



ODI Country Partnership Programme – Liberia

ODI is an independent, global think tank. We work to inspire people to act on injustice and inequality. Through research, convening and influencing, we generate ideas that matter for people and planet. We lead thinking and agendas to deliver transformational change and bring about a global sense of resilient, just, and equitable prosperity. We deliver high-quality, internationally recognised research that informs policy design and convenes leadership across the global challenges identified above. We are a free thinking, inclusive, and trusted think tank with a global footprint.

The Country Partnerships Programme (formerly known as the Budget Strengthening Initiative, BSI) was established within ODI as a major flagship initiative in 2010 with country programmes launched in Liberia, the Democratic Republic of Congo, South Sudan, and Uganda, as well as direct policy and research support to the Secretariat of the g7+ group of fragile states in Timor-Leste. Additional programmes were later established in Sierra Leone, Mali, Côte d'Ivoire, Guinea, and Sudan. Each of these country programmes have included bespoke areas of support, based on the specific problems and challenges faced by their partner institutions on the ground.

The Country Partnerships Programme is a technical assistance programme for finance ministries and other related government entities. It supports their reform efforts by offering strategic advice, helping to solve concrete problems, advising on systems design, and providing implementation support. Being independent and demand-led, the programme can, in principle, support any aspect of public financial management reform based on the expressed interest or need of its country partners, including budgeting, cash management, expenditure management, intergovernmental fiscal relations, accounting, budget transparency, debt and aid management, tax policy, revenue mobilisation, among others.

Our approach

ODI uses an outcome-based approach to measure our success in supporting reforms. This contrasts with many other development projects whereby results are measured based on outputs with only a cursory emphasis on outcomes. This approach requires advisors to be especially focused on developing relationships with leaders and change agents at all levels.

To be able to provide support that leads to genuine change, ODI has adopted a set of guiding principles that ensures the programme can be effective and remain relevant while keeping a strategic eye on the desired reform results. These principles are as follows:

- The approach follows the principals of *problem-driven, iterative adaptation*, which allows for the identification of customized and feasible solutions to concrete problems, as well as for the timely adaptation of the support approach to changing framework conditions. This makes ODI support both flexible/agile and strategic.
- The support is based on *forming trusting and respectful relationships* with government counterparts. These relationships are forged by consistent and reliable long-term engagement and the provision of independent and confidential advice at arm's length from the funder.
- The approach adopts a *consultative and collaborative approach to build consensus and ownership* within and across partner institutions, by supporting change agents in forming robust reform

coalitions. These broad reform coalitions bring more durability to reform objectives, even if the means for achieving them might change.

- The approach incorporates *politically conscious thinking and action*. It is sensitive to the political constraints of its counterparts and understands both the space available for reform and the existing implementation capacity. At the same time, it takes care not to take an explicitly political stance on the reform processes it is supporting.
- The support seeks to respond to the particular demands and contextual realities of partner countries, proposing '*good enough solutions*' that are most feasible to realise in the local context. While these might be informed by comparable experiences elsewhere, they avoid falling back on preconceived 'best practice' models and templates.

To put these principles into practice, the ODI Country Partnership Programme deploys teams of long-term embedded experts who either reside in country, or visit frequently for extended periods, to work directly with their counterparts in partner institutions. In their support of genuine change processes, these long-term experts may assume at least four different roles vis-à-vis their partners, which all serve distinct and complementary purposes:

- As *trusted advisors*, they support reformers in understanding and strategically addressing the problems their counterparts face and in identifying viable solutions. They also help them navigate complex reform processes and the multiplicity of advice they receive.
- As *facilitators and brokers*, they help reformers build coalitions within and across their institutions. They also support them in developing common understandings of problems and in building consensus and acceptance of how these can be solved.
- As '*dot joiners*', they help reformers identify and take advantage of opportunities to build links between different reforms, processes, and systems. This helps create synergies and strengthens the overall coherence and complementarity of reform.
- As *technicians*, they support institutional reform through practice development by supporting activities in the design, deployment, and management of systems and processes. They also provide capacity building and on- and off-the-job training to help bring the use of these new systems and processes to scale.

Particular strengths of the ODI *modus operandi* are:

- Our long-term engagement – it takes time to design and implement sustainable reforms.
- Continuity of our technical support through political change.
- The open-ended design of our support, with broad objectives rather than a narrowly prescribed logframe.

Several very positive external evaluations of ODI's Country Partnership Programmes (formerly known as the Budget Strengthening Initiative) have been conducted since 2010 and are available upon request.

Our work in Liberia

In Liberia, ODI has an ongoing programme of technical support to the Ministry of Finance and Development Planning (MFDP), operating since 2010. The programme is currently funded by the Swedish Embassy in Liberia² and provides three embedded resident advisors, a pool of short-term/remote advisors, and a Country Director. Swedish funding is scheduled to expire January 2024, however, with a likely extension until December 2024. Between 2015 and 2022 ODI also provided support to the Liberia Revenue Authority (LRA) to strengthen its capacity in revenue administration and tax audits for improving revenue collection and taxpayer compliance, including for the natural resource sector.

ODI's sustained presence in Liberia has allowed us to build strong relationships across the Government of Liberia (GoL) that have been essential to our ability to sustain the programme over several administrations and multiple handovers of power. This has allowed us to contribute to continuity and intuitional memory during democratic transitions, and to enable key government functions to continue to deliver amidst shifting political environments. Indeed, ODI is one of the few remaining governance initiatives embedded in the GoL. This leaves us uniquely well placed to help GoL navigate global development agendas, as well as mediate between the government, international donors, and global finance institutions – including the large-scale PFM projects being launched by the World Bank and USAID. In 2024, as a new administration takes over, we expect that the MFDP will continue to require the adaptive and tailored support ODI provides.

Major achievements of the programme include:

- Liberia Project Dashboard (www.liberiaprojects.org) - MFDP managed website reporting off budget donor activities for over 15 bilateral and multilateral donors. 5000+ visits since June 2023 from 100+ countries
- MFDP Professional Development Program – Three-year operation of programme delivering curriculum developed by MFDP and ODI advisors with 120+ participants and 10 certified trainers
- Debt Management Unit restructuring (back, middle, front office), new debt management system, Commonwealth Meridian (Liberia second SSA country to fully migrate, record time of 90 days)
- Expenditure Management System – source of MFDP financial and fiscal reporting (crucial for IMF ECF weekly reporting)
- Tax audit capacity of the Liberia Revenue Authority (LRA) in the natural resources sector (supported 23 audits, collected additional revenue of US\$17 m by end-2021)
- Tax policy reform to the incentive regime that could minimise tax expenditures by US\$25 m in FY2024.
- Improved budget transparency – a mix of technical assistance, training, and policy advice has contributed to Liberia achieving its highest score ever on the Open Budget Survey after almost a decade of stagnation.

Ongoing areas of ODI support

Finance Minister Office		
Advisory Support to Office of the Minister	<ul style="list-style-type: none"> • Long-term support to the Ministry in areas of policy and PFM 	Mark Hutton
National Road Fund Operations	<ul style="list-style-type: none"> • 3+ years support to MFDP on NRF financial management, governance and strategic challenges 	Leslie Cole
Decentralisation Study	<ul style="list-style-type: none"> • RCU-MFDP & ODI joint review of decentralisation 	Mark Hutton
CAG Department		
Advisory Support to Office of CAG	<ul style="list-style-type: none"> • 5 years advisory support to the Comptroller and Accountant General in areas policy, organization, and IT 	Mark Hutton
Bank Account Reconciliation Processes	<ul style="list-style-type: none"> • Design and implementation of reconciliation system enabling cash-based reporting 	Mark Hutton
IPSAS Financial Statements	<ul style="list-style-type: none"> • FY1920 first year of cash based & on time publishing of financial statements. Ongoing improvements. 	Mark Hutton

Department of Economic Management		
Liberia Project Dashboard	<ul style="list-style-type: none"> +5 years support on the design and implementation of the world leading aid and public investment reporting website 	Mark Brough
Cross-cutting support to Debt Management Unit	<ul style="list-style-type: none"> +3 years support to DMU on strategy, management practices and organisational structure 	Ralph Ayiku
Counterpart Funding	<ul style="list-style-type: none"> Successful tracking and inclusion of counterpart funding obligations in budget preparation processes since FY2021 	Leslie Cole
Domestic debt database	<ul style="list-style-type: none"> Development of bespoke domestic debt database 	Mark Brough
Department of Budget and Development Planning		
Citizen's Guide	<ul style="list-style-type: none"> Providing helpdesk support for any updates or changes the team wants to make to the Citizens Guide template which has been operational since FY2021 	Ryan Flynn
OBI Score Improvement Support	<ul style="list-style-type: none"> Providing demand-led support for implementing the roadmap for achieving and OBI score of 61+ 	Ryan Flynn
Departmental Training Programme	<ul style="list-style-type: none"> 3+ years operation of an inhouse programme with 100+ participants engaged in knowledge sharing lectures and/or hands on training 	Leslie Cole
Budgeting policy research forum	<ul style="list-style-type: none"> Consolidation of DBDP experience, internal and external documentation, to design trainings and policy making documents drawn from Liberia's experience 	Leslie Cole
Budget Preparation and Sector Engagement	<ul style="list-style-type: none"> General support, including Advisory work for the Deputy Minister and support with technical requirements of the IMF programme Embedding tools for scenario analysis in use since FY 2021 	Leslie Cole
Department of Fiscal Affairs		
Advisory Support to Deputy Minister and Assistant Ministers of Fiscal Affairs	<ul style="list-style-type: none"> 5 years advisory support to the Department of Fiscal Affairs, including consultations with IMF 	Mark Hutton
Support to Cash Management Unit	<ul style="list-style-type: none"> Long-term effort to develop management structures and planning tools to implement effective cash management 	Mark Hutton
Development of Data Management System and Tools	<ul style="list-style-type: none"> Long-term effort to development management and technical skills in order to create a data management system to support financial reporting 	Mark Hutton

Tax Expenditure Policy	<ul style="list-style-type: none"> • Supporting interventions towards minimizing, streamlining and rationalizing tax expenditures through proposing tax policy measures/ options; analysing their revenue and distributional effect; and legislative drafting • Providing technical guidance to the tax expenditure monitoring and evaluation exercise between MFDP, NIC and LRA. <i>(forthcoming)</i> 	Pascal Oleng
Tax Policy Advisory Support	<ul style="list-style-type: none"> • Providing technical advice with respect to re-negotiation of mining concession agreements and other investment related agreements; highlighting their potential fiscal implications and proposing improvements to ensure such agreements are effective from a tax perspective. • Providing technical advice with respect to negotiation of international bilateral tax treaties with other governments. • Providing tax policy advice on the VAT regime implementation process. <i>(forthcoming)</i> 	Pascal Oleng
Domestic Revenue Mobilization	<ul style="list-style-type: none"> • Supporting the overall tax policy formulation process to enhance domestic revenue mobilization, for example through administrative regulations and amendments to the revenue code 	Pascal Oleng
Revenue Forecasting	<ul style="list-style-type: none"> • Providing technical support to the revenue forecasting processes and the use of quantitative analysis. <i>(forthcoming)</i> 	Pascal Oleng