



USAID
FROM THE AMERICAN PEOPLE

LIBERIA TRADE POLICY AND CUSTOMS (LTPC)

ANNUAL REPORT

June 2011 – June 2012

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

TASK ORDER NUMBER: TO 11

DELOITTE CONSULTING, LLP

This publication was produced for review by the United States Agency for International Development. It was prepared by Deloitte Consulting LLP.

LIBERIA TRADE POLICY AND CUSTOMS (LTPC)

ANNUAL REPORT

JUNE 2011 – JUNE 2012

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

TASK ORDER NUMBER: TO 11

DELOITTE CONSULTING, LLP

TABLE OF CONTENTS

TABLE OF CONTENTS	ii
CHIEF OF PARTY REPORT	1
MEET THE TEAM.....	3
ACTIVITIES PLANNED DURING THE 1ST YEAR.....	4
1ST YEAR IMPLEMENTATION RESULTS	
Component 1: Trade Liberalization in Liberia	5
Component 2: Trade Facilitation and Integration.....	14
Component 3: Strengthen Protection of Intellectual Property Rights.....	18
SIGNIFICANT EVENTS DURING THE REPORTING PERIOD	22
STATUS OF OVERALL PROJECT PROGRESS AND PERFORMANCE ON THE MONITORING PLAN	22
Results based on the component objectives	
High level results	Error! Bookmark not defined.
Result indicators	Error! Bookmark not defined.
Funds expended and projected by component	
TOTAL PROGRAM EXPENSES TO DATE, AND ESTIMATED AMOUNTS STILL AVAILABLE.....	ERROR! BOOKMARK NOT DEFINED.

CHIEF OF PARTY REPORT

Summary of reporting period activities

Year one has seen positive traction on all fronts and in all components of the project. We have had our share of problems and it was only in the final quarter of our first year when we found ourselves fully staffed and all LTTA Advisors in post. We went through a Presidential election and a huge staff shake-up in the BCE MOF. Staff movement within both Ministries, was substantial during Q3 and the natural apprehension of waiting for a move or an appointment did have an effect. The staffing issues have now been mostly resolved; however we still await the permanent appointment of a Commissioner in the BCE MOF.

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.

During Q3/Q4 LTTPC slowed considerably on the amount of STTA deployed and we used the period to consolidate interventions carried out in the preceding two quarters. Our Team have continued to build on their relationships with counterparts and are now fully embedded in the MOF and MOCI. The project continues to respond to all requests from our counterparts and where we are able and time permits, we offer advice and assistance outside the project scope.

After his appointment our new Minister of Finance/Planning immediately made his presence felt and it is obvious to all that reform is at the top of his agenda. This bodes well for all donors who are in partnership with Liberia. The Minister of Commerce & Industry remained in post after the election and is driving the WTO accession process. A plethora of new Assistant and Deputy Ministers were also appointed as part of the new Government and there is a tangible buzz in the air, with a new sense of urgency and focus pervading.

Our COP, DCOP and team members remain deployed in both the MOCI and the MOF/BCE. Specific tasks were highlighted in each of the Ministries and we are happy to report the following:

- The new Customs legislation was reviewed and is now awaiting ratification.
- New Customs regulations were drafted and have been reviewed, (we await the new legislation)
- The ‘Standard Operating Procedures Manual’ is being drip fed into the system. The approach will not overwhelm the BCE staff or the trade community and will allow the procedures to become embedded. Some of the procedures are dependent on the new Customs legislation and will only be implemented after the legislation is adopted.
- The implementation plan for the Price & Marketing Division has been accepted, (a few additions from our new Assistant Minister) and we are now primed for implementation during Q5. We are currently sourcing a suitable STTA candidate to assist with implementation.
- A strategy for the Consumer Protection Unit within MOCI has been drafted and we will push forward with this in the coming months. The Ministry are aware that the current system does not meet the needs of a reforming nation and are keen for LTTPC to assist in the implementation of a new system, allowing direct consumer feedback and reporting.
- The broker licensing regime review has been completed and the report contains a roadmap for implementation. The new legislation could cause a delay; but we are confident that we can move forward to completion of the implementation during Q5. We will finalize the

implementation timetable and bring back our STTA advisor to carry out the test of the new licensing regime.

- We carried out a mini-procurement to ensure we have the computers in place to implement both access by MOCI to ASYCUDA and the implementation of the new organizational structure for the Price and Marketing Division. This assists the MOCI in the gathering of meaningful statistical trade data and the desired move to a Consumer Price Index.
- The survey to identify NTB's was completed and the report has been reviewed by the MOCI and the MOF/BCE. The NTB elimination action plan will be put in place for implementation over the project life. There was some delay in the gathering of information essential to the completion of the report; but these issues were addressed by BCE and LTTPC has an STTA Advisor in country as we speak, to assist the MOF/ BCE roll out the action plan through the National Trade Facilitation Committee.
- The TRS survey was completed and shows Liberia in a favorable light. We have much to do; but the report shows an improvement over the 2010 World Bank report figures and the number of days required for import is going in the right direction. This report will feed into our NTB elimination plan and lead to the enhanced trade facilitation Liberia strives to achieve.
- Great progress continues in the MOCI with the WTO accession. The negotiating team has been identified and we have made remarkable progress on responding to requests for clarification received after Liberia's submission of their MFTR. All required response documents have been submitted to the WTO Geneva and Liberia will have their first working party meeting in Geneva on the 11th of July.
- The IPR STTA advisor made good progress in developing training and awareness materials for the MOCI and we continue to expand in the IPR field. The ultimate aim being a permanent GOL IPR training program. We now have a LTTPC CCN IPR Advisor and she has taken up the IPR cudgel. Our main focus in the latter part of Q3 was the new IPR legislation and our Advisor is worked closely with the Law Commission to ensure compliance with international norms and a smooth adoption of the new Act. Again this can only be a stones throw from ratification
- A review of training needs/requirements in both our ministries was carried out at the end of Q3 and we have submitted our proposal to USAID. We anticipate year two will be training intensive with a focus on sustainability using ToT methodology.
- Q4 saw a sprint for the line and after earlier reductions in the requirement for IPD' and EPD's the GOL have again reduced the number of commodities which require the issue of a permit. This fact has been reported to the relevant body and we are confident our ranking will increase.
- LTTPC deployed a STTA Advisor to the Liberian Business registry in Q4 and his recommendations were reviewed and accepted. The GOL responded at once and there has been an immediate reduction of the registration fees, the time required to register and the number of procedures required, again we have ensured that this was reported in a timely fashion to the relevant body and we ensured that the public and trading community were informed.
- During Q4 in conjunction with MOF/BCE we also gathered the information on Liberia's tariff structures and again submitted the information to the WTO, who have given an initial positive response....affecting international perception and increasing Liberia's world ranking.

- Liberia was concerned about adopting the ECOWAS ETLS, during Q4 and in conjunction with the USAID L-MEP program, a fiscal impact study was completed. Initial findings have been shared with GOL, who now have the information to make an informed decision on the adoption of the ETLS protocol and its possible effect on the Liberian economy.

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.

It has been an exciting first year and we have to ask “where has the time gone”? LTTPC look forward to the challenges of the next 12 months and to continuing to build on the already strong relationships with our counterpart, without whom, nothing would be possible.

MEET THE TEAM



(from left to right). Ben Irvin, (WTO advisor). Katie Fahrland, (Trade Liberalization advisor). Fanta Conde-Barclay, (IPR advisor). Glenn Mackenzie-Frazer, (Chief of Party). Rufus Chamberlain, (Operations/Security Manager). Edwin Martin, (Trade Facilitation and Integration advisor). Philip Pleiwon, (Deputy Chief of Party).

The team consists of six full time members and we enlist short-term advisors as required by project needs. Ben Irvin, amongst others, is one such expert who has had a significant input to the project in our first year.

ACTIVITIES PLANNED DURING THE FIRST PROJECT YEAR

The conclusion of our first year has seen positive progression of the key activities and consolidation of activities carried out during the previous 3 quarters and has included the following logistical and technical elements:

- **Personnel mobilization:** Over the course of year one the project built our team. The following project personnel were deployed on the project on a full time basis and it is anticipated they will remain with the project until it's conclusion in 2013:
 - Mr. Glenn Mackenzie-Frazer, Chief of Party (COP)
 - 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
 - **Home office management team**
 - Dr. Stephen Lewarne, Engagement Principal
 - Ms. Alyona Polomoshnova, Engagement Manager

In order to consolidate project momentum further STTA personnel were also deployed during Q4.

- Julie Leaf, NTB Advisor
- Stephen Strauss, LBR Advisor

STTA Deployment Plan for Q5:

Area	Name	LOE	Approx. Deployment Date
• Brokers Advisor	Arturs Madzulis	30 days	July/August
• P&MD Advisor	TBD	40 days	July/August
• CPU Advisor	TBD	20 days	June

- **Project operations and local offices set-up:** The LTTPC 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 activities above are the general logistical activities and specific activities related to the project SOW by component and are within the project plan framework.

FIRST YEAR IMPLEMENTATION RESULTS

COMPONENT 1: TRADE LIBERALIZATION IN LIBERIA

- The Ministry of Finance (MOF) Bureau of Customs and Excise (Customs) continues in its undertaking 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 will work 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 been 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 document. The first draft of the National Trade Policy document did not include a policy on women or cross border issues. The Ministry have brought in a further two external consultants, (at their own expense), and the draft is currently under review. The final draft will then be cross referenced for compliance with ECOWAS standards and compliance. We expect the final National Trade Policy document to be completed in the coming months.

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. The MOCI will have an input before any final acceptance; but the leg work has fallen to the MOF. Progress has been made and harmonization with the international HS code has taken place, (ECOWAS has the same structure). Harmonizing the tariff rates has caused a problem; however during Q4 the new Liberian tariff has been shared with the WTO and the initial feedback has been positive. This activity has a direct impact on Liberia's MCC indicator for trade.

Also during Q4 and in conjunction with the USAID L-MEP program, a fiscal impact study on the adoption of the ETLs, was completed. The initial findings and projections on the impact of adopting the ETLs have been presented and we await a decision by GoL on whether or when they intend to proceed. The adoption of the ETLs should create a positive trading environment with our ECOWAS colleagues.

Activity 3: Train Customs and Trade Officials

No official classroom style training has taken place during Q4; however the OJT training continues moving forward through the close proximity of both long term and short-term advisors and their interaction with counterparts. An STTA Training Advisor carried out a series of assessments with the MOF and MOCI during Q3 and based on initial findings it is apparent that the amount and depth of training required by both Ministries is large and requires the formulation of a training strategy and the development of a long-term TOT program. As we move into our second year a more formal structure to the training will be developed for review and immediate needs identified. It is also the intention of the project to implement sustainable training record keeping and monitoring systems, which can be linked into, staff reporting and the career development of personnel.

Notwithstanding any future activity in the area of training the project has continued to develop training modules for both Customs and Trade officials.

Activity 6: Identifying non-tariff barriers to trade

The NTB Survey and information gathering exercises were completed and during the final collation of information, discussions were held at Ministerial level, with trade partners and with selected business entities. The finalization of the final reports caused some difficulty with last minute information required. We are now at the stage where the final reports are in the process of being implemented and during Q4 an STTA Advisor along with our LTTA CCN Advisor are driving the process. This process will include public and trade outreach as it has become apparent that even when GoL carry out or introduce reform measures it does not promote the changes and benefits vigorously enough to the public and the trade.



(Left to right) DeVon E Solomon MCC Coordinator. Ian Laycock STTA NTB Advisor, during one of the information gathering seminars held at the Mamba Point Hotel. The report produced is about to go live and we look forward to the reduction and in costs and time for the trade.

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. Early in Q5 we will see our first meeting of the new NTB elimination committee. (The final name for this committee has yet to be decided as it will incorporate other donor requirements; however it is important to have one body to deal with this issue and not a series of completing committees)

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

The project researched the background to this issue and through discussion with MOF and MOCI, is pleased to report progress has been made in the area of IPD's. There had been a number of areas of confusion and a lack of information circulated to the Trade Community. Radio announcements were made jointly by the MOF and the MOCI during December 2011, clearly outlining the IPD requirements and the list of goods which still require the issuance of an IPD. This first step was a step in the right direction and LTTC continued to pursue the issue with MOCI, leading to the further reduction of the number of items requiring an IPD during Q4. The issuing agency, MOCI, also needs

to continue to ensure that the message is clear for their staff responsible for the issuing of IPD's and this can be easily achieved through an internal awareness campaign. The availability of trade information continues to be an ongoing priority and the LTPC project is committed to assisting in establishing restructured websites where both the MOF and MOCI can publish relevant trade data.

We can also report that during Q4 the list of goods requiring an EPD has been reduced to just 4 commodities. These reforms have been reported to the WTO and will again affect our MCC scorecard.

LTPC has also worked closely with both MOF and MOCI to facilitate the installation of ASYCUDA, (the automated customs clearance system), in the offices of MOCI. We have procured the required computer equipment needed and the ASYCUDA implementers UNCTAD, are now working to meet MOCI requirements. We hope to complete this process in Q5 and MOCI will then be able to automatically issue any remaining IPD's or EPD's required, through the system, leading to a further reduction in time and cost to business.

The PSI contract remains unsigned. The GOL has indicated that the new PSI contract will be signed shortly. The incumbent company continues running on a month to month extension basis. As previously stated, (Q2 report), there have been a number of reviews of the proposed new contract and the consensus remains the same; there is not a solid enough exit strategy built in. LTPC will continue to follow progress and will work to assist in the formulation of an exit strategy in conjunction with GOL. It should be re-iterated 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

There has been no progress in this area during our first year. The DCOP, Philip Pleiwon is continues to consult with MOCI to determine areas of technical assistance to the Standards Laboratory for LTPC project intervention. We however expect said intervention to come at the latter part of Q5 or early in Q6, as the Ministry is still making efforts to bring the Lab to full operation and ensure a stable power source.

Activity 10: GAP analysis in ECOWAS protocol implementation

Based on work carried out by the EU and IMF, the only ECOWAS protocol not currently being implemented by Liberia is the ECOWAS Trade Liberalization Scheme (ETLS). This is largely due to the revenue loss implications for Liberia. Under this protocol countries are compensated for up to 15 years for the potential revenue loss as a result of implementing the protocol. As mentioned earlier in the report a fiscal impact analysis has been completed. The results are currently being digested.

Should Liberia choose to adopt the ETLS, ECOWAS will then be expected to provide its plans for financing Liberia's revenue loss, (if any), which should lead to Liberia's implementation of the ETLS. Our fears remain the same regarding the adoption of the ETLS, the situation in Sierra Leone, where ECOWAS have not yet provided the agreed subsidies.

Activity 11: Trade statistics and data analysis

At the end of year one plans are well underway for terminal links to the ASYCUDA system within MOCI. Our DCOP completed a thorough analysis in consultation with Finance Ministry as to what would be needed for functional ASYCUDA access points in MOCI. The project has procured the necessary equipment and is working with MOF on installation and functional requirements. With the installation of the system, more MOCI personnel need to be trained in data extraction from the system. To this end, BCE have agreed through the ASYCUDA implementers UNCTAD, to provide this training.

As the roll out of ASYCUDA continues throughout the country, the availability of more accurate trade data will follow. The abolishing or further reduction of the requirement for IPD's and EPD's will increase our 'trading across borders' ranking in the WB Doing Business report through the reduction in the number of days required for Import/Export. Access and full use of ASYCUDA at MOCI is expected to begin in Q5. One major stumbling block which must and is being considered is the internet connectivity at the MOCI. The current link will not sustain the use of ASYCUDA and the required data extraction. The project will provide the necessary internet link to speed the process. As we will be providing internet access to the Price and Marketing Division, it makes sense to install two dedicated lines to one link. It should be noted that this link can only be financed for the duration of the project and will then need to be included in future MOCI budget submissions.

Our DCOP continues to work with Assistant Minister Marvie within MOCI to implement the draft plan for improved trade related research, data collection, and analysis, in key departments of the Ministry. The data collection currently appears to be duplicated and fragmented, with the same data collected by different divisions. A central data collection strategy will be put in place to enhance reports and accuracy.

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

The Activity Plan for the Price Analysis and Marketing Division has been completed. Though previously reviewed and agreed on, Assistant Minister Marvie wished to have input to the plan and its execution strategy. This has now been completed and during Q5 LTFC will provide implementation assistance through the use of a STTA Advisor and our in-country team.

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					On track
2	Rationalize and harmonize tariff structures with ECOWAS	Oct 2011	Mar 2011	X		started	ongoing	ongoing					Structures on track, submitted to WTO
3	Train Customs and Trade Officials	Aug 2011	Aug 2013	X	started	ongoing	ongoing	ongoing					No formal classroom training; however continual OJT
4	Conduct a media awareness campaign	Oct 2011	Mar 2012	X	started	ongoing	ongoing						Awareness materials being 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					Training will commence in Q5 under a ToT regime and full review of all MOCI and MOF training methodology
6	Identifying non-tariff barriers to trade	Sept 2011	Dec 2011	X	stta	stta	X	stta	X	X	X	X	Completed final report in review. Ongoing implementation during Q5
7	Develop NTB elimination action program	Jan 2012	June 2012	X	stta	stta	ongoing	stta					Preliminary plan developed through LTPC. Implementation Q4/5. STTA Advisor.
8	Import Permit Declarations and Pre-Shipment Inspection	Oct 2011	Dec 2011	X	started	ongoing	ongoing						Re-launch through media, of goods lists exempted from IPD, (December). Further reduction implemented in Q4. New pre-

														shipment contract due to be signed shortly
9	Administrative and regulatory reform in health and safety	Oct 2011	April 2012	X	X	X	start ed	ongo ing						Q5 will see further progress, after the conclusion of discussions with MOCI
10	GAP analysis in ECOWAS protocol implementation	Sept 2011	Nov 2011	X	ongo ing	ongo ing	ongo ing	ongo ing						A full comparison will not be required. Only the ETLS remains a problem. fiscal impact study completed Q4
11	Trade statistics and data analysis	Sept 2011	June 2012	start ed	ongo ing	ongo ing	ongo ing	ongo ing						ASYCUDA use in MOCI. Internet connection and training Q5
12	Activity Plan for the Price and Marketing Division of the MOCI	Oct 2011	April 2012	X	Start ed	ongo ing	ongo ing	complete d						Plan completed. Further review early Q4, followed by implementation.

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 1: Finalize and submit the Memorandum of Foreign Trade Regime

The MFTR was submitted by Liberia and responses to the MFTR have been received from the EU and the US.

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

The WTO accession office is still based at the EIF offices. The project has encouraged and seen more active participation from MOCI, during Q4. Efforts continue to move the accession offices to MOCI under the supervision of the Assistant Minister. The technical negotiation team has now been established, with representatives from the relevant Ministries and agencies selected. The structure for the team was provided through the project and we continue to offer full support. The LTPC team has been supported by the Swedish Government, who facilitated MOCI, MOA, MOF and others to attend training in Stockholm on WTO Accession planning and requirements.

During Q4 the project continued to provide technical support through our US based WTO Advisor, (Ben Irvin). A suspected delay in the arrival of the Swedish WTO assistance project, may mean LTPC will need to continue its assistance to MOCI through our STTA advisor. The project has also recruited a LTTA advisor to assist the MOCI in all project activities; but with an emphasis on the WTO accession.

Activity 3: Respond to WTO MFTR Requests for Clarification

Throughout Q3/Q4 the project continued its assistance to the MOCI, as the lead Ministry, to gather the information required and to draft the appropriate responses to the requests for clarification. This was no easy task and many of the responses were many faceted and required information from different GOL sources. Significant headway was made and skills transfer paid a large part. All answers to requests for clarification were collated and submitted on time to the WTO. This ensured that Liberia met WTO submission requirements and were granted a date for their first working party meeting in Geneva, (July 11th 2012). It is the intention of the project to continue with our assistance and our LTTA Trade Liberalization Advisor will accompany the negotiating team to Geneva to render assistance and support. As mentioned in Activity 2, the delay in the commencement of the Swedish intervention may require the extension of the input from our WTO STTA Advisor, (Ben Irvin). We will reconsider the situation during Q5 and discuss with MOCI their ongoing needs.

Activity 4: Prepare the WTO first Working Party meeting

Activities 2 and 3 were both designed to assist in the preparation for the first working party meeting, which will take place in July 2012. Our WTO STTA Advisor returned during Q4 to prepare the negotiating team for their meeting. This plan was made based on the assumption that the Swedish team would be in place to take up the reins after the first working party meeting. As we have previously stated it appears there will be a delay in the start of the Swedish program and we will monitor the situation. Liberia has come so far in a short period and it is not our intention to drop the ball at this stage. Certainly any work LTPC is carrying out is not in conflict with our Swedish colleagues, our intention is to ensure there is no stalling of the process.

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. One of the tasks our WTO STTA Advisor worked on during his return in Q4 was the

mentoring of the ongoing completion of the Goods and Services Offer. LTPC feels strongly that we need to work alongside our counterparts; but allow them to take ownership of this initiative.

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 our second year. Our STTA Advisor, on his return during Q4, monitored progress and recommended areas where LTPC can offer further assistance and ongoing mentoring.

Activity 7: Provide training on ECOWAS and WTO protocols

This is an ongoing activity for the first 15 months of the project and indeed to the project conclusion in August 2013. No official training was delivered during our first year. As stated previously in this report a LTPC STTA Training Advisor made a brief visit to the project to assess the training needs and the methodology required to meet the training requirements of both the MOCI and the MOF. Initial indications are that the needs are extensive and LTPC is now working on a strategy to give maximum sustainability and impact for Liberia. LTPC recommendations have been discussed with both USAID and our counterparts and we are confident in an escalation of training activities during our second year.

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					Training in Sweden completed. Possible delay in the implementation of the Swedish Program. Assistance through LTPC during Q4
3	Respond to WTO MFTR Requests for Clarification	Oct 2011	Aug 2013	Started	started	stta	ongoing	completed					Completed and submission made to WTO.
4	Prepare the WTO first Working Party meeting	Oct 2011	Aug 2013	X	X	stta	ongoing	completed					The first working party meeting will take place in Geneva on the 11 th of July 2012
5	Prepare Liberia's Goods and Services Offer	Oct 2011	Aug 2013	X	started	stta	ongoing	ongoing					On track
6	Research and draft legislation for ECOWAS and WTO compliance	Aug 2011	Mar 2012	X	X	stta	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 WTO training; but not for ECOWAS

COMPONENT 2: TRADE FACILITATION AND INTEGRATION

- Deloitte's strategy to achieve this 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 to address the needs of the BCE in line with the work-plan and as required for fresh issues which arise. As we have previously stated this is a life of project activity. Recent changes in Customs have created a slight ripple in the pond and we continue to await the appointment of a permanent Commissioner, this said there is definitely a renewed vigor and a fresh desire to engage with the trade to promote trade facilitation.

Sub-Activity 1.1: Develop a cargo release time study.

The survey methodology was developed during Q1 and during Q2/Q3 STTA was provided to carry out the study. The final report has been completed and has been discussed with counterparts. The results link with our NTB survey and have allowed BCE to highlight bottle necks and establish a time reduction policy to assist with the facilitation of trade. Our STTA arrived during Q4 to ensure we can implement reforms and quick wins as quickly as possible. The list of recommendations will be available during the first month of Q5

Activity 2: Assist in finalizing the new customs code

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 we are assured the new code is compliant. The code continues to await ratification through GOL and will now be passed into law during 2012, when the new GOL has settled into place and has time in their busy agenda. Much is dependent on the adoption of the new law and LTPC is confident that we have almost reached the point where adoption will take place.

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

Our STTA Advisor completed the implementing regulations which have been discussed and reviewed with BCE. The final draft sits with MOF and it remains our hope that some of the new regulations can be implemented whilst we await the adoption of the new legislation as they are compliant with current legislation and offer enhanced control which can be immediately beneficial. As stated under activity 2, it is hoped that the new legislation, (and regulations) are only a stones throw away.

Sub-Activity 3.1: Customs Standard Operating Procedures Manual

The Standard Operating Procedures Manual has started to be adopted. The BCE have decided to drip feed the procedures to the staff, in order of priority, in order that the staff are not overwhelmed during implementation. This same process applies equally to the trade, who will need to accept and adhere to the new processes. The process will move more quickly in the future once the movement of staff within BCE has subsided and staff are aligned with their new responsibilities. Wholesale change has taken place in some work areas and in Q4 LTPC discussed the possibility of rolling out more or the commonly used procedures to the newly appointed/moved staff in the key work areas, giving them a

platform and guidance in their new duties. As the new procedures come on line LTPC will 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.

Liberia has in place a consultative trade committee, which has members from the Brokers Association, MOCI, MOF and the donor community. LTPC feels it is unnecessary to implement any new committee, (NTTFC), and after discussion with counterparts it has been decided that we will continue to support the current trade committee, expand its current remit and ensure more regular meetings are held. This approach also has the support of other trade involved donors. We will be using this committee to ensure the full participation of all parties in the NTB elimination process, especially the trading community, who have been very vociferous in their desire for a place to air their concerns as a group and to work in tandem with other stakeholders. LTPC has started the process and a STTA Advisor is working toward a first meeting during month one of Q5.

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

As stated in the previous point, the current committee will remain in force. Again no meeting was held in Q4, this being mostly due to staff changes within BCE. The finalization of the NTB report has created the ideal time to promote a revitalized committee and for MOF/GoL/MOCI to use it to move forward with reforms in processes and procedures and to promote the efforts of Government to create an enabling trade environment.

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

The report has been completed and finalized. It laid out a way forward for BCE and Brokers. This was a highly consultative process and there still remain a number of outstanding issues to be resolved before the re-licensing process begins. One of the burning issues is the necessity for licensed Brokers to hold a guarantee and this is still under discussion and of course we await the adoption of the new legislation! LTPC will support the decision of MOF- BCE and ensure that whichever decisions are taken; we can at a minimum provide a sustainable program, which enables BCE to more accurately monitor and control licensed Brokers

As has been stated in previous reports this is a very sensitive issue and must be approached with diplomacy. No one is in any doubt that this re-licensing program needs to take place; however there is an air of caution by all parties and LTPC will, during Q5, through the use of STTA, assist BCE in the smooth implementation of the program.

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 for the project duration
1.1	Develop a cargo release time study	Oct 2011	Dec 2011	X	started	stta	X	completed					Completed.
1.2	Analyze timeframes for all types of cargo	Oct 2011	Dec 2011	X	started	stta	ongoing	completed					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					To be implemented during Q5. First consultative meeting month one Q5
1.4	Introduce automated risk management techniques	Oct 2011	Aug 2013	X	X	X	X	X					X
2	Assist in finalizing the new customs code	Sept 2011	Jan 2012	Completed	X	X	X						Code completed and awaiting adoption by the new GOL
3	Assist the GOL in drafting and implementing regulations and administrative instructions	Sept 2011	June 2012	Started	2 x stta	X	X	completed					Standard operating procedures completed. Implementing regulations completed
4	Assist the GOL in ensuring regulations are in compliance with WTO requirements	Sept 2011	Nov 2011	Started	stta	X	X	completed					New code compliant. Regulations compliant

4.1	Undertake a diagnostic study to benchmark Liberia's WTO Compliance	Sept 2011	Aug 2012	Started	ongoing	ongoing	ongoing	ongoing					Liberia thus far compliant.
4.2	Prepare an appropriate action plan on compliance for consideration by the NTTFC	Oct 2011	June 2012	X	ongoing	ongoing	ongoing	ongoing					Any action plan developed will not be implemented through the NTTFC. As discussed in the report the current trade committee will be the vehicle
5	Improve and strengthen cooperation and consultation between customs, customs brokers, importers, exporters and other stakeholders	Aug 2011	Aug 2013	ongoing	ongoing	ongoing	ongoing	ongoing					Ongoing assistance. Project life
5.1	Set up a Stakeholder Consultative Committee	Aug 2011	Oct 2011	ongoing	ongoing	ongoing	ongoing	ongoing					Committee in place, continued work on making it a more robust decision making body
5.2	Assist Customs in implementing a robust Customs broker testing and licensing regime	Sept 2011	Dec 2011	Started	stta	ongoing	ongoing	ongoing					Brokers program completed. Re-licensing to begin Q5
6	Conduct training programs on Customs Valuation	Oct 2011	Mar 2012	X	X	X	X	X					Until the new legislation is adopted, valuation training will be pre-emptive.
7	Training at LIPA and Customs	Aug 2011	Aug 2013	ongoing	ongoing	ongoing	ongoing	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 STTA IPR advisor finished his assignment in January 2012. The draft IP Policy Framework is currently under further development by our appointed LTТА CCN IPR Advisor Fanta Conde-Barclay



Mark Eghrari STTA IPR Advisor, delivering one of his topical introductions to IPR for MOCI and selected trade representatives. There are more seminars planned for year two

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

An assessment was carried out by the STTA IPR advisor and the report is now back and continues to be discussed with counterparts. Once finalized an action plan for implementation over the coming quarters can then be developed. After the departure of the STTA advisor, this activity is continuing to be driven by our CCN LTТА advisor. This is a collaborative effort with MOCI and implementation will be driven by GoL with the continued assistance of LTPC. There is no quick fix and outreach will play a large part.

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

No training has been conducted for the Bureau of Customs in Q4. Our STTA IPR advisor developed draft questions and discussion topics for assessment. Our local LTTA CCN IPR Advisor has also developed a training and information manual for BCE. LTPC plans to conduct training on IP concepts for the Bureau of Customs to be followed by training on TRIPS Border Protection Measures. During Q4 BCE appointed a full time officer to deal with IPR issues and our LTTA CCN IPR Advisor is in regular consultation. This is all very new to customs and not something that can be implemented overnight. LTPC will continue to monitor

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

No activities were carried out in this area during year one. LTPC will move into this area during year two.

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

Liberia specific 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 the materials.

- Discussions with artists and organizations have already commenced, but we all await passage of the draft laws in order to develop effective strategies for IPR protection. Approval of the draft laws is a priority. With this in mind our appointed LTTA CCN IPR Advisor, is working closely 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 project has carried out 3 specific seminars on IP for selected employees of the MOCI and leaders of business associations. Attendance was good and the seminars, each of which dealt with a specific IP topic, will be carried forward into year two by our new LTTA CCN IPR Advisor.

Activity 7: Implement a permanent MOCI training program

This activity is currently in its fledgling stage and we continue to consider interactive computer based training materials to give a basic understanding to all MOCI staff. More specialized training will be developed for those assigned to IPR issues within the MOCI. Our problem remains access to internet and access to computers for use by staff. This is still an avenue LTPC will pursue; but it may be postponed until later in the project.

During year two IPR training will become part of our overall strategy for training within the MOCI. Currently there is no training plan in place.

Of interest, after consultation it appears that there has never been a case involving IPR that has gone to trial in Liberia. As IPR falls under the MOCI, the judiciary will need to be included in the MOCI training plan in regard to IPR.

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					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	Completed. Now back on the table.	
3	Strengthen IPR protection unit within the Bureau of Customs	Aug 2011	Mar 2012	X	X	stta	ongoing	ongoing					Training materials in development for delivery in conjunction with the newly appointed BCE IP officer	
4	Support Automation for LIPO and the copyright office and train the Coordination Unit	Sept 2011	Feb 2012	X	started	ongoing	ongoing	ongoing					Ongoing support through MOCI of all automation	
4.1	Automation	Sept 2011	Feb 2012	X	ongoing	ongoing	ongoing	ongoing					Ongoing support through MOCI of all automation	
4.2	IP Coordination Unit	Sept 2011	Feb 2012	X	X	stta	ongoing	ongoing					Coordination of IP is in place through the IPR office located within the MOCI. This office is now supported through a LTTA CCN IPR advisor	
5	Create a training program and Liberia-specific materials/training on IPR	Sept 2011	May 2012	X	X	stta	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					Materials in development.	

5.2	Prepare training programs for GOL Ministries	Sept 2011	May 2012	X	X	stta	ongoing	ongoing					Some modules developed. Further modules in Q5 and throughout the life of the project
5.3	Develop informational materials for entrepreneurs/inventors	Sept 2012	Mar 2012	X	X	stta	ongoing	ongoing					Materials in development
5.4	Work with Artists/Organizations to improve IPR protections	Sept 2012	Aug 2012	X	X	stta	ongoing	ongoing					Materials in development
5.5	Increase Public Awareness	Sept 2012	May 2012	X	X	stta	ongoing	ongoing					Materials in development
6	Strengthen judicial understanding and enforcement	Jan 2012	Aug 2013	X	X	stta	ongoing	ongoing					Work will commence in Q5. Still awaiting new legislation
7	Implement a permanent MOCI training program	Oct 2011	May 2012	X	X	stta	ongoing	ongoing					Basic analysis carried out in Q3. Plan followed in Q4. Implementation year two
8	Conduct public outreach	Jan 2012	Aug 2013	X	X	X	X	X					X

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

- Staffing issues plagued the project at the start of the program and it was not until the early part of Q4 that we found ourselves fully staffed for the first time. It proved to be an uphill struggle to find suitable staff and once found, to bed them into their new roles. The difference in Q4 has been tangible and the program is moving forward smoothly.
- The Presidential elections slowed us down for a couple of months due to the non-availability of key staff during campaigning. The election was then followed by a period of uncertainty, until appointments were confirmed.
- During Q3 there was a significant movement of staff within BCE, less so in the MOCI; but never-the-less this impacted on the reforms as many staff were left in a kind of limbo, awaiting permanent appointment or under the threat of movement. The Commissioner of Customs is still in an acting capacity and as yet we do not know if he will be permanently appointed. The change of the Minister of Finance certainly sent a strong message through the MOF and the taste of reform and change is in the air. Things have settled down and the future looks bright.
- 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 can have a detrimental and profound effect on reform and Governmental moral.

STATUS OF OVERALL PROJECT PROGRESS AND PERFORMANCE ON THE MONITORING PLAN

Q2 RESULTS (BASED ON THE COMPONENT OBJECTIVES)

High level results

Indicator	2010 Baseline	Target value Y1 (15 months)	Q4 Value	Notes
-----------	---------------	-----------------------------	----------	-------

Liberia's performance on the Heritage Foundation "Trade Freedom" index	53.8 (2009)	65	53.8	NTB elimination
--	-------------	----	------	-----------------

Result indicators

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

Indicator	2010 Baseline	Target value Y1 (15 months)	Q4 Value	Notes
Number of public awareness campaigns launched as part of a NTB Reduction Initiative	n/a	2	0	No campaigns launched in Q4

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 Y1 (15 months)	Q4 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%	0	No documented reduction in Q3
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	2	These activities will commence in earnest in Y2
Number of customs agents, officials, brokers and traders trained	--	150	62	These activities will commence in earnest in Y2

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

Indicator	2010 Baseline	Target value Y1 (15 months)	Q3 Value	Notes
Number of parties trained on intellectual property rights protection	--	20	3 seminars	Activities will continue in Q5
Number of IPR-related public outreach events	--	2	0	Activities will commence in Q5
Customs staff trained on new IPR enforcement guidelines and procedures	--	TOT program developed	The TOT program development was postponed until Q4	Activities will commence in Q5
Number of project-facilitated	TBD	4	1	Further discussions

discussions between Liberian business groups and the Customs Bureau				2012
---	--	--	--	------

Improved gender equality

Indicator	2010 Baseline	Target value Y1 (15 months)	Q3 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	20%. 1 event. Further women delegates attending the WTO in Geneva during July.

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

The project is online for the completion of all tasks however we continue to alter timelines where it makes sense to do so and to re-prioritize to meet the needs of GOL.

Further changes may be required and some tasks may simply come to sudden fruition....such as the adoption of a new law or procedure, which can have an impact on other 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.