UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PROJECT PAPER

LIBERIA 669-0184

ECONOMIC AND FINANCIAL MANAGEMENT AND TRAINING

AMENDMENT NO. 1

Authorization Date:

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: C (A = Add, C = Change, D = Delete)

Amendment Number: 1

DOCUMENT CODE: 3

COUNTRY/ENTITY: Liberia

3. PROJECT NUMBER: 669-0184

BUREAU/OFFICE: Africa Bureau [6]

5. PROJECT TITLE (maximum 40 characters): Economic and Financial Mgmt. & Trai

PROJECT ASSISTANCE COMPLETION DATE (PACD): MM DD YY: 11 18 86

7. ESTIMATED DATE OF OBLIGATION (Under "B:" below, enter 1, 2, 3, or 4)

A. Initial FY 82 B. Quarter [ ] C. Final FY 86

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY 82 B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total	2,000		2,000	4,889		4,889
(Grant)	(2,000)	( )	(2,000)	(4,889)	( )	(4,889)
(Loan)	( )	( )	( )	( )	( )	( )
1.						
2.						
Host Country						
Other Donor(s)		160	160		1,631	1,631
TOTALS	2,000	160	2,160		1,631	6,520

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	C. 2. Loan	D. OBLIGATIONS TO DATE 1. Grant	D. 2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	E. 2. Loan	F. LIFE OF PROJECT 1. Grant	F. 2. Loan
EHR				3,000		1,889		4,889	
TOTALS				3,000		1,889		4,889	

SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

PROJECT PURPOSE (maximum 480 characters)

To develop the capacity of the Government of Liberia to manage effectively its financial resources.

SCHEDULED EVALUATIONS

Interim MM YY 11 83 MM YY Final MM YY 08 85

13. SOURCE/ORIGIN OF GOODS AND SERVICES

[x] 000 [ ] 941 [x] Local [ ] Other (Specify)

AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a ____ page PP Amendment)

This Amendment will extend the Life of Project by 15 months (new PACD November 18, 1986) and increase AID's contribution by $1,889

Approval of Implementation and Payment Procedures

A. Leonard 6/26/84

Controller Date

APPROVED BY

Signature: Lois Richards

Title: Lois Richards, Director

Date Signed MM DD YY: 06 26 84

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

AID (8-79)

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Customs Service to improve the management and revenue collections of the GOL Customs Service. The assistance to the MPEA was to develop a system to monitor and evaluate development activities, including the expenditures of funds directed toward development. In summary, the EFMT project was designed to improve the GOL's financial management and reduce its expenditures, whereas the IRD project was directed toward improving the GOL management capacity and increasing revenues through a more efficient tax collection and customs service. The TA at the MPEA was focused on improving decision making on the use of scarce development resources.

As set forth in the PP and as a covenant in the Grant Agreement, continuation of the EFMT project after the initial year was contingent upon a mid-term evaluation showing that progress was being made toward reaching the project objectives. The evaluation report which was prepared in November 1983 reflected mixed results but sufficient ~~positive actions~~/developments within the first 10 months to indicate that progress was being made toward the project objectives. Within the next 12-18 months more concrete results will be evident as the new GOL accounting system and chart of accounts and the new payroll and procurement systems are implemented. However, improvement in the financial management and accounting system will not necessarily reduce GOL expenditures. The problem of whether the GOL is fully committed to a reduction in expenditures and control of the so-called cash single entry account is best expressed by the evaluation team's report which states, "No matter how well the other elements of the project are planned and executed, an improved capability to manage the public sector cannot be imposed externally upon an unwilling government."1/ Notwithstanding the above, the goals, purpose and objectives of the project can be met.

. Description of the Project Amendment

1. Project Goal

The project goal under this PP amendment will continue to be the establishment of economic stability and the revitalization and expansion of the development program.

1/ Page 50 of EFMT mid-term evaluation report.

I. SUMMARY AND RECOMMENDATIONS

A. Project Title:	Economic and Financial Management and Training
B. Project Number:	669-0184
C. Grantee:	Government of Liberia
D. Primary Implementing Organization:	Ministry of Finance, Bureau of Budget, Ministry of Planning and Economic Affairs
E. Total Project Cost:	AID-Grant $4.889 million GOL in-kind $1.631 million Total $6.520 million.
F. Life of Project:	51 months
G. Goal (unchanged):	The establishment of economic stability and the revitalization and expansion of the development program.
H. Purpose (unchanged):	To develop the capacity of the Government of Liberia to manage effectively its financial resources.
I. Project Description:	The project will provide funds for the technical assistance and training to develop the institutional capacity of the Ministry of Finance, Bureau of Budget and the Ministry of Planning and Economic Affairs to effectively manage the GOL's financial resources.
J. Recommendation:	That the project be amended to increase the AID funding level from $3 million to $4.889 million and the PACD be extended from August 18, 1985 to November 18, 1986 - a 51 month term (original term 36 months)

II. PROJECT DESCRIPTION

A. Background

The Economic and Financial Management and Training (EFMT) project was authorized on April 29, 1982 at a funding level of $3,000,000 for a 3 year period with the Grant Agreement being signed on August 18, 1982. The PACD is August 18, 1985. This project, in conjunction with the ESF Program Grants, the PL-480 Title I balance of payments financing for rice imports, the Increased Revenue for Development project,and the USAID direct hire TA to the GOL Ministry of Planning (MPEA), represents a concerted effort by AID to assist the GOL substantially improve the planning and financial management of its government. The country continues to be plagued by large budget deficits ($118 million in budget year 1981/82, $99 million estimated in 1982/83 and $42.4 million projected for 1983/84), and pronounced disequilibrium in the balance of payments. Servicing of Liberia's outstanding foreign debt is becoming critical. External debt outstanding (disbursed) increased from $206.3 million at the end of December 1976 to $754.6 million at the end of December 1982. Despite successful Paris Club and London Club debt reschedulings since 1980, annual debt service payments are a heavy burden on the economy. Debt service increased from $21 million in 1975/76 to $71.4 million in 1982/83 and is scheduled to accelerate to $93.5 million in 1983/84, $153 million in 1984/85 and $173 million in 1985/86.

Because of the above crisis a decision was made in January 1982, after a visit to Liberia by the AID Administrator and the Assistant Administrator for Africa, to provide assistance to the GOL to address its serious financial management problem. This lead to the development of the EFMT project, an amendment to the Increased Revenue for Development (IRD) project, and the extension of the direct hire TA to the MPEA. The EFMT project was to provide a senior financial advisor to the Ministry of Finance (MOF) and a second senior advisor to the Bureau of Budget (BOB). Ten months after beginning implementation, a third advisor was added to the project to provide additional assistance to the MOF. The on-going IRD project, which was providing tax collection improvement assistance to the MOF through an agreement with the U.S. Internal Revenue Service, was expanded to include TA from the U.S.

2. Project Purpose

The project purpose under the amendment will continue to be to develop the capacity of the Government of Liberia to manage effectively its financial resources.

3. Revised Strategy

Under this amendment, USAID/L will continue to provide long/short term technical assistance to the key organizations, the MOF and the BOB, but the focus of the project will be expanded to include both long/short term TA to the MPEA. For the past four (4) years USAID/L has had a direct hire employee assigned to the MPEA as a special advisor to the Minister. The advisors to be provided under this amendment will be a continuation of advisory assistance directed toward helping to develop the planning and management skills of both the agriculture division and the budget section of the Ministry of Planning and Economic Affairs. Both advisors will have substantial input into a ministry which is responsible for the national development budget. Since Agriculture is one of the highest priorities for both the GOL and USAID/L, the agricultural advisor will be operating in a key position where he/she will be reviewing all donor proposals pertaining to agriculture projects.The budget advisor will provide assistance in determining the appropriate utilization of scarce development resources and in formulating and monitoring the development budget.

The principle justification for this additional TA to the MPEA revolves generally around the continued need of that Ministry to improve its capability to properly plan and follow-up the use of public sector resources. The need to effectively carry out these functions is particularly critical at this time. As noted, budget deficits have been substantial over the past few years, and will be even greater in the immediate future. During the first nine months of the current GOL fiscal year revenue receipts amounted to $157.1 million compared to projected receipts of $186.6 million. At the same time, expenditures have remained above projected levels, in spite of a number of measures initiated by the

GOL to bring expenditures in line with revenue. For example, in fiscal 1982/83 the salaries of GOL employees were substantially reduced. The expected savings during that year were $22 million; in fact savings of $15.2 million were realized. This shortfall -- a result largely of inadequate enforcement of a public sector freeze on employment -- exemplifies the more general problem of initiating effective expenditure controls throughout the Government.

All of this puts the GOL in an increasingly critical financial situation, and in particular puts in jeopardy any meaningful public sector development program. Typically development expenditure is treated as a budgetary residual, i.e., the attempt is made to cover recurrent expenditure and to utilize any balance for development activities. Liberia is no exception. As deficits loom larger in the future, the proportion of funds appropriated to development are likely to become increasingly less. As a result, the role of the MPEA to effectively plan and monitor the use of development resources will be even more critical. Periodic analyses of the optional utilization of resources are essential, as is the ongoing monitoring of the disbursement and use of funds. At present the capability within the MPEA to carry out this work is weak; assistance in improving the capability is extremely important.

At the same time, the agricultural sector is the highest priority -- in that presently 55% of total public sector development funds are allocated to it and it is this sector on which economic growth in the years immediately ahead largely depends. The MPEA has several responsibilities related to agriculture: it must assist in developing agricultural policy and formulating strategy. It must, in addition, play a key role in project development to see that projects not only reflect Government's strategy but that they are most appropriate given the budget constrants which Government faces. This latter function requires undertaking financial analyses of proposed activities, as well as continuous monitoring of monies allocated to and expended by these projects. TA assistance is badly needed to help build the capability to effectively implement this work. Presently the agricultural section of the MPEA is headed by a trained agriculturalist and staffed by capable -- but young and unexperienced -- planning officers. Assistance to this staff is critical.

In summary, the stategy under the terms of the amendment is to further develop the institutional capacity of the MOF and BOB to effectively manage the GOL's financial resources, including the BOB's recurrent budget process, and improve the planning/management of the MPEA with a focus on the agriculture sector and the development budget. To achieve this end, it will be necessary to extend the services of the U.S. TA firm from its current completion date of April 30, 1985 to December 31, 1985 and provide two TA advisors to the MPEA. In addition the PACD will be extended from August 18, 1985 to November 18,1986 (15 months) in order to provide for the 52 PM long-term TA to the MPEA.

4. Revised Project Outputs

At the end of the project there will be in place and operational a new chart of accounts, a new accounting system and a new computerized payroll system in the MOF and an improved budget system in the BOB. In addition, a new procurement system will be in use by the General Services Administration. The MPEA will have a national agriculture policy and plan and improvements in the MPEA development budget. The above improvements coupled with the training of technicians and managers will have a major impact on the GOL's capacity to manage its financial resources.

5. Revised Project Inputs

AID will provide project funding for the following inputs:

a. Technical Assistance - A U.S. contractor and two consultants who will provide technical assistance to the MOF, BOB and MPEA - $4.3 million.[1/]

b. Training - Most of the training will be in-country and on the job training with a limited number (approximately 10) to be trained in the U.S. - $.425 million.

[1/] The two consultants to MPEA will be provided either through an institutional contract or personal services contracts.

6. Intended Results

The project is expected to result in a subtantial improvement in the capacity of the GOL to effectively manage its financial resources as it pertains to expenditure controls and budgeting planning. The introduction and implementation of a new accounting system, chart of accounts, automated payroll system and procurement system will provide the GOL the tools to begin to effectively control expenditures. By providing TA to the MPEA, through this amendment, and coordinating the ongoing TA project of the Ministry of Agriculture (Agricultural sector Analysis and Planning Project) with the agriculture division of the MPEA, the GOL should be able to develop national agriculture policies and agricultural development strategies. In addition, ~~the capability of the MPEA~~ to formulate the national development budget - including conducting needed analyses of alternative uses of development resources - will be strengthened. This change should lead to a more productive development budget and improved coordination of the development budget and recurrent budget between the MPEA and the BOB.

III ADMINISTRATIVE ANALYSIS

A. Organizations Involved

The principal organizations responsible for the implementation of various components of the project are:

1. Ministry of Finance (MOF)

The MOF is responsible for managing the financial resources for the GOL including the collection of revenues, negotiating loans, disbursement of funds and debt servicing. Under this project USAID is providing two advisors to the MOF to assist it in improving its financial management and controls.

2. Bureau of the Budget (BOB)

The BOB is responsible for preparing the annual recurrent budget and for blending the development budget, prepared by the MPEA, into a unified budget for the GOL. To improve the budgeting process, this project is providing one long-term advisor as the counterpart to the director of the BOB.

3. Ministry of Planning and Economic Affairs (MPEA)

   The Ministry of Planning and Economic Affairs (MPEA) is responsible for the planning of development policies, strategies, programs and projects, as well as formulating and controling the GOL development budget. Under the terms of this PP amendment, a senior advisor will be provided to this ministry.

4. Contractors

   There will be one U.S. firm (3 long-term advisors) providing senior financial management assistance to the MOF and BOB. In addition, under the terms of this amendment, it is planned to provide two senior advisors to the MPEA under a contract or contracts.

B. Ministry Of Finance (MOF)

The Ministry of Finance is headed by a Minister and three deputies: (1) Deputy Minister for Administration, (2) Deputy Minister for Expenditure and Debt Management, and (3) Deputy Minister for Revenue Services.

1. The Deputy Minister for Administration (351 employees) is responsible for the adminstration and management of the MOF and is sub-divided into three offices.

   a. Executive Direction and Management - provides the overall direction and coordination for major programs; fiscal planning and investment analysis, and monitoring the services of public corporations.

   b. Financial Management and Budget Services - Handles the internal financial activities of MOF and prepares and supervises the annual budget.

   c. Personnel Administration Services - As the name indicates, is responsible for all personnel matters within the MOF.

2. The Deputy Minister for Expenditure & Debt Management (274 employees) is responsible for financial operations and establishes systems and procedures for proper accounting within ministries/agencies of the GOL. It monitors expenditures, disbursements

and manages the debt portfolios through the office of the Comptroller, the General Accounting office, and the office of financial affairs for America and Europe.

a. Comptroller's Office - Is responsible for the management of government funds, properties and other assets and the servicing of national debts. It maintains a continuing review of accounting systems and procedures.

b. The General Accounting Office - Monitors government accounts to ensure that GOL revenues and expenditures are properly recorded.

c. Office of Financial Affairs - Monitors all government financial transactions within America.

3. The Deputy Minister for Revenues Services (1,085 employees) is the collection arm of the ministry regarding taxes, customs, duties and the registration of all ships under the Liberian Flag.

a. Bureau of Internal Revenue - Implements tax laws that pertain to operations within the country and ~~formulates~~ policies and leases concerning income tax collections.

b. Bureau of Maritime - Responsible for all ships registered under the Liberian Flag and issues regulations regarding Maritime Affairs. This bureau is also responsible for ensuring that all Liberian Flag ships follow GOL safety laws and collects registration fees from the shipping companies.

c. Bureau of Customs - Assesses and collects import/export taxes and enforces all GOL custom laws and regulations.

C. Bureau Of Budget (BOB)

The BOB, which was established in 1952, has developed a budget system somewhat patterned after the system used in the U.S. The BOB is managed by a director, deputy director, three assistant directors and a budget committee consisting of the Minister of Planning and Economic Affairs (MPEA), Minister of Finance (MOF) Minister of State for Presidential Affairs, the Director General of the Civil Service Agency, the

Auditor General and the Director of the General Services Administration (GSA). For operational purposes the BOB is divided into five functional divisions which coordinate with the various ministries and agencies within the GOL. These divisions are the General Administration Division, General Services Division, Social and Community Services Division, Economic Services Division and the Development Budget Coordination Research Division. The BOB has a staff of aproximately 114 people of which 25% are professionals. One of the principal differences between the functions of the OMB in the U.S. and the BOB in Liberia is the division of responsibility for preparing the recurrent budget (BOB responsibility) and the development budget (MPEA). It is interesting to note that over the life of the BOB, nine advisors have provided long-term TA during the period from 1956 to 1974. USAID provided two advisors during 1964 - 1966 and the IMF four advisors between 1966 - 1974. AID is currently providing one adivisor for a 2 year term to further develop the institutional capacity of the BOB.

D. Ministry Of Planning and Economic Affairs (MPEA)

The Ministry of Planning and Economic Affairs is the principal ministry in the GOL responsible for the formulation of development policy, strategies and programs. It determines resource allocation to development activities both among and within the various sectors and is charged with producing both periodic (4 year) national development plans and an annual development budget.

The organization of the Ministry reflects these general responsibilities. Below the Minister of Planning, the MPEA is organized into two Departments (each headed by a Deputy Ministry) - the Department of Economic and Social Planning and the Department of Economic Affairs and Statistics. The former is further divided into a Bureau of Planning and Bureau of Rural and Regional Development. It is these Bureaus which are charged with the task of sectoral planning, including policy formulation as well as the design and monitoring of individual development progress and projects. The focus of the Bureau of Planning is on individual sectors (e.g. agriculture, health, education, etc), while the Bureau of Rural and Regional Planning is concerned with regional planning which cuts across sectors.

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The Department of Economic Affairs and Statistics, as its name implies, handles the coordination of donor assistance, as well as the generation and analysis of economic and social statistics for the GOL.

Of principal importance is the responsibility of the MPEA in formulating annual development budgets and approving allotments from these budgets to specific projects each quarter. That it has this authority, gives the MPEA considerable leverage not often found in ministries of planning. That is, because it has actual control over the allocation of development resources, rather than merely advising government on what the allocation should be, the MPEA wields a greater influence over the utilization of resources than would otherwise be the case. However, actual funding actions must still originate from the MOF.

Over the past several years several donors have provided technical assistance to the MPEA. Since the mid-1970's a World Bank planning team has assisted the Ministry, the focus of which has been on general macro economic planning, assitance to the agricultural sector and help with national accounts (at present only the macro economic planner is being provided). USAID has during the past four years provided a direct hire employee who has assisted the MPEA in establishing a system to monitor and evaluate development activities, and GTZ has provided advisors in infrastructure and industrial planning.

IV. IMPLEMENTATION PLAN

A. Technical Assistance

This project is currently in its 14th month of implementation with a PACD of August 18, 1985. The TA contractor, Alexander Grant & Co., has a 28 month contract with a completion date of April 30, 1985. The contract was amended on October 26, 1983 to provide one additonal long-term advisor for a 12 month period. This amendment to the project was done without incurring any additonal cost to the project by reducing the short term person months from 50 to 35. At the present time there are approximately 21 person months remaining in the contract for short term advisors.

Under the current TA plan the three financial advisors are scheduled to return to the U.S. on the following dates:

Advisor to the MOF	April 30, 1985
Advisor to the BOB	December 31, 1984
Accounting Advisor to the MOF	October 31, 1984

During the first 14 months of the project the contractor directed efforts toward reviewing and analyzing the financial management system of the GOL and completing seven financial reports (which were primarily concept papers developed by short term TDY personnel) directed towards specific problem areas. With the completion of the concept papers the contractor has developed a detailed work plan for the balance of the term of the project. Based on the above information and in order to meet the project objectives, it is necessary to extend the services of two advisors for the U.S. firm and provide two senior advisors to the MPEA. Under the revised TA plan two of the three financial advisors for the U.S. firm would be extended to the following dates:

Advisor to the BOB	April 30, 1985
Accounting Advisor to the MOF	December 31, 1985

The third long-term advisor to the MOF for the U.S. firm would not be extended and will depart on April 30, 1985. The MPEA advisors will be obtained through a contract or contracts. These changes will require an extension of the PACD by 15 months to November 18, 1986. The overall effect on the project will be an increase of 66 PM in L/T technical assistance and an increase of 18 PM in S/T technical assistance.

The following is a summary picture of the areas of concentration for technical assistance which will be followed by the contractors during the balance of the life of the project with a detailed workplan for each task attached as annexes.

1. <u>Payroll</u> - A new automated payroll system will have been designed and implemented in one ministry by October 1, 1984 and an additional twelve (12) ministries by April 30, 1985.

2. Purchasing - A completely new purchasing system will be designed and implemented within CY1984. This will be carried out by the contractor's S/T personnel.

3. Accounting System/Chart of Accounts - In order to design, train and implement the new accounting system and chart of accounts, it will be necessary to provide for an additional 14 months of services for an accounting advisor and extend the contractor's completion date until the end of FY 1985. This will allow the advisor to assist in the conversion to the new accounting system scheduled for July 1, 1985 -- the beginning of the GOL's new fiscal year.

4. Training/Budget - In order to provide a stronger foundation for the training program, an additional four months TA to the training component is planned. This will provide TA for the second training session scheduled for early 1985. The first class (three months) for 30 individuals is scheduled to be completed by November 30, 1984. Thereafter, all future training sessions will be done without TA.

5. Planning/Agriculture - Whereas the TA outlined above (items 1-4) pertain to assistance to the MOP and BOB, the planning/agriculture TA is to be provided to the MPEA. The objective is to provide planning and management assistance to the agriculture division and provide direct advice to the Ministry of Planning and Economic Affairs. It is planned to provide approximately 26 PM of L/T technical assistance and 12 PM of S/T TA to the MPEA.

6. Financial/Budget - In addition to assistance to the MPEA in agriculture, financial/budget TA will be provided to the Budget Section within the MPEA. This assistance will focus on improving the process of formulating and controling the development budget, including financial and budget analyses needed for decisions regarding the utilization of development resources. 26 PM of L/T technical assistance will be provided.

B. Training

In the original Project Paper it was planned to train 14 individuals in a 24 month program leading to master's degrees from U.S. universities in areas related to public sector economic and financial management. However, the Project Paper provided for an increase or decrease in the training component if required to meet implementation needs. Based on the current status of the project and the needs of the program, a decision was made to reduce the training program for masters degrees from fourteen to four with two slots reserved for the MOF and two tentatively for the MPEA.

The second component of the training program provides for six people to be trained in the U.S in Systems Analysis. This is a six month course. The objective of the training course is to begin to address the short supply in Liberia for professional people who are experienced system analysts, systems programmers and programmers to help implement the new financial/management system of the GOL.

The third category of the training component pertains to in-country training which is done both informally and formally. On-the-job training has had mixed results but intensive training to develop basic skills in accounting, budgeting and procedures, etc. will train 30 people over a three month period. At this rate there could be over 90 people trained in basic skills each year.

C. Monitoring

The SPPD office of USAID/Liberia will continue to have overall management responsibility including supervision of the TA contractors. USAID/L and the MPEA will be responsible for the preparation of the scope of work and the selection of the contractor.
The REDSO/CWA contract office will be responsible for negotiating the amendment to the Alexander Grant contract and the new contract or contracts for the MPEA assistance.

D. Evaluation Schedule

The PP provided for a mid-term and a final evaluation. The mid-term evaluation was to be used as the basis for "a decision to expand, continue, restructure or terminate the project". Based on the findings of the independent evaluation team and the Missions review of the project, a decision was made to continue the assistance to the MOF and BOB and continue assistance to the MPEA by replacing the direct hire employee, who has been asigned to a new post, with two contractors. As indicated in the PP, the final evaluation is planned for August 1985 or approximately four months before the contract with the U.S. TA firm terminates. Funds have been reserved for the final evaluation report.

E Implementation Schedule

Under this PP amendment the project implementation period will be increased from 36 months to 51 months which extends the PACD from August 18, 1985 to November 18, 1986.

Schedule of Principal Actions
Key Benchmarks*

04/84	PP Amendment Completed
05/84	AA/APR concurrence obtained by AID/W to amend project by more then 10% but less than 50% after CN clears hill.
05/84	CN clears hill
05/84	Grant amendment executed
06/84	Advertise in CBD and trade journals for PSC's (45 days to respond).
06/84	Design new accounting system completed
07/84	Consultants to MPEA selected
08/84	Amendment #3 to TA contract executed.
08/84	Six systems analysts depart for 6 month U.S. training.
08/84	Four individuals depart for U.S. to study for a masters degree.
10/84	Contract(s) for MPEA advisors executed.
11/84*	New automated payroll system in operation in first Ministry.

11/84*	Initial three month training session for 30 individuals completed.
12/84*	New purchasing system being implemented by GSA.
04/85*	Second - three month training session completed, new automated payroll system operating in at least 12 Ministries, two members of U.S. TA team depart.
07/85*	First month for beginning the implementation of new accounting system.
08/85	Second evaluation
12/85	TA contract with the/U.S. firm completed ~~and last team member departs.~~
10/86	Advisors to MPEA depart Liberia.

V. REVISED SUMMARY COST ESTIMATE AND FINANCIAL PLAN

Under the ammendment the total project cost will increase from $4,047,000 to $6,520,400 ~~with the AID contribution~~ increasing from $3,000,000 to $4,889,400 and the GOL inputs from $1,047,000 to $1,631,000. The GOL will provide in-kind support for general administrative expenses (salaries, offices, supplies, transportation, etc.), in-country training and cash inputs for training in the U.S. AID funds will be used primarily for technical assistance, training and evaluation. The cost figures are based on (a) the Mission's records for support costs, (b) actual and estimated cost for the contractors and, (c) participant training cost. The following table represents the total estimated cost of the project for the 51 month term (PACD November 18, 1985).