



1. Project Data

Project ID

P143064

Project Name

LR-Public Sector Modernization (FY14)

Country

Liberia

Practice Area(Lead)

Governance

L/C/TF Number(s)

IDA-53590,TF-A1263

Closing Date (Original)

30-Sep-2019

Total Project Cost (USD)

9,451,902.74

Bank Approval Date

10-Feb-2014

Closing Date (Actual)

30-Jun-2021

IBRD/IDA (USD)
Grants (USD)

Original Commitment

2,000,000.00

8,168,587.00

Revised Commitment

9,494,480.40

7,494,480.40

Actual

9,451,902.74

7,494,480.40

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2. Project Objectives and Components

a. Objectives

The project development objectives (PDOs) were to improve pay and performance management in participating ministries and strengthen payroll management in the civil service in the Recipient's territory (Financing Agreement, p. 5). For this ICRR, the PDOs are: (i) improve pay management in participating ministries, (ii) improve performance management in participating ministries, and (iii) strengthen payroll management in the civil service in the Recipient's territory.



b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

The components of the project were as follows:

Component 1: Improve Pay Management (estimated cost US\$3.18 million, actual cost US\$2.25 million).

This component was designed to support the civil service in attracting and retaining competent managerial and professional staff and addressing low levels of motivation and engagement among civil servants. This was achieved by supporting the mapping of civil servants into appropriate grades, conducting a comparative remuneration survey, revising the human resource (HR) policy manual to include pay administration and grading procedures, training Civil Service Agency (CSA) staff in key HR functions, developing a pay strategy, and conducting an information awareness campaign on pay management. These activities facilitated improved wage bill management and provided a clear and fair basis for accountability for results among civil servants.

Component 2: Strengthen Payroll Management (estimated cost US\$3.05 million, actual cost US\$2.58 million).

This component aimed to address the lack of effective payroll discipline that enabled entries into the payroll without due process and weak payroll management, which led to an escalating wage bill. Activities included preparing and disseminating HR planning procedures, identifying staff requirements, strengthening personnel records and issuing biometric cards, decentralizing the HR management information system in at least four CSA outreach centers, conducting an independent payroll and HR systems audit by the General Auditing Commission, training ministry staff in payroll management functions, completing the cleaning and updating of personnel files for all civil servants so that they have complete electronic files.

Component 3: Improve Performance Management (estimated cost US\$3.38 million, actual cost US\$2.45 million).

To address overlapping mandates, weak management structures in the civil service, and the inability to effectively hold staff accountable for their performance in service delivery, the Public Sector Modernization Project (PSMP) supported organizational development and HR management. Under organizational development, key activities included: mapping existing organizational structures and revising the current organizational design model, conducting mandate and functional reviews of participating ministries, undertaking an organizational diagnosis of each ministry (including staffing and skills gaps), and preparing legislation to amend the structure and functions of ministries. In terms of HR management, support would be provided to implement performance management in the civil service, supporting the implementation of a policy framework for civil service management in participating ministries, supporting training and career development, developing a policy framework for establishing a civil service commission, and developing a policy framework for the appointment of principal administrative officers.

Component 4: Project and Program Management (estimated cost US\$1.1 million, actual cost US\$2.37 million).

A Project Management Unit was put in place to support coordination and the delivery of the project. Key activities included project coordination, communication and change management, monitoring, and evaluation, and fiduciary compliance and management.



e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. The original amount approved for the project was US\$10.7 million. The revised amount was US\$9.7 million, with the U.S. Agency for International Development (USAID) reducing its financing by US\$1 million. The actual amount disbursed was US\$9.992 million, given the interest accrued on the parent Trust Fund.

Financing. At the time of project approval, the financing was expected to be met by World Bank financing (US\$2 million) and non-World Bank financing (US\$5.04 million from USAID and US\$3.67 million from the Swedish International Development Cooperation Agency (SIDA)). As indicated above, USAID later reduced its contribution by US\$1 million.

Borrower contribution. The borrower didn't contribute.

Dates. The project was approved on February 10, 2014 and became effective on April 8, 2014. The World Bank held the mid-term review on September 29, 2017. The original closing date for the project was September 30, 2019. The actual closing date of the project was June 30, 2021, with six restructurings taking effect on March 29, 2019, May 29, 2019, July 31, 2019, August 30, 2019, December 17, 2020, and February 21, 2021. The purposes of the restructurings were to revise the amount allocated across the four components of the program, to modify the allocation across performance-based conditions (PBCs) and technical assistance, to revise the wording of PBCs, to revise the results framework, and to extend the program's closing date. The Ebola and the COVID-19 pandemics, along with capacity constraints due to Liberia's fragile context, were the main causes for these implementation delays. (see table on restructuring and/or additional financing featured on p. 3 of the ICR)

3. Relevance of Objectives

Rationale

At the time of project appraisal, Liberia had a bloated and unskilled civil service, which limited the government's ability to deliver public services and achieve a sustainable and inclusive development path. Liberia's civil service was confronted with political interference, low salaries, poor motivation, and weakened capacity. Loss of confidence in key institutions before the conflict further deteriorated in the aftermath of the civil wars. There was a mass exodus of experienced staff due to falling salaries. In addition, civil service hiring during the transitional governments led to a bloated and inefficient civil service, as a significant portion of the new staff hired were unskilled. This was related to the CSA losing control of its statutory recruitment role and struggling to enforce compliance with personnel management across the civil service. While there were efforts to revitalize the civil service following the civil wars, progress was limited. The government adopted the 2009-2011 Civil Service Reform Strategy, which yielded mixed results within a post-conflict context characterized by low capacity and poor coordination across institutions, politically sensitive reforms, and time required to implement such reforms. One of the notable results consisted in removing 1,077 ineligible individuals from the payroll, representing savings of US\$1,814,695 per year measured between FY2010-2012 (representing 1 percent of the estimated public spending on wages and



salaries in FY2012). Authorities also reviewed the mandates and functions across 14 ministries to identify redundancies in roles and functions. The strategy had the following objectives:

1. **Restructuring and right-sizing:** A lean government that clarifies the mandates and functions of ministries and agencies, rationalizes organizational structures and staffing configuration, and aligns competencies.
2. **Pay and pension reforms:** A compensation package that attracts, retains, and contributes to a civil service incentivized to be productive in implementing its roles and responsibilities and adequately rewarded upon retirement.
3. **Improving service delivery:** Increased and strengthened quantity of public services to the population through a delivery mechanism that values the public as customers and focuses on their needs and expectations.
4. **HR management:** A competent and professional civil service that meets the workforce needs of the government in delivering its development programs.
5. **Leadership development:** A strong managerial leadership capacity in the civil service to enhance institutional performance, particularly in policy management and service delivery.
6. **Gender equity:** Gender-sensitive institutions provide equal opportunities to men and women at all civil service levels and protect all employees against sexual discrimination and harassment.

The objectives pursued by the PSMP were highly relevant to the challenges facing Liberia at the time of project design. These challenges consisted, most notably, of the civil services' low pay, poor alignment between skills and functions, inadequate HR management processes, weak payroll controls, and political interference. Furthermore, these challenges were compounded by the CSA's deteriorating ability to manage the civil service, its inadequate internal capacity, low salaries, and budget. Therefore, the PSMP identified seven participating ministries instead of all ministries, selected based on their respective size, willingness to reform, and implementation capacity. The seven participating ministries comprised 26,000 civil servants, representing 75 percent of the entire civil service.

The objectives pursued by the project were consistent with the country's Civil Service Reform Strategy and the World Bank's strategy. The objectives pursued by the project were consistent with the government's 2009-2011 Civil Service Reform Strategy, with the first five of the six objectives being aligned with the strategy. Furthermore, it was consistent with the Agenda for Transformation from the 2012-2017 Poverty Reduction Strategy, which identified capacity constraints in the civil service as a critical impediment to economic growth. Finally, it was consistent with the Liberia Country Partnership Strategy for FY13-17 (Report No. 74618-LR), identifying "Governance and Public Institutions" as a focus area. This constituted a priority area for the government, confronted with a bloated and unskilled workforce, which limited its capacity to deliver public services efficiently and limited its ability to provide public services to place the country on a sustainable and inclusive development path.

The PDOs remained relevant by the time of the Implementation Completion and Results process. Objective 1 of Liberia's Country Partnership Framework for the period FY19-24 (Report No. 130753-LR) consisted of *Greater Transparency, Accountability, and Efficiency in Public Institutions* with a pillar focused on strengthening institutions and creating an enabling environment for inclusive and sustainable. The Country Partnership Framework mentions explicitly that the PSMP focuses on "improving the management of the civil service, eliminating irregularities from the civil service payroll, and providing a clear framework for assessing the performance of civil servants." The Country Partnership Framework was well aligned with Liberia's five-year development plan known as the Pro-poor Agenda for Prosperity and Development, which covered the July 2018-June 2023 period. According to the Pro-poor Agenda for Prosperity and



Development, “the government will strengthen public sector effectiveness through programs that foster equality and equity relating to employment, pay levels, pay grades, and incentive-based rewards in the civil service. A critical intervention will be completing the public sector modernization project that will standardize civil service employment, clean payrolls, and review mandates and functions across the public sector. Additionally, this intervention will seek to improve competitiveness and equity in the civil service pay levels and ensure incentive-based rewards in response to performance and productivity.” (ICR, par. 25)

The ICR provides a reasonable justification for the use of PBCs. The ICR notes that “Investment Project Financing (IPF) with PBCs was the right choice of instrument. It placed the focus on results and incentivized the achievement of the desired outcomes. In particular, the use of PBCs anchored the project’s results chain. The IPF also supported technical assistance to ensure delivery of the required capacity building that would support the achievement of the desired outcomes. This was particularly important given the documented capacity constraints in Liberia. In the end, the PBC-linked disbursements accounted for 38.4 percent of the total project financing while the technical assistance accounted for 61.6 percent.” (ICR, par. 7) IEG agrees with the justification provided for the choice of instrument as the IPF provided the right set of incentives and an adequate level of technical assistance to support the achievement of the desired outcomes.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

Improved pay management in participating ministries

Rationale

Relevance of the PDO indicator. The PDO of improved pay management in participating ministries was intended to: (i) improve the alignment of grades to jobs performed by civil servants; (ii) improve fairness in the remuneration structure by eliminating discretionary allowances; and (iii) improve knowledge and awareness of salary-related aspects among civil servants. It responded to the challenges of weak payroll controls and low salaries, which had led to a bloated public sector wage bill and an unskilled workforce, undermining the delivery of public services. The PDO indicator (at least 30 percent of P1-4 and E1-3 grade civil servants in participating ministries paid according to approved pay grades for at least six consecutive months by June 30, 2021) was clearly defined and measurable, with credible data available to the ICR, including baseline data.

The achievement of this PDO was within reach despite Liberia's fragile context. Therefore, the relevance of the PDO is rated **Substantial**.



PBCs 1, 4, 5, and 6, which also constituted intermediate result indicators, supported achieving the overarching objective of improved wage bill management in participating ministries pursued by Objective 1. More specifically, the PBCs supported:

- Institution of the Pay Strategy (PBC 4);
- Assignment of at least 30 percent of P1-4 and E1-3 grade civil servants into approved pay grades in order to support HR management by matching skills and functions (PBC 5);
- Assignment of at least 30 percent of TAS 1-3 grade civil servants into approved pay grades in order to support HR management by matching skills and functions (PBC 6); and
- Payment of at least 90 percent of P1-4 and E1-3 grade civil servants in participating ministries according to approved grades for six months. (PBC 1, dropped)

Outputs.

The project aligned grades to jobs through job grading and classification to allow recruitment to be based on merit and fulfill the requisite qualifications for the advertised positions. Furthermore, the project elaborated job descriptions for 3,000 civil service positions to detail staff duties and responsibilities.

The Interagency Wage Bill Task Force developed a single harmonized payroll for each of the 107 entities under the CSA's purview, including data on recruitment processes such as civil service testing, processing personnel action notices, and promotions and transfers. This single harmonized payroll also applied to personnel on the supplementary payroll.

PBC 4 was achieved with the CSA preparing and submitting a Pay Strategy for Cabinet approval. The project achieved **PBC 5** with 100 percent of participating ministries assigning P1-4 and E1-3 grade civil servants into approved pay grades by June 30, 2021. Finally, the project achieved **PBC 6** with 100 percent of participating ministries assigning at least 30 percent of TAS 1-3 grade civil servants into approved pay grades by June 30, 2021.

Outcome. The project achieved the outcome of improved pay management in participating ministries, with 30 percent of P1-4 and E1-3 grade civil servants in participating ministries paid according to approved pay grades for at least six consecutive months by March 2020 (which continued until the project closed in June 2021), in line with the target of at least 30 percent. Therefore, the efficacy of the PDO is rated **Substantial**.

Rating
Substantial

OBJECTIVE 2

Objective

Improved performance management in participating ministries

Rationale

Relevance of the PDO indicator. The PDO of improved performance management in participating ministries sought to: (i) improve parity between the personnel listing and the payroll based on authorized positions in



the budget; and (ii) support payroll integrity by strengthening the CSA's capacity to control and oversee payroll entities. It responded to the challenge posed by the inadequate performance of participating ministries due to issues such as their poor organizational structure, a misalignment between their mandate and their functions, and their staffing and skills gap, which contributed to a bloated public sector wage bill and inefficient delivery of public services. The PDO indicator (P1-4 and E1-3 grade civil servants in seven participating ministries that have achieved satisfactory performance rating or above on their quality ensured annual performance appraisal) was clearly defined and measurable, with credible data available to the ICR, including baseline data, and the achievement of this PDO was within reach despite Liberia's fragile context. Therefore, the relevance of the PDO is rated Substantial.

PBCs 3 and 9 supported achieving the overarching objective of improved performance management in participating ministries pursued by Objective 2. The PBCs supported the institutionalization of the annual performance appraisal process in participating ministries. More specifically, they supported:

- Completion of one annual cycle of the performance appraisal process for P and E grade civil servants (PBC 3); and
- Completion of three annual cycles of the performance appraisal process for P and E grade civil servants. (PBC 9, dropped)

Outputs.

Concerning the support to organizational development, key activities consisted of:

- The mapping of existing organizational structures and the revision to the current design model;
- The conduct mandate and functional reviews of the participating ministries (i.e., the Ministries of Education, Foreign Affairs, Finance, and Development Planning, Health, Internal Affairs, Justice, and the Ministry of Information, Culture, and Tourism);
- The undertaking of an organizational diagnosis of each ministry, including staffing and skills gaps;
- The preparation of legislation to amend the structure and functions of the ministries (for all the ministries, except the Ministry of Justice and Ministry of Information, Culture, and Tourism). This was essential for facilitating a lean government with clear mandates and functions of ministries and agencies, rational organizational structures, and staffing configuration. In Liberia, the legislature adopts the mandates, functions, and organizational structures of an institution; and
- The preparation, acceptance and passage of the amendment to legislation relating to the Ministry of Health and the Ministry of Finance and Development Planning structures. The mandate and functional reviews conducted under the project proposed changes that needed to be adopted/ accepted through amendments to the existing legislation.

Concerning strengthening HR management, this primarily consisted in supporting:

- The individual ministries and the CSA assessed staffing skills in the participating ministries;
- The project completed a policy framework for civil service management—selection, appointment, promotion, and retirement—the Cabinet approved it;
- The project developed policy frameworks for establishing a civil service commission and appointing principal administrative officers;



- The project implemented performance management in the civil service as well as a policy framework for civil service management in participating ministries;
- The project trained a total of 519, exceeding the target of 500, and 50 women participated in the Female Leadership Training Program; and
- The project supported the training and career development of civil servants. The elaboration of job descriptions and the grading of positions defined the career streams of civil servants and allowed the training and career development activities to develop the necessary skills and expertise for civil servants to advance in their technical field in support of capacity development.

The project achieved **PBC 3** (participating ministries completing one annual cycle of the performance appraisal process for P and E-grade civil servants by June 30, 2019). All seven participating ministries reported to having completed it by June 30, 2019. Participating ministries in fact completed two annual cycles of the performance appraisal process for P- and E-grade civil servants by June 30, 2019, according to an intermediate result indicator monitored through the Results Framework. PBC 9 on three annual cycles of the performance appraisal process for P- and E-grade civil servants was not achieved as it was dropped.

Outcome. The project exceeded the PDO target of improved performance management in participating ministries, with 93 percent of P1-4 and E1-3 grade civil servants in participating ministries having achieved satisfactory performances rating or above on their quality ensured performance appraisal, compared to the target of 60 percent. Therefore, the efficacy of the objective is rated **Substantial**.

Rating
Substantial

OBJECTIVE 3

Objective

Strengthened payroll management

Rationale

Relevance of the PDO indicator. This PDO sought to: (i) define appropriate mandates for each ministry; (ii) align organizational structures with their respective mandate and institute a system to measure staff performance in participating ministries; and (iii) mainstream gender issues in the mandates and the functions of participating ministries by developing a policy framework for integrating gender equality measures. It responded to the challenge of participating ministries and civil servants' ministries failing to meet the mandate, and their respective roles and responsibilities, in support of improved and more efficient public service delivery. This PDO indicator (The discrepancy between current payroll (salary) and personnel listing at no more than 8 percent by June 30, 2021) was clearly defined and measurable, with credible data available to the ICR, including baseline data. The achievement of this PDO was within reach despite Liberia's fragile context. Therefore, the relevance of the PDO is rated Substantial.

PBCs 2, 7 and 8 supported achieving the overarching objective of strengthened payroll management pursued by Objective 3. More specifically, they supported:



- The reduction in the discrepancy between current payroll (salary) and personnel listing at no more than 8 percent to reduce payroll padding (PBC 2);
- The issuance of employment appointment letters to all of the participating ministries' staff on the personnel listing to support parity between the personnel listing and the payroll on authorized positions in the budget to improve payroll integrity by removing duplicate names, ghost workers, and identity misrepresentations (PBC 7); and
- The elimination of supplementary payroll in the participating ministries to support parity between the personnel listing and the payroll of authorized positions in the budget. (PBC 8)

Outputs. The outputs of the project include, most notably:

- The preparation and dissemination of HR planning procedures;
- The identification of staffing requirements;
- The strengthening of personnel records and the issuance of biometric cards;
- The decentralization of the HR Management Information System to at least four CSA outreach centers;
- The conduct of an independent payroll and HR systems audit;
- The training of ministry staff in payroll management; and
- The completion and the updating of files for all employees such that every civil servant has a complete electronic file.

The project exceeded the **PBC 2** target (no more than 8 percent discrepancy) with no discrepancy between current payroll (salary) and personnel listing by June 30, 2021. The project achieved **PBC 7**, with all participating ministries having issued employment appointment letters to all of their staff on the personnel listing by June 30, 2021. Finally, the project achieved **PBC 8**, with none of the participating ministries having supplementary payrolls by June 30, 2021.

Outcome. The project achieved the outcome of strengthened payroll management. The discrepancy between the current payroll (salary) and personnel listing was 0 percent, which exceeded the target of no more than 8 percent by June 30, 2021.

Additional outcomes of the program under this objective included, most notably:

- Some 46,000 civil servants were biometrically verified and enrolled, and 30,000 biometric cards were issued, representing 67 percent of all civil servants.
- Eighty-seven percent of the civil servants in the participating ministries now have complete electronic personnel files. In addition, all participating ministries issued employment appointment letters to all staff on the personnel listing, and none of the ministries has a supplementary payroll.
- The participating ministries' mission and vision statement were revised to reflect relevant gender equality issues and a policy framework for integrating gender equality measures was developed.
- Furthermore, the CSA's capacity to control and oversee payroll entries has increased, given that it is responsible for onboarding civil servants while the MoFDP is responsible for paying them. This approach limits the risk of ineligible additions to the payroll, thereby improving payroll integrity.



- From a qualitative perspective, the reforms helped foster new behaviors regarding payroll management coordination across government (such as the need to work together to introduce biometric cards and electronic files for employees).

Rating

Substantial

OVERALL EFFICACY

Rationale

The project achieved the PDO indicator 1 target on improved pay management in participating ministries. At the same time, it exceeded the targets of PDO indicators 2 and 3 on improved performance management in participating ministries and strengthened payroll management (Table 1). The PBCs supported achieving the overarching objectives pursued by the PDOs. Furthermore, PDOs were substantially relevant to the project's overarching objective. Notwithstanding these achievements, the overall efficacy of the project is rated Substantial, given that legislation, informed by the recommendations from the mandate and functional reviews (MFRs), was not prepared for all participating ministries and that the performance management system was not fully implemented in all units. While all seven participating ministries conducted MFRs, only five out of the seven participating ministries adopted the recommendations of the reviews and amended their laws. There was low interest in the reforms outlined in the MFRs at the Ministry of Justice because of insufficient continuity due to leadership changes. The ICR states that "[b]etween 2014, and the time the project closed, there were three Ministers of Justice. Each time a new minister was appointed, the Governance Commission essentially had to restart the process of explaining the importance of implementing the recommendations from the MFR and securing the necessary buy-in to move forward with preparing the legislation. In the end, such buy-in was not secured. The Ministry of Culture, Information and Tourism did not accept the recommendations from the MFR except the establishment of a Tourism Authority." (ICR, par. 28) Therefore, it was not possible to prepare legislation to amend the structure and functions of the Ministry of Justice.

Furthermore, the full implementation of the performance management system did not occur due to the COVID-19 pandemic, which affected the final face-to-face evaluation of employees from March 2020 for the third performance management cycle.

Table 1. PDO Performance Indicators

	Baseline	Target	Actual	
PDO indicators	2015	2021	2021	Status
Improved pay management in participating ministries				
At least 30 percent of P1-4 and E1-3 grade civil servants in participating ministries paid according to	0	30	30	Achieved



Overall Efficacy Rating

Substantial

5. Efficiency

The ICR notes that neither the project appraisal nor ICR teams conducted an economic analysis. However, the ICR notes that "according to data on the MoFDP website, in FY2020/21, Liberia's wage bill was US\$300.6 million, a reduction from US\$316.6 million in FY2018/19, and the draft budget for 2022 proposes a wage bill under US\$300 million. Also, according to the CSA, the wage bill in June 2019 (before the harmonization exercise) was US\$327 million. The project's cost may be offset by savings made because of a clean payroll that enables the government only to pay legitimate civil servants, hire and retain the right type and number of civil servants to enhance service delivery" (ICR, par. 32). The task team indicated during the ICR Review process that the reduction in the public sector wage bill was attributable to the project's activities. This was achieved through (i) the new harmonized salary structure; (ii) the payroll cleaning exercise (by reconsidering employee records, establishing biometric registration and identification of civil servants, and the removal of duplicate names from the payroll), which removed ineligible individuals from the payroll; and (iii) the use of the funds obtained through the accomplishment of the PBCs to allow civil servants who had reached the pensionable age to obtain their pension and be removed from the payroll. The ICR Review also concludes that economic analysis was impossible given the data credibility and availability issues.

The ICR also considers implementation aspects—such as delays in implementation, financial management issues, procurement issues (including procurement delays), and cost overruns—which may have affected efficiency. For example, regarding implementation delays, the ICR and the interview indicated that these were primarily related to the Ebola pandemic, the COVID-19 pandemic, the presidential elections, and capacity constraints. Furthermore, the ICR notes that "there were no major procurement issues and delays that caused inefficiency neither was there any cost overruns. In fact, the project underspent by approximately US\$680,000, and all the envisaged activities were implemented." (ICR, par. 34)

The efficiency of the project is rated **Substantial**. The project reduced the public sector wage bill through the implemented activities. Furthermore, there were no significant challenges with project implementation, except for factors beyond the task team's control, such as the Ebola and COVID-19 pandemics, the presidential elections, and capacity constraints. Despite the delays caused by these factors, the project still underspent by approximately US\$680,000 relative to the budget.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

Rate Available?	Point value (%)	*Coverage/Scope (%)
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Appraisal	0	0 <input type="checkbox"/> Not Applicable
ICR Estimate	0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of the objectives is rated High, given that the PDOs were aligned with the government and the World Bank's priorities for the country. The overall efficacy is rated Substantial rather than High. While all targets for the PDOs were met or exceeded, performance management was limited because legislation, informed by the recommendations from the MFRs, was not prepared for all participating ministries, and that full implementation of the performance management system in all units was lacking. The efficiency of the project is also rated Substantial.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

The main risk to the development outcome of the project relates to the possibility that the reforms are not sustained over time if the rest of the public sector beyond the seven participating ministries does not adopt the reforms. As indicated in the ICR, "[e]nlarging the reach of the reforms to all ministries, agencies and commissions will embed the fundamental principles and systems related to pay management, performance management and payroll management across the entire civil service. This will help to avoid the reversal of reforms." (ICR, par. 74) Furthermore, the ICR indicates that the sustainability of the reforms could be at risk because 74 spending entities have still not adopted the biometric system, which may lead to payroll padding, thereby undermining the results achieved through the reforms implemented through the project. Finally, another risk to the development outcome is the CSA not being adequately resourced in terms of financial resources and human capacity to fulfill its mandate.

8. Assessment of Bank Performance

a. Quality-at-Entry

The ICR document elaborates on the following measures taken by the task team at the project design stage:

Activities identified under the project are reported in the ICR to have been "informed by the TTL's in-depth experience living and working in Liberia, as well as the successes and failures of previous reforms and projects implemented by the Government and other development partners." (ICR, par. 44) This



allowed a realistic ambition of the project, including the PBCs. Furthermore, the project design was simple, adhering to the basics-first principle, and the project made a deliberate effort to build on and complement reform already undertaken by the country. This was particularly important given the FCV nature of the country. Furthermore, lessons from prior experience in FCV contexts informed the project's design to a large extent. Some of the key lessons included: keeping the design simple, ensuring that reforms are politically feasible, implementing reforms in/through a few institutions, and then scaling up based on the lessons learned, the use of ministry level and system level PBCs, ensuring that training is continuous to fortify capacity in key areas, leveraging relationships with other development partners to push reforms forward, and providing strong co-creation of the project to encourage ownership and buy-in of the reforms. The task team also relied on several analytical underpinnings at the design stage, which included:

- World Bank (2012). "Liberia: Options for Fiscal Space Enlargement",
- Kithinji Kiragu (2012). "Rebuilding the Civil Service in Liberia: Consolidating the Gains" World Bank Draft Report.
- Chemonics (2013). "Liberia Governance Stakeholder Survey": Monrovia (USAID).
- World Bank (2013): Liberia: Political Economy and Governance. Washington DC: World Bank.

The components featured under the project and their respective activities were structured and well-sequenced. The results-based approach adopted for this project rewarded the ministries directly for meeting specific targets, supported the drive for reforms and ensured collective action. In addition, the Appraisal Team carefully considered the selection of the participating ministries, which helped the successful implementation of the project.

The World Bank task team closely engaged with development in the preparation of the project, which forged strong alliances and avoided duplication of efforts, and helped to mobilize additional resources for the PSMP, which was co-financed by USAID and SIDA. In addition, the World Bank facilitated training at Georgetown University on public administration leadership in which Deputy Ministers of participating ministries took part. During preparation, the authorities established the Internal Reform Committees as part of the institutional and implementation arrangements, which consulted and represented employees at all levels in their respective ministries, supported ownership, and increased awareness about the reform process.

Parallel technical assistance was avoided right from the beginning when USAID and SIDA established a Multi-Donor Trust Fund. As a result, development partners had no parallel training or support. Also, the PSMP built on and consolidated reforms/work already initiated under the USAID Governance and Economic Management project and other reforms started under the 2008 strategy. Therefore, there was no duplication. Instead, the reforms continued by pooling resources from the development partners who were active in the sector.

Quality-at-Entry Rating

Satisfactory

b. Quality of supervision



The World Bank task team provided continuous engagement and training, which was particularly important following the 2017 elections to ensure that politicians in authority remained committed to the prescribed set of reforms. In addition, the World Bank task team provided adequate support to the client throughout the implementation stage. The project team held weekly check-in meetings with the client. There was a strong World Bank presence in the field, making it easier to engage with the client and address any bottlenecks. The World Bank team also assisted the government with developing ToRs and providing extensive comments on outputs while balancing the need to provide relevant and sufficient support without taking over the implementation of the project or curtailing capacity-building efforts.

The level of coordination and engagement across the tripod (i.e., CSA, Liberia Institute of Public Administration and Governance Commission) and other ministries, and the CSA and Ministry of Finance and Development Planning, which remained strong throughout the implementation period, supported the achievement of the objectives pursued by the project. Furthermore, the strong commitment from the CSA allowed the removal of ineligible names from the payroll during the election period, despite fierce resistance by participating ministries.

The World Bank task team documented implementation issues in Aide Memoires and Implementation Status Reports, outlining how these could deter the achievement of the PDOs consistently and on time.

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The indicators featured in the Results Framework were selected such that they can easily be measured and monitored over time. The CSA was responsible for the monitoring and evaluation (M&E) of the project and received the data from the different institutions. The task team designed the M&E framework such that one of the PBCs was also a PDO level indicator and the remaining eight PBCs were intermediate result indicators so that the relationship between the PDO, PBCs, and intermediate result indicators was clear and the sequencing of reforms and their achievements was logical and clear.

While the IPF was not subject to a gender tag, the project advanced in addressing gender inequality in the civil service. For example, some 50 female civil servants participated in the Female Leadership Training Program. The training taught skills such as managing a meeting, facilitation skills, team leadership skills, and effective people management skills. This consisted of an intermediate result indicator under improved performance management. Furthermore, at the time of the ICR, more females were involved in implementing Component 2 activities on strengthening payroll management (ICR, para. 38).



b. M&E Implementation

The project formally verified PBC achievements in Annual Verification Reports. When the task team faced challenges in obtaining the necessary data, interactions with HR managers were required. An M&E specialist in the CSA collected and analyzed the data from the participating ministries and updated the component leads and the Results Framework as needed. There were numerous instances of training of staff of participating ministries to ensure that the performance calculations made were correct. Periodic meetings reiterated the importance of the data collection exercise. They re-explained the benefits associated with the project, which contributed to stakeholders taking ownership of the reform process and meeting the targets established under the Results Framework. The project team modified the wording and the allocation of money for all PBCs during the fourth restructuring, except for PBC 4, which incurred no change. The ICR indicates that PDO indicators and intermediate result indicators were modified to better measure progress towards the achievement of the PDO and redefine two PDO indicators and intermediate result indicators' target date or value. PBCs 1 and 9 (PBC 1 – "At least 90 percent of P1-4 and E1-3 grade civil servants in participating ministries paid according to approved pay grades for at least six consecutive months by March 30, 2020"; and PBC 9 – "Participating ministries have completed three annual cycles of the performance appraisal process for P & E grade civil servants by December 31, 2019") were dropped following a reduction of funding by US\$1 million at the MDTF trustee level. USAID reduced its contribution to the MDTF by US\$1 million, with the new U.S. government at the time reducing allocations to USAID globally, thereby affecting the allocation to USAID Liberia. The DPO on direct project beneficiaries with a target of 500, of which 25 percent are female, was dropped. There was already an intermediate indicator that measured leadership training provided to women in the civil service, which better captured the value-added provided by the project. These changes, which remain relatively minor, were justified within the context of delays caused by the Ebola and the COVID-19 pandemics and the reduction in USAID allocation. (see ICR, Table 4)

Given the difficulties in collecting data at the country level, data were filtered upstream to the central ministries and collated and collected from there. In the aftermath of the COVID-19 pandemic, the M&E specialist at the CSA had to rely on secondary source data shared by the ministries. There was limited field access, and Internet connectivity remained poor.

At the time of the ICR, the M&E specialist at the CSA indicated that the M&E structures and arrangements under the project would be maintained to ensure that data continued to be collected and analyzed.

In all, the ICR gives credible evidence that the project team fully implemented the M&E plan.

c. M&E Utilization

The M&E structures and arrangements in place contributed to informing project implementation, either strategically or operationally, as evidenced by the restructurings. These M&E structures were also tools to engage with the government when implementation challenges that could pose a risk to the achievement of PDOs erupted. One of the prime examples cited in the ICR concerns the difficulties with data sharing on general and special allowances. The government resolved this following the issuance of a Presidential Order. The project also shared M&E data with the public—through periodic appearances by the CSA officials on radio stations—to provide evidence of the progress made and explain the reforms and their importance to the citizens of the country. The CSA also had a dedicated hour each on



the ECOWAS radio show where each component lead explained in the local dialect the progress made concerning the reforms.

M&E Quality Rating

High

10. Other Issues

a. Safeguards

n.a.

b. Fiduciary Compliance

n.a.

c. Unintended impacts (Positive or Negative)

An unintended impact consisted of other ministries and institutions approaching the CSA requesting similar support in recruitment and career advancement for their civil servants. Furthermore, pay harmonization allowed the salaries of employees in the security sector and immigration to increase to a minimum of US\$170 per month from US\$100-120. This benefitted at least 35 percent of all employees. Teachers on the supplementary payroll who were earning less than teachers on the general payroll got pay increases when the CSA moved them to the harmonized payroll.

Although the World Bank did not conduct a Poverty and Social Analysis (PSIA), none of the PBCs or PDOs had the potential to increase instability or violence. On the contrary, the reforms were designed to increase stability and put Liberia on a path toward stronger economic growth.

d. Other

There are two unexpected benefits of the project:

1. There is much stronger cooperation and coordination between the CSA and the Ministry of Finance and Development Planning, as well as other line ministries; and
2. There is much stronger cross-institutional learning to emulate good practices.

11. Ratings



Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	High	High	
Quality of ICR	---	Substantial	

12. Lessons

In addition to the lessons included in the ICR, IEG adds these lessons:

1. A public sector modernization project that measures the project's direct effect in terms of administrative processes should include a parallel assessment of the impact on the quality and the efficiency of public service delivery. The project activities were intended to gradually generate a positive impact on the quality and the efficiency of public service. It would have been useful to have a results indicator to assess this, as well as any unintended negative impact the project activities may have had. For example, with all the positive personnel assessments enabled by the project, one would expect the overall performance of the seven ministries to improve. While the full impact of such reforms takes longer than the project duration to be realized, there may have been initial stage improvements that could be measured.
2. Sufficient and continuous professional development is needed so that public sector workers can sustain improvements in the delivery of public services. Liberia is confronted with significant capacity constraints, which limit gains in the quality and in the efficiency of public service delivery. Sufficient and sustained professional development would be required to sustain improvements in public service delivery. Professional development would also create more and better employment opportunities for civil servants, which would create an added incentive for raising individual professional performance.
3. Limited capacity states achieve better results by focusing on a few key reform measures that are realistically sequenced and get coordinated support from development partners. However, reform successes need to be gradually scaled up to protect advances made and widen the benefits. In the Liberia case, civil servants in the participating ministries may be lured by positions in the rest of the public sector, which might be offering higher salaries and allowances without being subject to annual performance reviews. A plan for gradually modernizing the rest of the public sector and making it subject to the same conditions as in the seven participating ministries will be needed.

13. Assessment Recommended?

Yes



Please Explain

It is unusual to see such a successful civil service reform project supported by the Bank in a fragile state. It is helpful to find out more about why it was successful. On the other hand, maybe the better processes have changed the form, but not functionality, and haven't produced a better overall performance by the seven ministries. We don't know without doing more assessment.

14. Comments on Quality of ICR

The quality of the ICR is judged Substantial. The ICR document provided a relatively comprehensive and detailed analysis of the project context, the objectives which were sought by the project, and the achievement of results. The overview of World Bank performance, the M&E, and other issues were also quite detailed and clear. The ICR could have benefitted from a more detailed efficiency analysis even if an economic analysis could not be performed. The ICR task team could have made an effort to quantify the benefits directly associated with the project. This information could have been supplemented by more granular data on wages and allowances prior to and following the implementation of the project.

a. Quality of ICR Rating Substantial