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## **LIBERIA TRADE POLICY AND CUSTOMS (LTPC)**

### **QUARTERLY REPORT**

October 2012 – December 2012

CONTRACT NUMBER: EEM-I-00-07-00005

TASK ORDER NUMBER: TO 11

DELOITTE CONSULTING, LLP

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## TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>II</b>
<b>CHIEF OF PARTY REPORT</b> .....	<b>1</b>
<b>ACTIVITIES PLANNED DURING THIS QUARTER</b> .....	<b>3</b>
<b>SIXTH QUARTER IMPLEMENTATION RESULTS</b> .....	<b>4</b>
Component 1: Trade Liberalization in Liberia .....	4
Component 2: Trade Facilitation and Integration.....	14
Component 3: Strengthen Protection of Intellectual Property Rights.....	18
<b>SIGNIFICANT EVENTS DURING THE REPORTING PERIOD</b> .....	<b>232</b>
<b>STATUS OF OVERALL PROJECT PROGRESS AND PERFORMANCE ON THE MONITORING PLAN</b> .....	<b>233</b>
Q6 Results (based on the component objectives) .....	233
<b>High level results</b> .....	23
<b>Result indicators</b> .....	23
Quarterly funds expended and projected by component .....	Error! Bookmark not defined.5
<b>TOTAL PROGRAM EXPENSES TO DATE, AND ESTIMATED AMOUNTS STILL AVAILABLE</b> .....	<b>ERROR! BOOKMARK NOT DEFINED.6</b>

# CHIEF OF PARTY REPORT

## Summary of reporting period activities

Q6 has seen further positive traction on all fronts and in all components of the project.

Relationships with other donors continue to be robust and the project has been especially careful not to duplicate efforts or indeed undo work previously completed by donor partners. LTPC has specifically continued to work in close coordination with SIDA in WTO Accession area and with the World Bank, on Non-Tariff Barriers.

During Q6 LTPC was able to deploy a number of STTA resources, to provide the program with specialized expertise and support planned of project deliverables. Our resident team members have continued to work collaboratively with both counterpart Ministries and have received only full cooperation and assistance. The project continues to respond to all requests from our counterparts and where we are able and time permits we continue to offer advice and assistance outside of immediate project scope; but within related areas.

Our COP, DCOP, STTA and permanent team members remain deployed in both the MOCI and the MOF/BCE. Specific activities and achievements to date are highlighted in the sections below for each of the Ministries. LTPC was focused during the preceding three months on rolling out some of our planned training activities, whilst moving forward in other key areas of the program.

- LTPC carried out training for customs officers in 4 locations in Liberia, two of which were in remote regions. Three topics were covered, Harmonized Tariff, Standard operating procedures and an introduction to IPR enforcement. A total of 54 officers were trained and the feedback from officers was positive especially from those in the regions where this is the first training of its kind. This was a true partnership effort with input from both LTPC personnel and BCE trainers.
- A large effort by LTPC is focused on the development of trainers within our counterpart Ministries, MoF and MoCI. During the preceding quarter LTPC undertook a ToT, (Training of Trainers), workshop with 21 participants from across the two Ministries. Feedback was extremely positive from all participants and from within this group of trainees the BCE technical training committee was introduced and has met regularly since the workshop. The LTPC focus is to develop in house subject matter experts to provide a sustainable and ongoing training plan for counterpart Ministries.
- Work was completed on the mapping of current HR functions and HR recordkeeping systems within both line Ministries.
- Our STTA consultant, Bill Thibodeau, developed an ECI, (essential commodities index), for the MoCI and worked closely with the staff assigned to populate a database to support credible data and provide statistics to MoCI, GoL. The level of cooperation from MoCI was high with the refurbishment of a dedicated new space for the PaMD, (Price and Marketing Division), and the provision of internet. This again shows the partnership with reform by the MoCI. With USAID approval, the project procured 3 desktop computers for the PaMD staff, where the index is now housed and will be updated. Further input may be required and we will address the issue during Q7.
- The technical secretariat for the National Trade Facilitation Forum (NTFF), has been established and now meets regularly. LTPC is working out any glitches with our counterparts and we look forward to the long term benefits and sustainability of the Forum and its aims,

(elimination of non- tariff barriers). A meeting of the full forum, which will include private sector partners in trade, is planned during Q7.

- LTPC continued work on multiple IPR tasks and provided MoCI with a draft outline for the envisioned National IP office, which also contained draft job descriptions by function. We can report that, following the LTPC team's recommendations, MoCI are currently, actively sourcing new premises to house the National IP office.
- LTPC is assisting the MoCI with the organization of:
  - A workshop to build WTO awareness across Government Ministries and Agencies
  - A workshop to build WTO awareness of the business implications of the WTO for the private sector.
  - A joint public/private stakeholder conference to foster dialogue between GoL and the private sector.
- The new Customs legislation still remains in review stage and no date for acceptance is currently known.
- The new Customs regulations await the new legislation
- The new IPR legislation also remains at the review stage and again no date for acceptance is currently known.

The above mentioned project activities are specific and will have an impact on the coming months; but as always it should be mentioned that the team interact and deal with all the project long term goals on a day-to-day basis. We remain committed and responsive to the changing needs of GoL and the LTPC project team engages with their counterparts outside the official project remit as required and as previously stated, within project time constraints.

## ACTIVITIES PLANNED DURING THIS QUARTER

LTPC team has made further positive progression of the key activities and continued consolidation of activities carried out during the previous quarters. Activities included the following logistical and technical elements:

- **Personnel mobilization:** The following project personnel are deployed on the project on a full time basis and it is anticipated they will remain with the project until it's conclusion in August 2013:
  - Mr. Glenn Mackenzie-Frazer, Chief of Party (COP) - Deloitte
  - Philip Pleiwon, Deputy Chief of Party (DCOP) – IBI International
  - Rufus Chamberlain, CCN Operations/Security Manager – RSM
  - Fanta Conde-Barclay, CCN IPR Advisor -- Deloitte
  - Edwin Martin, CCN Trade Facilitation and Integration Advisor – IBI International
  - Katie Fahrland, Trade Liberalization Advisor – Deloitte
  - Robert Letchford, HR & Training Advisor -- Deloitte
  - Chirag Rajpuria, HR & Training Advisor -- Deloitte
  - **Home office management team**
    - Dr. Stephen Lewarne, Engagement Principal
    - Ms. Alyona Polomoshnova, Engagement Manager
    - Mr. Remy Olsen, Home Office Project Associate

In order to consolidate project momentum further STTA personnel were also deployed during Q6.

- William Thibodeau, Price & Marketing Division Advisor – IBI International
- Diana Osinski, HICD training expert – Deloitte
- Brian Foster, HR & Training Advisor -- Deloitte
- Erik Spurgin, HRIS expert - Deloitte
- Mark Eghrari, IPR advisor - Deloitte

### **STTA Deployment Plan for Q7:**

Area	Name	LOE	Approx. Deployment Date
• Brokers Advisor	Arturs Madzulis	24 days	March
• P&MD Advisor	Bill Thibodeau	20 days	March
• CPU Advisor	TBD	40 days	February
• CCN Training	Pewee Reed	Remaining project duration	
• SME Customs	Ian Laycock	60 days	March
• Database Expert	Katelyn Mason	45 days	March

- **Project operations and local offices set-up:** The LTPC project team have continued to use every possible opportunity to work hand-in hand with key project counterparts, including deployment of project advisors on counterpart's premises to the extent possible. The project team has co-located work space with our key counterparts, Ministry of Finance Customs Headquarters and the Ministry of Commerce & Industry. Working space is also available in the IP office, located within the MOCI. The project continues to maintain a small remote

project office with reliable Internet connection, printing equipment and power generation equipment, in order to ensure productive use of the project team's work time and minimizing the impediment of the currently unreliable infrastructure.

The preceding activities are the general logistical activities and specific activities related to the project SOW by component and are within the project plan framework.

## **SIXTH QUARTER IMPLEMENTATION RESULTS**

### **COMPONENT 1: TRADE LIBERALIZATION IN LIBERIA**

- The Ministry of Finance (MOF) Bureau of Customs and Excise (BCE or Customs) continues to undertake the exercise to align the customs tariff structure with the World Customs Organization's Harmonized System for Tariff Classification Convention. Lack of a completely harmonized system inhibits the gathering, production and comparative analysis of timely and accurate national trade statistics. The current lack of trade data and poor transparency in the existing national customs tariff classification system undermines trader voluntary compliance and permits discretionary practices by customs officials. These factors discourage trading and drive up overall costs of doing business.
- The Deloitte team continued working with the GOL to correct these weaknesses in the Customs tariff structure and its administration at border posts, where, according to MOCI officials, the majority of illegal and substandard activity reportedly takes place. These activities will move Liberia towards achieving its vision for simplifying tariff policies and reducing non-tariff trade barriers to stimulate expanded trade flows and economic expansion.

#### ***Expected Result 1 – Tariff Simplification, Harmonization, Implementation, and Reduction of Nontariff Barriers***

##### *Activity 1: Incorporate ECOWAS standards into GOL's draft National Trade Policy*

The DCOP, Philip Pleiwon, based at the Ministry of Commerce and Industry has continued working in conjunction with MOCI officials, in the preparation of activities for the achievement of this task. Philip continues to assist the Ministry in the consolidation of the final National Trade Policy document. The first draft did not include few important aspects, such as a policy on women and cross border issues. The Ministry, at their own expense, brought in two additional external consultants and the draft continues to be revised. The current draft has now been updated; but has not moved forward to a conclusion during Q6. Although progress is rather slow, the MOCI are committed to complete the National Trade Policy document and LTFC continues providing support to this effort of the Ministry.

##### *Activity 2: Rationalize and harmonize tariff structures with ECOWAS*

The responsibility for the harmonization and rationalization of the tariff structure remains with the Ministry of Finance. Progress has been made and harmonization with the international HS code has taken place, (ECOWAS has the same structure). Harmonizing the tariff rates continues to cause problems; however during Q4 the new Liberian tariff was shared with the WTO and the feedback from the WTO was positive. The MoF/BCE is committed to the rollout of the new tariff on 1<sup>st</sup> March 2013 and LTFC will assist with outreach and implementation.

The fiscal impact study on the adoption of the ETLs, was shared with GoL. The initial findings and projections on the impact of adopting the ETLs were presented and discussions continued with ECOWAS. To date, GoL have not made any decision on the adoption of the ETLs. The adoption of the ETLs would create a positive trading environment with our ECOWAS colleagues; but agreement still needs to be reached on the number and scope of goods which GoL wish to have excluded from the agreement, (sensitive imports). LTFC will continue to provide GoL with advice as required; however the decision now rests with GoL.

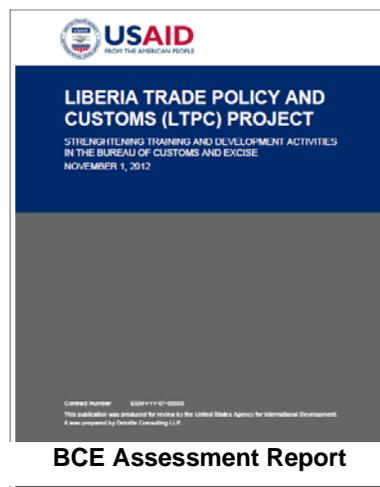
Activity 3: Train Customs and Trade Officials

**Bureau of Customs and Excise (BCE)**

During Q6 a range of HICD activities were undertaken at the BCE and MOCI by the LTPC team and we have included the following training and cross-cutting activities under this heading:

- **Training Needs and Organizational Functional Capacity Assessments**

The LTPC team designed, developed, and implemented an assessment of BCE training needs and functional capacity in the areas of training, development, and associated human resource (HR) management functions to support training and development activities within the BCE. An assessment report with recommendations was drafted and submitted to the Assistant Minister Revenue, Commissioner BCE, and other key stakeholders on the 1<sup>st</sup> November, 2012 for their consideration. Subsequently the report was accepted along with recommendations, which the LTPC team is now assisting the BCE to implement, working closely with the Director Common Services and acting Director Training and Development Unit, BCE.



- **Train-the-Trainer (ToT) Program**

The LTPC team designed and developed a ToT program that was delivered over a three-day period December 4<sup>th</sup>-6<sup>th</sup> for sixteen BCE officers and five MoCI colleagues to build a cadre of trainers at both BCE and MoCI. This work was completed to enable sustainable in-house capacity development of BCE and MoCI workforces as the LTPC project team

assists both organizations to develop and institutionalize training and development functions.

Train-the-Trainer Program, December 4-5, 2012		
Name of Institution	Gender	# Participants
Bureau of Customs & Excise	Male	13
	Female	3
Ministry of Commerce & Industry	Male	4
	Female	1

The ToT program consisted of two related courses, Instructional Systems Design and Curriculum Development. It is intended that the final two courses, Test Writing and Presentation and Facilitation Skills, will be

delivered prior to the delivery of the tier 1 Phase 1 Induction Training Program for newly recruited BCE officers in late March, 2013.



- **Tier 1 Phase 1 Induction Training Program**

As a result of the ToT Program a working group was formed within BCE and facilitated by the LTPC team to agree the Phase 1 Induction Training Program Curriculum to be delivered to newly recruited BCE staff during 2013. A curriculum of eight training modules was agreed and will be developed by eight BCE teams formed from the ToT Program participants with support from the LTPC team. Training modules to be developed include: BCE Roles and Functions, Conditions of Service and Probation, Code of Conduct - Ethics & Behavior, Occupational Health and Safety, Overview of Cargo Environment, Introduction to Revenue Assessment, Introduction to Risk Management & Compliance Systems and Import Clearance & ASYCUDA. It is anticipated that a draft version of the induction program will be completed by late February, 2013.

- **Human Resource Functions and Human Resource Information System (HRIS)**

The LTPC team undertook a Human Resource Capacity Assessment which was included in the BCE Assessment Report (see above) and as a result recommendations were made to assist with the preparations for design of a HRIS. The key recommendation, based on feedback from the Assistant Minister Revenue, was that the BCE HRIS will be focused around the tracking and evaluation of training and development activities for BCE's 400 officers. The LTPC team will also assist in the development of job descriptions and review of BCE Staff Rotation Policy to maximize impact and sustainability of capacity development inputs. During the next quarter key HR processes will be mapped and an initial HRIS system will be designed and developed.

**Ministry of Commerce and Industry (MoCI)**

During Q6 a range of HICD activities were undertaken at the MoCI by the LTPC team resulting in the following outcomes:

- **Training Needs and Organizational Functional Capacity Assessments**

The LTPC team designed, developed, and implemented an assessment of MoCI training needs and functional capacity in the areas of training, development, and human resource (HR) management functions to support MoCI activities across the Ministry. An assessment report with recommendations was drafted and submitted to the Minister and Deputy Minister, MoCI in November, 2012. The report outlined operational and strategic problems with respect to human resource management and recommended specific solutions to be adopted by the ministry.



<sup>1</sup> Above left is a photograph of the participant group who attended the USAID funded ToT program facilitated by the LTPC team and on the right Dr Michael Nicholson, (USAID), meeting with ToT participants Mr. Saa Samoi, Deputy Commissioner Urban Ports, Mr. Gregory Natt, acting Training & Development Unit Director and Mr. Papee Sumo, Director Common Services.

- **MoCI Plan of Action for HR Reform**

As a result of the LTPC team undertaking an organizational assessment, a specific action plan was drafted in collaboration with the HR Department and MoCI leadership and included the following:

- a. Plan for development of a training and development function within the HR Department including the recruitment of a locally qualified training coordinator to be supported by the LTPC team for sustainability post project
- b. Development of an induction training program (see ToT training program above) for the ministry to assist in the retasking of MoCI staff to meet strategic ministry objectives to improve service delivery for MoCI internal and external clients
- c. Planning for a senior management retreat to be held in February, 2013 to assist leadership to achieve strategic goals through planning for development and implementation of improved HR functions aligned to the ministries strategic objectives
- d. Plan of action developed and approved by MoCI leadership including adoption of a new organizational structure for the HR Department, allocation of work space and other additional resources

- **Human Resource Information System (HRIS)**

In preparation for the development of a HRIS the LTPC team has mapped key HR processes to enable the design and development of a HRIS database for the ministry. It is anticipated that by the end of the next quarter a prototype HRIS will be in place.

- **Training of operational BCE Officers**

In the early part of Q6 LTPC commenced a series of training workshops focusing on three topics: Introduction and adoption of Standard Operating Procedures, (developed by LTPC), Introduction and use of the HS Tariff and a basic enforcement guide for IPR.

LTPC carried out training for customs officers in 4 locations in Liberia, two of which were in remote regions. A total of 54 officers received training and the feedback from officers was extremely positive especially from those officers in the regions where this is the first training of its kind. This was a true



partnership effort with input from both LTPC personnel and BCE trainers. We have one further regional training event planned for Q7 and LTPC believe that BCE will now carry forward the training model to ensure that decisions and changes which take place centrally are translated and implemented regionally

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<sup>2</sup> Training participants during one of the regional, (Ganta), LTPC/ BCE training events. Assistant Commissioner William Buku, introduces trainees to the new Harmonized Tariff, due for implementation in March 2013

#### Activity 6: Identifying non-tariff barriers to trade

The NTB Survey and information gathering exercises have been completed

#### Activity 7: Develop NTB elimination action program

This activity flows from activity 6 and currently all players identified in the NTB report are being asked to contribute to the overall reduction/prioritization/implementation strategy. The first meeting of the 'National Trade Facilitation Forum', (NTFF), was planned to take place in Q6, this unfortunately did not take place; however the technical working group, which will support the Forum was implemented and now meets on a regular basis. It has been established that the MoCI will lead the Forum and LTFC is driving the process forward, with the intention of holding the first full forum meeting in Q7. This meeting will include all trade partners and will assign roles, responsibilities and timescales for the NTB elimination initiative.

Once started the NTFF will reach beyond the LTFC project end and will act as a focal point for all donors, trade bodies and government to table trade related concerns and issues.

#### Activity 8: Import Permit Declarations and Pre-Shipment Inspection.

As stated in previous reports LTFC has researched the background to this issue and through discussion with MOF and MOCI, reported that progress has been made in the area of IPD's and continues to be made. The IMF, WB and the EU are all players in this arena and share the common objective of the further reduction of IPD's.

LTFC has worked closely with both MOF and MOCI to facilitate the installation of the Automated Customs Clearance System (ASYCUDA) in the MOCI. We have procured the required computer equipment needed and the ASYCUDA implementers UNCTAD continue working to meet MOCI requirements. The installation is now due to take place early in Q7 and it is hoped that even for those goods which still require an IPD, this will now be able to be issued automatically through the system, reducing the possibility of negotiation and also reducing time and cost to business.

The GOL, at the end of Q6, has signed a new 3 year contract with the incumbent company, BIVAC. Negotiations took place concerning the PSI exit strategy. It is our understanding that a gradual ceding of responsibility has now been built into the new contract and GoL BCE will/should take full responsibility for valuation after the contract expires. LTFC will continue to follow progress and will work with other donors to augment valuation training provided by the PSI company. It should be reiterated at this point, that the amount of training required to enable GOL/BCE to carry out valuation functions at import is formidable. Liberia is not currently in a position to verify values with exporting nations and the current infrastructure will not support it. Anticipated improvements in internet, the signing of regional and international trade agreements and the move toward the WTO will all place Liberia in a better position to take on the role now carried out through PSI.

#### Activity 9: Administrative and regulatory reform in health and safety

The DCOP, Philip Pleiwon continues to consult with MOCI to determine areas of technical assistance to the Standards Laboratory for LTFC project intervention. Recent discussions indicate that the sustainable approach will be to use a longer term CCN to assist with this task and will also promote ownership of the new processes and procedures which are developed. The timing of the assistance is still under discussion; however in all probability it will not commence until Q8 and will then run until the project end at which point it is hoped that GoL will extend the assistance at their own cost.

#### Activity 11: Trade statistics and data analysis

Access and use of ASYCUDA at MOCI will begin in Q7. LTFC has provided the required assistance and advice; however MOCI now await installation and connection work by UNCTAD.

LTFC continues to work closely with Assistant Minister Marvie within MOCI, to implement the plan for improved trade related research, data collection, and analysis. LTFC remain confident that future

statistics produced by the Ministry will be more comprehensive, accurate and meaningful and will allow the Ministry to meet GoL requirements.

#### Activity 12: Activity Plan for the Price and Marketing Division of the MOCI

The Activity Plan for the Price Analysis and Marketing Division which was drawn up by LTPC is now implemented. LTPC deployed a STTA Advisor, Bill Thibodeau, who completed his assignment during Q6. An ECI, (Essential Commodities Index), was created and assigned PAMD staff were trained to input data to ensure that the Index remains relevant.

During the training phase it was realized by both MoCI and LTPC that the level of skills required to maintain the data-base was not available through the currently assigned staff. The MoCI are now recruiting young professionals with the required computer skills and the LTPC STTA will return early in Q7 to carry out further training and to ensure that the database is current, (back-up discs are held by LTPC to ensure no loss of data in the intervening period). In further discussion with MoCI the whole issue of data back-up was tabled. Currently the data-base would be maintained on 'stand- alone' desk top computers with the real possibility of full data loss through a system crash. In another example of the commitment to reform, MoCI have now purchased a server for the Ministry, where data will be housed.

LTPC also continue contact with MIT who may enter into an agreement with GoL to host the data-base in 'cloud' form and assist GoL to keep the database updated and relevant. WB will also be carrying out a household survey in 2013 and this data will be added to the database.

**Figure 1: Activities under Expected Result 1 – Tariff Simplification, Harmonization, Implementation, and Reduction of Nontariff Barriers**

The table below summarizes the status of planned activities under Expected Result 1 as it compares to the work plan.

#	Activity	Work Plan Start	Work Plan Completion	FY2011	FY2012				FY2013				Comments
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1	Incorporate ECOWAS standards into GOL's draft National Trade Policy	Sept 2011	Dec 2011	started	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing			Continuing. Draft policy in review
2	Rationalize and harmonize tariff structures with ECOWAS	Oct 2011	Mar 2011	X	X	started	ongoing	ongoing	ongoing	ongoing	ongoing		HS Tariff, submitted to WTO. Tariff implementation 1 <sup>st</sup> March 2013
3	Train Customs and Trade Officials	Aug 2011	Aug 2013	X	started	ongoing	ongoing	ongoing	ongoing	ongoing			Continual OJT, phase 1 ToT completed  Tariff, IPR and SOP ongoing
4	Conduct a media awareness campaign	Oct 2011	Mar 2012	X	started	ongoing	ongoing	ongoing	ongoing	ongoing			Awareness materials generated on IPDs and EPDs. Outreach conducted on the new LBR reduction in fees and procedures
5	Deliver ECOWAS CET training with GOL	Oct 2011	April 2012	X	X	X	X	X	ongoing	ongoing			Training and research commenced and ongoing for the remainder of the project.
6	Identifying non-tariff barriers to trade	Sept 2011	Dec 2011	X	stta	stta	X	stta	X	X	X	X	Completed.
7	Develop NTB elimination action program	Jan 2012	June 2012	X	stta	stta	ongoing	stta	ongoing	X	X	X	Completed. To be implemented through NTFB
8	Import Permit Declarations and Pre-shipment Inspection	Oct 2011	Dec 2011	X	started	ongoing	ongoing	ongoing	ongoing	X	X	X	Completed. Re-launch through media, of goods lists exempted from IPD. New pre-shipment contract

														signed.
9	Administrative and regulatory reform in health and safety	Oct 2011	April 2012	X	X	X	start ed	ongo ing	ongo ing	ongo ing				Q7 and Q8 will see further progress, through STTA inputs
10	GAP analysis in ECOWAS protocol implementation	Sept 2011	Nov 2011	X	ongo ing	ongo ing	ongo ing	ongo ing	com plete d	X	X	X		A full comparison was not required. Only the ETLs remains an issue. The fiscal impact study completed in Q4 is in the hands of GoL who continue their negotiations with ECOWAS
11	Trade statistics and data analysis	Sept 2011	June 2012	start ed	ongo ing	ongo ing	ongo ing	ongo ing	ongo ing	ongo ing				ASYCUDA use in MOCI. Internet connection and training Q7. Awaiting UNCTAD programming
12	Activity Plan for the Price and Marketing Division of the MOCI	Oct 2011	April 2012	X	Start ed	ongo ing	ongo ing	com plete d	X	X	X	X		Plan completed. Implementation underway. Completion Q7

## ***Expected Result 2 – Move Liberia toward WTO Accession***

- Following a presentation to the WTO led by Liberia’s representative, Liberia was granted observer status at the WTO. Under MOCI’s leadership, the Integrated Framework (IF) initiative, which the GOL launched to spearhead the WTO accession process, developed an accession plan. We will provide MOCI and the IF coordination unit with technical assistance to facilitate the implementation of the accession plan.

### ***Activity 2: Establish and provide assistance to a WTO Accession Team***

The WTO accession team, now meet on a regular basis, (every Friday). The project has encouraged and seen more active participation from MOCI during Q6. Efforts continue to establish a permanent accession office within the MOCI under the supervision of the Assistant Minister, to date this is still a hot topic of discussion. The GoL WTO technical negotiation team are currently carrying the brunt of the work and there is a need to promote more high level support.

The LTPC team will support the SIDA funded program upon their arrival during Q7; however it should be stated that LTPC has laid the foundation for their arrival and this will ensure that they can smoothly establish themselves as the drivers of WTO accession.

### ***Activity 5: Prepare Liberia’s Goods and Services Offer***

The project has distributed the format and questions to the Ministries concerned and continues to work on collating the information required to assist with the preparation of Liberia’s goods and services offer. LTPC has also assisted with all preparations for the commencement of the SIDA funded long term WTO assistance agreement with GoL. Latest information suggests that the program will commence in February 2013. The first task to be completed by the SIDA project LTTA is the preparation of the Goods and Services offer. LTPC will assist both our counterparts and our Swedish colleagues in the completion of this goal.

### ***Activity 6: Research and draft legislation for ECOWAS and WTO compliance***

There is no change in this section and the statement below remains extant.

An example ‘legislative action plan’ has been provided to MOCI and discussions held with the Liberian Law Reform Commission. The project has concluded that this body would be best suited to carry out this task as they have perhaps the best access to the most complete law library in Liberia. We have continued to work with MOCI in the drafting of a finalized action plan and provided a list of laws, by subject area), which should be given priority in the review process. LTPC will continue to monitor the finalized action plan during the coming months; however our Swedish colleagues will be in Liberia for 5 years working solely on Liberia’s accession to the WTO.

### ***Activity 7: Provide training on ECOWAS and WTO protocols***

This is an ongoing activity for the duration of the project. As stated previously in this report LTPC has embarked on HICD cross-cutting activities in support of the key project objectives. Training needs will be met through these activities that will teach the necessary training skills and provide delivery ownership to counterparts.

**Figure 2: Activities under Expected Result 2 – Move Liberia toward WTO Accession**

The table below summarizes the status of planned activities under Expected Result 2 as it compares to the work plan.

#	Activity	Work Plan Start	Work Plan Completion	FY2011	FY2012				FY2013				Comments
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1	Finalize and submit the Memorandum of Foreign Trade Regime	June 2011	Sept 2011	Completed	Completed	X	X	X	X	X	X	X	Submitted
2	Establish and provide assistance to a WTO Accession Team	Aug 2011	Dec 2011	Started	ongoing	stta	ongoing	ongoing	ongoing	X	X	X	Training in Sweden completed. Possible delay in the implementation of the Swedish Program. Continued assistance through LTPC. Full time Swedish consultants to begin work in February 2013. Completed
3	Respond to WTO MFTR Requests for Clarification	Oct 2011	Aug 2013	Started	started	stta	ongoing	completed	X	X	X	X	Completed and submission made to WTO.
4	Prepare the WTO first Working Party meeting	Oct 2011	Aug 2013	X	X	stta	ongoing	completed	X	X	X	X	The first working party meeting took place in Geneva on the 11 <sup>th</sup> of July 2012
5	Prepare Liberia's Goods and Services Offer	Oct 2011	Aug 2013	X	started	stta	ongoing	ongoing	ongoing	ongoing			On track
6	Research and draft legislation for ECOWAS and WTO compliance	Aug 2011	Mar 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Example Legislative action plan submitted to GoL.
7	Provide training on ECOWAS and WTO protocols	Sept 2011	Aug 2013	X	X	stta	ongoing	ongoing	ongoing	ongoing			Ongoing WTO training; but not for ECOWAS

## **COMPONENT 2: TRADE FACILITATION AND INTEGRATION**

- Deloitte’s strategy to achieve Trade Facilitation and integration expected result is based on the objective of building institutional capacity in the key functions of cargo inspection, tariff classification and customs valuation to allow Customs to gradually phase out PSI over the next 3 to 5 years. We will also modernize the customs legal framework; simplify and harmonize customs procedures and controls in line with international best practices; maximize the use of IT systems; and strengthen customs verification and enforcement through the application of risk management techniques, post-clearance audit controls, and non-intrusive inspection technology. These reforms will support ECOWAS regional integration and WTO membership requirements.

### ***Expected Result 3 – Improve customs procedures so as to reduce delays and costs to traders for complying with customs requirements***

#### *Activity 1: Simplify and streamline customs procedures and processes*

LTPC continues to give reform advice and address the needs of the BCE in line with the work-plan and we continue to address and discuss new issues as they arise. As previously stated, this is a life of project activity. We continue to await the appointment of a permanent Commissioner.

#### *Activity 2: Assist in finalizing the new customs code*

This statement is still extant although it now appears we may not see the new code brought into force during 2012.

As stated in previous reports the new Customs Code has been finalized and checked for compliance with the Revised Kyoto Convention, WTO and ECOWAS requirements. The WB carried out this work and the new code is compliant. The code continues to await ratification by GOL and is not likely to be passed into law until 2013.

#### *Activity 3: Assist the GOL in drafting and implementing regulations and administrative instructions*

Our STTA Advisor, Jan Forest, completed the implementing regulations that have been discussed and reviewed with BCE. The final draft was submitted to MOF. It would be beneficial for Liberia if some of the new regulations could be implemented immediately without the need to wait for the adoption of the new legislation, as they are compliant with current legislation and offer enhanced controls. As indicated above, we remain hopeful that the new legislation and regulations will be adopted. The WB fielded a Customs legal advisor to carry out an overview of the situation during December and LTPC will continue to coordinate and monitor efforts to promote the early adoption of the code and regulations.

#### *Sub-Activity 3.1: Customs Standard Operating Procedures Manual*

The Standard Operating Procedures Manual has continued to be adopted. A fuller program of roll out and training took place during Q6 and will be completed early in Q7. As the new procedures come on line LTPC will continue to work with BCE to ensure the ‘Fact Sheets’ developed for the trade, are also printed and made available.

#### *Activity 4: Assist the GOL in ensuring regulations are in compliance with WTO requirements.*

Both legislation and regulations are compliant with current WTO requirements and the revised Kyoto Convention.

#### *Activity 5: Improve and strengthen cooperation and consultation between customs, customs brokers, importers, exporters and other stakeholders.*

As previously stated, the first meeting of the NTFP was delayed. The inaugural meeting should now take place during Q7.

Sub-Activity 5.1: Set up a Stakeholder Consultative Committee.

As stated in the previous point, the current committee will remain in force reformed as the NTFF. This initiative has the full support of the WB and will be the focal point for all trade related issues in Liberia.

Sub-Activity 5.2: Assist Customs in implementing a robust Customs broker testing and licensing regime.

The report has been completed and finalized. Implementation was again delayed during Q6.

The implementation will now take place during Q7, February/March 2013. During the licensing exercise we will engage a STTA Advisor, Arturs Madzulis, to assist BCE in the smooth implementation of the program and the setting up a record keeping system. Record keeping has been one of the stumbling blocks, with previous records lost and no way to verify if an individual was actually previously licensed or qualified to operate as a Broker.

**Figure 3: Activities under Expected Result 3 – Improve customs procedures so as to reduce delays and costs to traders for complying with customs requirements**

The table below summarizes the status of planned activities under Expected Result 3 as it compares to the work plan.

#	Activity	Work Plan Start	Work Plan Completion	FY2011	FY2012				FY2013				Comments
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1	Simplify and streamline customs procedures and processes	Sept 2011	Aug 2013	Started	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing			Ongoing for the project duration
1.1	Develop a cargo release time study	Oct 2011	Dec 2011	X	started	stta	X	completed	X	X	X	X	Completed.
1.2	Analyze timeframes for all types of cargo	Oct 2011	Dec 2011	X	started	stta	ongoing	completed	X	X	X	X	Completed. To be used in conjunction with the NTB study during project life
1.3	Propose alternative solutions and develop a detailed action plan to streamline each regime	Oct 2011	Dec 2011	X	started	ongoing	ongoing	ongoing	ongoing	ongoing			To be implemented during Q7. First consultative meeting delayed until March
1.4	Introduce automated risk management techniques	Oct 2011	Aug 2013	X	X	X	X	X	X	X	X	X	Automated risk management techniques in use through the ASYCUDA system.
2	Assist in finalizing the new customs code	Sept 2011	Jan 2012	Completed	X	X	X	X	X	X	X	X	Code completed and awaiting adoption by the GOL
3	Assist the GOL in drafting and implementing regulations and administrative instructions	Sept 2011	June 2012	Started	2 x stta	X	X	completed	X	X	X	X	Standard operating procedures completed. Implementing regulations completed
4	Assist the GOL in ensuring regulations are in compliance with WTO	Sept 2011	Nov 2011	Started	stta	X	X	complete	X	X	X	X	New code compliant. Regulations compliant

	requirements													
4.1	Undertake a diagnostic study to benchmark Liberia's WTO Compliance	Sept 2011	Aug 2012	Started	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing				Liberia thus far compliant.
4.2	Prepare an appropriate action plan on compliance for consideration by the NTFF	Oct 2011	June 2012	X	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing				Action plan developed; will be implemented through the NTFF.
5	Improve and strengthen cooperation and consultation between customs, customs brokers, importers, exporters and other stakeholders	Aug 2011	Aug 2013	ongoing				Ongoing assistance. Project life						
5.1	Set up a Stakeholder Consultative Committee	Aug 2011	Oct 2011	ongoing				Committee, (NTFF) set up completed, awaiting first meeting in March 2013						
5.2	Assist Customs in implementing a robust Customs broker testing and licensing regime	Sept 2011	Dec 2011	Started	stta	ongoing	ongoing	ongoing	ongoing	ongoing				Brokers program completed. Re-licensing planning completed. Licensing to begin Q7
6	Conduct training programs on Customs Valuation	Oct 2011	Mar 2012	X	X	X	X	X	X	X	X	X	X	Until the new legislation is adopted, valuation training will be pre-emptive. However in conjunction with other donors, LTPC will continue to monitor the situation.
7	Training at LIPA and Customs	Aug 2011	Aug 2013	ongoing				Initial consultation with LIPA. Ongoing program activity						

## **COMPONENT 3: STRENGTHEN PROTECTION OF INTELLECTUAL PROPERTY RIGHTS**

- In Liberia, the benefits of improved IPR protection are clear to economists and more sophisticated businessmen and entrepreneurs, but far less so to the population at large. With its intent to join the WTO and to comply with other IP-related international agreements, Liberia must comply with tighter rules and standards in order to qualify, which will have a clear, positive impact on the Liberian economy in the long run. Greater IPR protection encourages innovation and entrepreneurship, should businessmen and innovators become sufficiently aware of the processes and benefits involved through education and outreach. The Liberian population as a whole will benefit from the increased economic activity as well as reduced dangers from cheap, counterfeit products that threaten its health and safety. Deloitte will work with the GOL to make public awareness a centerpiece of its offering.

### ***Expected Result 4 – Increase knowledge and capacity of GOL on Protection of Intellectual Property Rights***

Activity 1: Develop and implement an IP policy framework

Our LTTA CCN IPR Advisor Fanta Conde-Barclay continues her work to assist in the development of the draft IP Policy Framework.

Activity 2: Prioritize recommendations from WIPO's assessment of Liberia's IPR regime

Recommendations have been prioritized. An action plan for implementation over the coming quarters is in development and this activity continues to be driven by our CCN LTTA advisor in a collaborative effort with MOCI.

Activity 3: Strengthen IPR protection unit within the Bureau of Customs

LTPC has begun conducting basic training on IP concepts for the Bureau of Customs. This training will be completed early in Q7 and will be followed by training on TRIPS Border Protection Measures. The training began in November and was a collaborative effort with the new BCE IPR Director. IP remains a very new concept to customs and requires careful change management work to support implementation. LTPC will continue to assist during the coming quarters.

Activity 4: Support Automation for LIPO and the copyright office and train the Coordination Unit

No activities were carried out in this area during the quarter. LTPC will move into this area during the remainder of the project.

Activity 5: Create a training program and Liberia-specific materials/training on IPR

Liberia specific IPR materials have already been developed, and more will continue to be developed throughout the duration of the project. These materials will be shared with government agencies, public interest groups, trade associations and the US Embassy in order to help reach business people and individuals who can benefit from these materials. Currently LTPC is reaching the conclusion of a public outreach information manual, which will relay IP concepts across all interest groups and associations. This approach seems appropriate as the concept is completely new in Liberia.

- Discussions with artists and organizations continue; but we all await passage of the draft laws in order to develop effective strategies for IPR protection. Our LTTA CCN IPR Advisor continues to work with the Law Reform Commission to finalize the 'Liberia Intellectual Property Act 2012. The new Act is in line with international laws and conventions. The passage of all legislation is slow and the Law Reform Commission appears overwhelmed. This situation will come to a head, especially in light of the WTO accession, which involves a large amount of legislative change.

Activity 7: Implement a permanent MOCI training program

LTPC has been in consultation with the Judiciary to ascertain the best approach to their specific needs. During November/December the LTPC STTA Advisor assisted in the development of workshop style events for Judges and Lawyers. It is intended that the first workshop will take place during Q7. Further specialized training will be developed for those assigned to IPR issues within the MOCI and the LTPC HICD program will be heavily involved in the development and delivery of ToT training events, allowing MOCI to roll out training to all staff.

The HICD experts have completed a training needs analysis and carried out an organizational health survey during this quarter.

**Figure 4: Expected Result 4 – Increase knowledge and capacity of GOL on Protection of Intellectual Property Rights**

The table below summarizes the status of planned activities under Expected Result 4 as it compares to the work plan.

#	Activity	Work Plan Start	Work Plan Completion	FY2011	FY2012					FY2013				Comments
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
1	Develop and implement an IP policy framework	Aug 2011	Dec 2011	X	X	stta	ongoing	ongoing	ongoing	ongoing			Policy development in progress	
2	Prioritize recommendations from WIPO's assessment of Liberia's IPR regime	Oct 2011	Nov 2011	X	X	stta	ongoing	X	X	X	X	X	Completed. GoL with LTPC assistance continue to discuss implementation	
3	Strengthen IPR protection unit within the Bureau of Customs	Aug 2011	Mar 2012	X	X	stta	ongoing	ongoing	ongoing	X	X	X	Training materials developed for delivery in conjunction with the newly appointed BCE IP Director. Completed	
4	Support Automation for LIPO and the copyright office and train the Coordination Unit	Sept 2011	Feb 2012	X	started	ongoing	ongoing	ongoing	ongoing	ongoing			Ongoing support through MOCI of all automation	
4.1	Automation	Sept 2011	Feb 2012	X	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing			Ongoing support through MOCI of all automation. Price Index development completed	
4.2	IP Coordination Unit	Sept 2011	Feb 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Coordination of IP is in place through the IPR office located within the MOCI. This office is now supported through a LTTC CCN IPR advisor	
5	Create a training program and Liberia-specific materials/training on IPR	Sept 2011	May 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Some training material developed and delivered. Further development and delivery in progress	

5.1	Train Customs Officials	Sept 2011	May 2012	X	X	X	X	ongoing	ongoing	ongoing			Materials developed. First delivery of training carried out in 4 locations
5.2	Prepare training programs for GOL Ministries	Sept 2011	May 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Some modules developed. Further modules in Q7 and throughout the life of the project
5.3	Develop informational materials for entrepreneurs/inventors	Sept 2012	Mar 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Materials in development
5.4	Work with Artists/Organizations to improve IPR protections	Sept 2012	Aug 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Materials in development
5.5	Increase Public Awareness	Sept 2012	May 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Materials in development
6	Strengthen judicial understanding and enforcement	Jan 2012	Aug 2013	X	X	stta	ongoing	ongoing	ongoing	ongoing			Judicial consultations carried out. Still awaiting new legislation
7	Implement a permanent MOCI training program	Oct 2011	May 2012	X	X	stta	ongoing	ongoing	ongoing	ongoing			Basic analysis carried out. Further action in the coming months through HICD
8	Conduct public outreach	Jan 2012	Aug 2013	X	X	X	X	X	X	X			Will start in Q7

## CROSS-CUTTING COMPONENT 4 – HUMAN INSTITUTIONAL CAPACITY AND DEVELOPMENT (HICD) IN MOCI AND MOF, BCE

While the progress on Cross-cutting HICD activities was described in detail in the sections for Expected Results 1 – 4, the Figure below provides a concise snapshot of the progress of each activity.

**Figure 5: Cross cutting activities – Human institutional capacity and Development (HICD) in MoCI and MoF, BCE**

The table below summarizes the status of planned activities under Cross Cutting Activities as it compares to the work plan.

#	Activity	Work Plan Start	Work Plan Completion	FY2011	FY2012				FY2013				Comments
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1.1	Implement Functioning HRIS - BCE	Nov 2012	Aug 2013	X	X	X	X	X	X	started			Process mapping started in Q6, design will be completed in Q7 and roll out and training will occur in Q8
1.2	Build In-house Training Capacity - BCE	Nov 2012	Aug 2013	X	X	X	X	X	X	ongoing			Activities will continue in Q7 and Q8
2.1	National Intellectual Property Organizational Design - MoCI	Nov 2012	Aug 2013	X	X	X	X	X	X	started			Draft outline for the National IP office, with draft job descriptions by function was developed and presented to MoCI. Activities will continue in Q7 and Q8
2.2	Implement Functioning HRIS - MoCI	Nov 2012	Aug 2013	X	X	X	X	X	X	started			Process mapping started in Q6, design will be completed in Q7 and roll out and training will occur in Q8
2.3	Conduct Public Outreach (supplemental to Activity 8, Expected Result 4) - MoCI	Nov 2012	Aug 2013	X	X	X	X	X	X	X			Will occur in Q7 and Q8

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

- There are still two project related, outstanding pieces of legislation under review by the Law Reform Commission. The process is frustratingly slow and the legislation can have an impact on implementation. LTPC continues to assist and to consult at Ministerial level to drive the ratification of this legislation.
- The LTPC HICD program and associated training have kept the project busy this quarter. It has been a pleasure to work with counterparts in both the MoCI and the BCE and LTPC are delighted with the level of participation and feedback. The coming months will see further trainings and LTPC look forward to colleagues from both the MoF and the MoCI, taking the initiative in driving the training events.
- LTPC is moving forward in all work streams; however just to emphasize the situation again, a debilitating factor has been and continues to be the lack of infrastructure and equipment within GOL Ministries. The basic computing and communication needs are sadly lacking and have a detrimental and profound effect on reform and Governmental moral.

## STATUS OF OVERALL PROJECT PROGRESS AND PERFORMANCE ON THE MONITORING PLAN

### Q6 RESULTS (BASED ON THE COMPONENT OBJECTIVES)

#### High level results

Indicator	2010 Baseline	Target value (Project duration)	Q6 Value	Notes
Liberia's performance on the Heritage Foundation "Trade Freedom" index	53.8	65	61.4	NTB elimination and other trade initiatives

#### Result indicators

##### *Component 1, Result 1 – Tariff Simplification, Harmonization, Implementation and Reduction of Nontariff Barriers*

Indicator	2010 Baseline	Target value Y2	Q6 Value	Notes
Number of public awareness campaigns launched as part	n/a	2	0	No campaigns launched in Q6

of a NTB Reduction Initiative				
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***Component 1, Result 2 – Move Liberia toward WTO Accession***

There are no applicable quarterly indicators under Component 1 Result 2 to report.

***Component 2, Result 3: Improve Customs Procedures***

Indicator	2010 Baseline	Target value (Project duration)	Q6 Value	Notes
Reduction in days required for imports	15	-10%	11	Documented through TRS study reduction in Q4
Reduction in days required for exports	17	-10%	15	This activity will continue during project life
Reduction in number of documents required for import	9	1	8	No requirement for an IPD on selected imports
Trainings conducted for customs agents, officials, brokers and traders	--	8	7	These activities will continue in Q7
Number of customs agents, officials, brokers and traders trained	--	150	140	These activities will continue in Q7

***Component 3, Result 4: Increase knowledge and capacity of GOL on protection of intellectual property rights***

Indicator	2010 Baseline	Target value (Project duration)	Q6 Value	Notes
Number of parties trained on intellectual property rights protection	--	20	4	Activities will continue in Q7
Number of IPR-related public	--	2	0	Activities will

outreach events				commence in Q7
Customs staff trained on new IPR enforcement guidelines and procedures	--	TOT program developed	54	Activities will continue in Q7
Number of project-facilitated discussions between Liberian business groups and the Customs Bureau	--	4	1	Further discussions planned in the coming months through the NTFF

***Improved gender equality***

Indicator	2010 Baseline	Target value (Project duration)	Q6 Value	Notes
Number of women participating in public-private sector dialogues on trade and WTO	N/A	10% participation in all events	10 Govt. delegates attended WTO planning in Sweden. 2 were women  10 delegates attended the WTO in Geneva. 3 were women	20%, 1 <sup>st</sup> event.  30%, 2 <sup>nd</sup> event

## **DISCREPANCIES (IF ANY) BETWEEN THE IMPLEMENTATION PLAN AND QUARTERLY REPORTS**

The project is on track for the completion of all tasks however we continue to alter timelines where it makes sense to do so and to re-prioritize activities based on GOL's needs.

Further changes may be required and some tasks timeline may be affected by the events outside of LTPC project's scope. For example, the adoption of a new law or procedure can have an impact on other project activities.

We continue to be adaptive to the needs of GOL and to try not to duplicate work being carried out by other donor organizations. Will and direction of Government plays a key role!