving the use of EDF procedures and aid management coordination. The TCF will complement the NAO support project by focusing on more specific needs during the implementation of the NIP, as identified by the Government of Liberia and the EU.

Specific programmes and projects to be implemented during the 11th EDF also foresee capacity development initiatives for their implementation. The foreseen 2-year State Building Contract (budget support) of EUR 25 000 000 includes support

measures for EUR 3 000 000 in support of public financial management and monitoring and evaluation.

2.5. Donor coordination

The main development partners operating in Liberia are the World Bank, the African Development Bank, USA, China, Sweden and the EU. Different UN agencies also play a crucial role in supporting government efforts. Cooperation between development partners is close. A range of sector-oriented and thematic donor groups exists that regularly discuss progress and problems in their respective areas, for instance coordination meetings in the Education and Health sectors, in public financial management and a Budget Support Working Group.

The Aid Management unit at the Ministry of Finance and Development Planning, which is to be established, will be leading the efforts in coordinating donor support. The NAO is situated within this unit and so activities foreseen within the TCF will be aligned to other donor support to the Government of Liberia.

3. DETAILED DESCRIPTION

3.1. Objectives

The overall objective is to facilitate and support the cooperation between the EU and Liberia, notably the successful implementation of programmes and projects under the 11th EDF NIP.

The project purpose is the identification and implementation of specific interventions that will support key actors in Liberia to improve programme implementation and awareness of general development, trade issues, as well as EU policies in these areas.

3.2. Expected results and main activities

Expected results:

- a) Identification, preparation, formulation and launching of programmes and projects to be supported from the EDF in Liberia.
- b) The Ministries and agencies concerned, including the NAO office at the Ministry of Finance and Development Planning, will be enabled to maintain satisfactory implementation (including tendering procedures) and monitoring for ongoing projects - where this cannot be provided for in the projects themselves or other projects.
- c) Conduct of audits and evaluations of programmes - whenever these cannot be financed out of the project itself or where it is convenient or efficient to combine a number of audits/evaluations of related interventions.
- d) Increased understanding of development and trade issues by key actors. To this end, conferences or seminars will have been organised in beneficiary countries and the participation Liberian stakeholders in conferences, seminars, etc. organised by bodies other than the European Commission.

The activities, which will be defined during the programme, will be divided in the following three components:

1. TAF – Technical Assistance Facility (EUR 1 600 000): a facility for the engagement of short- to medium-term consultants to assist in the main stages of the project cycle to ensure the effective implementation of the NIP and other EDF programmes in support of the Agenda for Transformation (AfT). It is proposed that these services be provided by consultants and/or individual experts recruited by or on behalf of the NAO in accordance with EDF procedures. Specific tasks could be (but not necessarily limited to):
 - Prepare projects for funding decisions (identification and formulation).
 - Undertake short-term studies in support of Liberian counterparts. These will be conducted in the priority sectors of the NIP. Cross-cutting issues will also be included as object of these activities, most notably the mainstreaming of gender issues into programming and project implementation.
 - Short- and medium-term technical assistance to ministries and agencies to establish satisfactory implementation and monitoring of on-going projects, where this cannot be provided for in the projects themselves or other projects.
 - Evaluate the effectiveness of on-going and completed projects (evaluation) – only in cases where this is impossible as part of the projects themselves or other projects.
 - Perform audits of on-going and completed projects, where this cannot be provided for in the projects themselves or in the interests of rationality.
2. TSPP – Training Support for Projects & Programmes (EUR 200 000): this will include various actions such as training, seminars or consciousness-raising activities prior to or during the formulation of a project or programme. The programme will ensure that there is provided equal opportunity and a balanced gender representation in all activities. Specific tasks could be (but not necessarily limited to):
 - Organisation of a seminar or workshop to discuss specific EU policy initiatives
 - Organisation of a training or workshop of and on-going and completed project or programme – only in cases where this is impossible as part of the projects themselves or other projects.
3. CS - Conferences and Seminars (EUR 100 000): these will include general short-term training activities for ACP officials and/or non-state actors on topics related either to the priorities of the ACP-EU Partnership Agreement (public financial management, good governance, environment, trade, gender, etc.) or to EDF or other EU administrative and financial procedures. The programme will ensure a balanced access and participation between men and women in all training activities. Specific tasks could be (but not necessarily limited to):
 - Participation by ACP officials and/or non-state actors in international meetings or seminars on themes of development, trade, etc, normally organised by bodies or organisations other than the Commission (including UN bodies).

EUR 100 000 are foreseen for evaluation and audit.

3.3. Risks and assumptions

Key assumptions:

- Liberia will remain stable and there will be no re-occurrence of civil strife.
- The Government remains committed to reform, to improving governance and economic management and particularly to establishing rigorous management and accountability procedures.

Risk	Mitigating measures
Insufficient willingness by stakeholders to participate in activities relating to the implementation of the action	Special emphasis will be placed on the TA and training opportunities to be offered will be demand-driven and chosen according to the needs expressed by the Government of Liberia. Continued close cooperation with the NAO will be core in achieving this.
Insufficient human capacity in the EU Delegation to manage the relatively high number of specific commitments from the programme.	The EU Delegation is currently expanding its staff to fully implement the 11 th EDF NIP and ongoing projects. Support from HQ may be requested on an ad hoc basis and provided through floaters.
High turnover and low commitment of staff in ministries and agencies.	The Government commitment to recruit staff following the established procedures for the Liberian Civil Service Agency and to provide valid contracts will be crucial in ensuring that staff are committed civil servants.

3.4. Cross-cutting issues

In addition to the four pillars, the AfT also encompasses cross-cutting issues which have to be taken into account for the development of Liberia: gender equality, child protection, people with disability, youth empowerment, environment, HIV/AIDS, Human Rights and labour & employment.

The TCF will contribute to a better integration of these cross-cutting issues in programmes definition and implementation. Also, specific studies may be requested to include to specific mainstreaming of cross-cutting issues.

There will also be specific emphasis on the participation of governmental and non-governmental counterparts from central and local levels to appropriate training, conferences and seminars on these issues, thus enhancing their awareness and understanding of these issues.

Activities under the TCF will also be aligned to specific EU action plans, for instance as regards gender mainstreaming and human rights.

3.5. Stakeholders

The final beneficiaries will be the people of Liberia.

The direct target group will be the key governmental institutions who are or will be involved in the implementation of 11th EDF NIP, such as (but not limited to):

Ministry of Finance and Development Planning: Will be a crucial player in the design and implementation of the State Building Contracts.

General Audit Commission: Support to the GAC is foreseen to continue under the 11th EDF. Staff are already familiar with EDF procedures but capacity needs to be strengthened for instance on procurement and Programme Estimates management.

Ministry of Education: Education will be one of the focal sectors of the 11th EDF NIP. While specific interventions are yet to be defined, the Ministry has important capacity gaps in terms of management, planning and coordination. While this project will support only one component of these gaps as relates to aid coordination and EDF procedures, these must be complementary.

Ministry of Lands, Mines and Energy: Energy will be a focal sector of the 11th EDF NIP. With support of the NAO staff, it is foreseen that the Ministry will be involved in important procurements for works and supplies contracts under the 11th EDF.

Ministry of Agriculture: Agriculture will be another important focal sector of the 11th EDF NIP. Specific interventions are yet to be defined.

Other Ministries and agencies will nevertheless also be able to benefit from the programme as needed on a case-by-case basis.

Civil society and cooperation stakeholders will also directly benefit from conferences, seminars and workshops on key policy/issues related to development, trade and cross-cutting themes, as well as from training on EU-ACP cooperation procedures and principles.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the Cotonou Agreement.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 60 months from the date of entry into force of the financing agreement or, where none is concluded, from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

The programme will be implemented through a combination of direct and indirect management with the partner country.

Component I (TAF) will be implemented through direct management, where contracting of the programme lies with the European Commission, acting on behalf of the NAO. The mode of implementation will be through short and medium term consultancy contracts.

Components II (TSPP) and III (CS) will involve rental, travel, incidental expenses (interpretation, equipment, participation fees and other expenses) of participants and for conferences, trainings or seminars. This will be implemented through indirect management where the NAO will act as authorising officer on behalf of the Government of Liberia.

4.3.1. Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Technical assistance: TAF	Services	8	Entire programme
Evaluation and audit	Services (FWC)	1	1 st trimester 2019

4.3.2. Indirect management with the partner country

A part of this action with the objective of implementing components II and III (TSPP and CS) will be implemented in indirect management with the Government of Liberia in accordance with Article 58(1)(c)(i) of the Regulation (EU, Euratom) No 966/2012 according to the following modalities:

The Government of Liberia will act as the contracting authority for the procurement and grant procedures. The Commission will control ex ante all the procurement procedures except in cases where programme estimates are applied following direct decentralised operations, under which the Commission applies ex ante control for procurement contracts above EUR 50 000 and may apply ex post control for procurement contracts up to EUR 50 000. The Commission will control ex ante the contracting procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the partner country for direct labour and contracts up to the ceilings indicated in the table below.

Works	Supplies	Services	Grants
< EUR 300 000	< EUR 300 000	< EUR 300 000	≤ EUR 100 000

The financial contribution does not cover the ordinary operating costs incurred under the programme estimates.

In accordance with Article 262(3) of Delegated Regulation (EU) No 1268/2012, the Government of Liberia shall apply procurement rules of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012. These rules, as well as rules on grant procedures in accordance with Article 193 of Regulation (EU, Euratom) No 966/2012, will be laid down in the financing agreement concluded with the the Government of Liberia.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

4.5. Indicative budget

Module	Amount (EUR)	Third party contribution
Procurement (direct management)	1 600 000	N.A.
Indirect Management	300 000	0
Evaluation and audit	100 000	N.A.
Totals	2 000 000	0

Activity	Cost (EUR)
TAF (expertise required including: fees, living allowances and reimbursable expenses), including audits, monitoring and evaluations	1 600 000
TSPP (including supplies and equipment, rental of premises and incidental expenditures)	200 000
CS (including incidental expenditures, flights, registration, per diem)	100 000
Audit (of this programme)	40 000
Evaluation (of this programme)	60 000
TOTAL	2 000 000

4.6. Performance monitoring

Actions financed by this project will be monitored by the NAO and the EU Delegation. The NAO will also ensure day-to-day monitoring and performance tracking of this programme.

In light of the inherent flexibility of the TCF, no logical framework has been developed. The main indicators to assess the proposed project are as follows:

- Improved execution on payments and contracts of the EDF in Liberia.
- Successful identification and formulation of new projects and programmes under the 11th EDF NIP.
- Successful evaluation and audit of programmes/actions under the EDF in Liberia.
- Reduction in the number of expired EDF contracts (those that are still open more than 18 months after the end of operational implementation).
- Positive feedback from participants through mission - and evaluation reports of participants on trainings/conferences/workshops attended.

4.7. Evaluation and audit

Progress in the implementation of evaluation and audit studies will be monitored by the NAO. An evaluation of this technical cooperation and training facility will be conducted at the end of the programme. A provision for Audit is included in the Budget of this Action Fiche. The Commission can use this provision to organise an independent audit of expenditure under this Agreement.

4.8. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.