

Operations Manual for the Universal Access Fund

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Introduction

This document represents the Operations Manual for the Liberia Universal Access Fund (UAF). This manual addresses the key roles, responsibilities, and functions to be undertaken by the Governing Board ("Board"), the Implementation Committee ("Committee"), and the Project Implementation Unit ("PIU") involved with management and implementation of the UAF's objectives. It provides guidance and defines tasks in connection with the following functional areas:

- Strategic and Operational Planning
- Transparency and Consultations
- Funds Administration
- Data Collection and Market Research
- Project Design
- Project Procurement and Award
- Monitoring and Evaluation

While the tasks and functions identified here should be followed as closely as possible by the officials of each UAF body in the annual and day-to-day operations, it should be recognized that many details of these activities will need to be defined by the personnel responsible, and that circumstances are likely to change over time. This manual should thus be seen as a "living" document and shall annually be reviewed and revisions may be made when necessary as experience is gained to reflect the most effective and realistic practices.

1. Institutional Roles

This section sets out the roles and functions of the Governing Board, the Implementation Committee, and the Project Implementation Unit, which are collectively known as the Universal Access Fund ("UAF").

1.1 Universal Access Governing Board

Primary role and responsibilities:

As defined in the UAF Regulations, the Governing Board is the formal governing authority for the UAF, responsible for approving the "high level vision and agenda for achieving the provision of Universal Access in Liberia". The Board has oversight and approval responsibility for the UAF's budget and planning, and for review of monitoring and evaluation reports.

Key functions:

Specific functions and activities that the Board must undertake to fulfil its role include the following. Further details of these functions are defined in the relevant sections of this Operations Manual.

- a) Provide high-level guidance to Implementation Committee on development of UAF Strategic Plan, including overall vision and objectives for activities and outcomes; review and approve final Strategic Plan.
- b) Review and approve the recommendations of the Committee on scope of services and geographic areas that are un-served and under-served.

- c) Review and approve Annual UAF Work Plan and Budget ("Budget") as submitted by the Implementation Committee; focused on ensuring consistency with the Strategic Plan and with ICT sector policies.
- d) After review and approval, submit the Budget developed by the Implementation Committee to the Minister of Finance for inclusion in the annual budget of the Executive for approval by the National Legislature.
- e) Appoint and oversee a firm of independent auditors;
- f) Review and approve the quarterly Monitoring and Evaluation Report submitted by the Implementation Committee.
- g) Review and approve the UAF Annual Report, submitted by the Implementation Committee.
- h) Participate, as appropriate, in public events and stakeholder forums involving UAF activities and policy, to support visibility and publicity of the Fund's accomplishments and objectives.

1.2 Universal Access Implementation Committee

Primary role and responsibilities:

The role of the Implementation Committee is to serve as the main management body for the UAF, with direct oversight responsibility for the development and implementation of UAF related plans, programs, and projects, as well as financial management and stakeholder relations.

Key functions:

The main functions of the Implementation Committee are as identified below, with particular attention to the Committee's reporting obligations to the Board. Any or all Committee functions may be delegated to or assisted by the Project Implementation Unit, as the technical and operational arm of the Committee. Further details of these functions are provided under the PIU section and in subsequent sections of this Operations Manual.

- a) Develop the UAF Strategic Plan, including proposed priority UAF objectives and programs, scope of services and determination of geographic areas that are un-served and under-served, with guidance from and for approval by the Board.
- b) Prepare the UAF Annual Work Plan and Budget, including proposed projects and disbursements to be undertaken during the operating year, subject to Board review and approval.
- c) Approve a standard format for the quarterly Monitoring and Evaluation Report for use by the PIU. Provide input to, review and approve the quarterly Monitoring and Evaluation Report prepared by the PIU. Submit the report quarterly to the Governing Board for approval.
- d) Prepare and submit the UAF Annual Report, based upon the quarterly Monitoring and Evaluation Reports, for Board review and approval and public dissemination.
- e) Appoint, manage, and oversee all the functions and responsibilities of the Project Implementation Unit.

- f) Provide guidance to the PIU on methodologies and tools for research and analysis to identify un-served and under-served areas suitable for UA funding.
- g) Provide guidance to the PIU on the frequency that project assessments shall be undertaken.
- h) Review, approve, and oversee all aspects of UA projects and contract development and implementation, as undertaken by the PIU.

1.3 Project Implementation Unit

Primary role and responsibilities:

The role of the PIU is to undertake the day-to-day implementation tasks necessary to accomplish the UAF's objectives and to ensure effective and flexible coordination and implementation of the UA projects under the management of the Implementation Committee. These include full-time activities that address all of the main UAF related functions as identified below. The PIU shall report directly to the Implementation Committee, and prepare reports, documents, and advisory inputs as directed by the Implementation Committee, and act as the functional arm of the Implementation Committee in all substantive matters involving the UAF.

The personnel to be assigned to the PIU will be determined by the Implementation Committee, after consultation with the Governing Board, and should be sufficient for the PIU to carry out the range of pertinent tasks and responsibilities as listed below utilizing internal or external resources:

- Project Coordination ✓
- Market Research ✓
- Legal ✓
- Procurement ✓
- Monitoring and Evaluation ✓
- Finance and Accounting ✓
- Administrative Support ✓

Key functions:

The PIU shall carry out most of the operational functions required to implement the UAF's mandate and objectives, as further elaborated in the subsequent sections of this Operations Manual. The specific tasks required for each functional area should be assigned to appropriate personnel, including outside support as necessary, to ensure both reasonable allocation of resources and efficient completion of all UAF related responsibilities. The main functions that the PIU shall undertake include the following:

- a) Collect data and conduct market research in support of UAF planning and project development, and maintain updated awareness of the status of Universal Access in Liberia.
- b) Undertake research and analysis, for example surveys and geographical information system (GIS) mapping, to identify un-served and under-served areas suitable for UA funding, following instructions and guidance provided by the Committee. ✓

- c) Provide research and analytical input to the UAF Strategic Plan, and prepare drafts of the Plan for review and approval by the Implementation Committee, and subsequent submission by the Implementation Committee to the Board.
- d) Prepare drafts of the Annual Work Plan and Budget, including analysis of market conditions, forecasts of UAF budgets, and proposed projects to be implemented in accordance with Strategic Plan targets; submit for review and approval by the Implementation Committee, and subsequent submission by the Committee to the Board.
- e) Conduct stakeholder consultations for all major UAF related activities in cooperation with the LTA, to ensure adequate communication with and input from key public and private sector stakeholders, in accordance with procedures and principles described herein.
- f) Develop UA project designs and issue tender documents consistent with the approved annual plans, taking account of inputs from consultations and including all technical requirements and related elements to be delivered by successful bidders.
- g) Manage all aspects of the competitive procurement processes to select UA project contractors, consistent with Liberian procurement legislation and regulations, and the principles described herein.
- h) Subject to approval by the Implementation Committee, prepare project award documents and draft contracts for UA project bid winners consistent with the UAF Regulations and the Public Procurement and Concessions Act of Liberia.
- i) Undertake ongoing monitoring and evaluation of all UA project contracts, including verification of project progress and related disbursements from the Fund, review of and response to compliance issues, monitoring of results and impact of each project and any corrective actions required for implementation. Prepare quarterly Monitoring and Evaluation Reports for review by the Implementation Committee and subsequent submission to the Board.

2 Strategic and Operational Planning

2.1 UAF Strategic Plan

The Implementation Committee shall, with high-level guidance from the Governing Board (e.g. on the definition of un-served and under-served areas) and support from the PIU (e.g. in conducting research and analysis), prepare a UAF Strategic Plan for the approval of the Governing Board. The Strategic Plan will set out the Vision, Mission and Objectives for the UAF and identify plans for the UAF's activities and targets to be implemented over a three-year period. The UAF Strategic Plan shall define the priority UA programs and target outcomes that the UAF will seek to achieve during that period. The UAF Strategic Plan shall be reviewed and revised, as appropriate, under the direction of the Board.

The indicative contents of the UAF Strategic Plan should include the following:

1. Executive Summary 

- a) Summary of Key Programs
 - b) Summary of Budget Forecast and Allocation of funds
 - c) Summary of Target Results, by year
2. UAF Strategy Overview: Mission and Vision
 - a) UAF Mission Statement
 - b) UAF Vision Statement
 3. ICT Market Assessment
 - a) Current market status
 - b) Gap analysis
 - c) Forecasts
 4. UAF Strategic Objectives and Targets
 - a) Strategic Objectives (Long-term targets)
 - b) Priorities (Short-term targets)
 5. UA Programs to be Implemented under the Plan
 - a) Program definitions, objectives, and parameters
 - b) Anticipated priority Projects, by Program
 - c) Budget allocations

2.2 UA Programs and Projects

The activities financed by the UAF generally fall under the categories of Programs and Projects, which are defined as follows:

- a) "UA Programs" are the general macro-level initiatives aimed at achieving one or more broad objectives, typically over the course of several years. UA Programs define general, national-level target outcomes in terms of networks and/or services to be implemented in stages over the course of the Program in various locations;
- b) "UA Projects" are the specific micro-level implementation activities related to each UA Program, which collectively deliver the desired results to multiple communities or locations. Thus, a given Program will typically be implemented through several Projects over time. The UAF may also implement multiple Projects, under different Programs, simultaneously.

2.3 Annual Workplan and Budget

The Implementation Committee shall annually prepare, for review and approval by the Governing Board, a UAF Workplan and Budget ("Budget") to direct the operations of the Implementation Committee and the PIU in designing and implementing the specific UA Programs and UA Projects consistent with the overall UAF Strategic Plan.

Each annual Budget shall include one or more UA Program and UA Projects to be addressed during the operating year, including the scope, objectives for UAF activities, anticipated timing and outcomes, and major milestones for the year. The Budget shall also include a formal anticipated budget for all operations and expenses of the UAF during the year, as well as reconciliation with the UAF Strategic Plan.

Each annual Budget will build upon the previous year's activities and results, as well as the plans and objectives for that year, contained in the Strategic Plan. The Budget shall define the priority objectives

and targets for the coming year, and specific details regarding the proposed scope of new projects, including project size, anticipated geographic locations, and estimated allocations of budget.

3 Transparency and Consultations

The success and effectiveness of the operation of the UAF will be critically dependent upon the support and contribution of stakeholders throughout the public and private sectors. This section identifies the fundamental principles of transparency and inclusion that shall be incorporated in all aspects of the UAF's operations and interactions. These principles and procedures cut across all UAF operational functions including: data gathering, planning, development of project design, and competitive procurement.

3.1 Transparency

The following steps shall be followed for all UAF related decisions and activities that will involve the interests of the public and ICT sector stakeholders:

- Maintain an open process, with public notification of all steps;
- Establish a web-based framework for disseminating documents, inviting comments, and encouraging public debate;
- Circulate key draft documents when they are available, especially proposed programs and projects;
- Reach out to the most critical stakeholder groups to encourage their participation, including both ICT industry suppliers, and local community officials;
- Conduct formal consultations (as outlined below);
- Publish tentative decisions, criteria, and plans for public comment prior to finalizing.

3.2 Stakeholder and Public Consultations

Consultations with all prospective stakeholders serve the purposes of both transparency and effective planning at the same time. The above steps to promote transparency seek to ensure that all stakeholders will have the ability to understand and contribute to the decisions that go into the UAF's plans and activities. Beyond making such information publicly available, the PIU shall also undertake affirmative outreach efforts to seek input from these stakeholders that will inform and enlighten its choices.

Consultations can take several forms. Typically, they should involve at least these steps:

- (i) Identify key stakeholders, including private sector companies, Government agencies, local community representatives, NGOs, and citizens' or users' groups, among others.
- (ii) Develop information requests and questions to distribute to stakeholders, pinpointing key data inputs that the PIU requires to help it evaluate the market.
- (iii) Prepare initial draft proposals and options for priority UAF activities and targets, and distribute this to identified stakeholders with requests for comment.
- (iv) Define a clear process with instructions and deadlines for feedback and input from stakeholders in response to questions and draft proposals.

- (v) Publicize the consultation, through direct contacts with identified stakeholders, public notices in the media, and web-based access to all documents, comments, and schedules.
- (vi) Host public workshops or forums to allow open comment and feedback among stakeholders.

4 Funds Administration

The money in the Universal Access Fund shall be utilized exclusively for the payment of subsidies relating to universal access Projects and administrative and operating expenses of the UAF and shall not be used for any other purpose. The total administrative and operating expenses of the UAF shall not exceed 15% of the planned contribution to the annual budget.

The difference between the amount collected or received by the UAF and the amount actually disbursed pursuant to the current UAF Budget shall be retained in the Fund for the financing of future UA projects. Notwithstanding the foregoing, it shall be the objective of the UAF to expend as much of available funds as possible and to minimize any annual surpluses. If the balance of the Fund at the start of the year, excluding Extraordinary Contributions, exceeds a sum equal to three times the aggregate contribution assessed on licensees in the most recent financial year, as stated in s.10.2 of the UA Regulations, the Chairperson of the Committee shall so notify the Chairperson of the Board and prepare a public notice stating such for dissemination by the Chairperson of the Board.

The assets of the UAF may be invested in one or more of the following-

- fixed bank deposits; and
- treasury bills and securities of the Government.

5 Data Collection and Market Research

The PIU is responsible for conducting data collection and market research activities in support of the UAF's operations, including the development of the Strategic Plan and Budget, as well as specific UA project design. The PIU's data collection and market research functions may be undertaken by PIU staff, the LTA and/or outside consultants, with important input from stakeholders in the sector including operators. In general, the PIU should follow the procedures identified below on a regular basis to ensure up-to-date market knowledge and inputs to UAF related planning and project development.

- a) Detailed data should be collected on the status of telecommunications networks, facilities, and services throughout the country, especially in rural areas. The PIU should make use of LTA and MoPT data where available. Further information if required should be provided on a regular basis by all licensed telecommunications service providers, as well as by local officials in each area under the guidance of the Implementation Committee, and may be supplemented by reference surveys, GIS mapping and analysis conducted by staff of the PIU.

- b) Data required from operators should be collected in digital, computerized format, following standardized templates that will produce uniform results from all areas.
- c) National and regional geographic and demographic data should be collected to supplement locally collected data, particularly for areas that do not yet have telecommunications services.
- d) The PIU shall establish and manage a database of all ICT sector information, recording and updating such data in standardized formats. The database output feature should eventually include GIS mapping capabilities.
- e) The database system should be set up to produce regular, standard output reports on key information of interest to the UAF stakeholders. These should include regular reports on the status of ICT development in Liberia, and the role and impact of UA projects, in collaboration with those responsible for UA project Monitoring and Evaluation.

6 Project Design

The design of projects to be implemented under the UAF must follow a clear and consistent set of procedures, which ensures transparency and broad understanding of the expected outcomes of the projects. Projects under each main UA Program should address the key objectives of those Programs, and should be consistent with budget estimates and timetables.

The sections below highlight the most critical procedures that should be followed by the Project Implementation Unit when designing projects.

6.1 General project design process

The process of designing projects should consist of the following basic steps:

- a) Develop preliminary options and framework: The PIU should prepare a range of options for project components, scope, and targets, to be used as a baseline. For those that are similar to previous projects, a common template should be followed, but with proposed modifications to address known problems or new circumstances.
- b) Conduct research and consultations: PIU personnel should undertake focused research on the key parameters of the proposed project, including review of the conditions in each site to be covered, use of reference surveys and GIS mapping where appropriate, assessment of potential costs, and study of possible challenges. The views of key stakeholders may also be taken into account, including the views of potential bidders and of officials and citizens in the locations to be served.
- c) Prepare draft and final Project tender documents: Based on the initial framework, modified as a result of consultations, the PIU should prepare an Invitation to Bidders (ITB), which defines the scope, size, technical requirements, locations, and other key aspects of the project. Upon final review with management and further consultations, if necessary, the ITBs should be finalized and released for bid.

6.2 Technical requirements

The project design needs to provide clear descriptions of the technical elements that bidders will be required to deliver and which their bids must clearly describe, so as to allow evaluation of the appropriateness and completeness of their proposals. These technical requirements should generally not include specific "technology" platforms or architectures (such as wireless vs. wireline networks, for example), in keeping with the goal of technology neutrality. However, the project design must specifically indicate what types of outputs the contractor is expected to provide.

All project designs should also take account of environmental and social impacts, consistent with the requirements of the Environmental Protection Agency. All bidders are expected to comply with all relevant laws, regulations and other legal requirements.

6.3 Geographic scope

For most projects, it will be necessary to identify the exact locations in which the project is to be implemented, including the geographic region or areas, and the specific population centers or communities to be included within the implementing contractor's obligatory coverage or service areas. The candidates for such locations will typically be determined as a result of PIU research on access and service gaps analysis and related studies, while more precise locations that may be included within any given project should result from more detailed investigation of the potential sites by the PIU.

In most cases, it will also be necessary for the PIU to select priority project locations from among the full range of possible sites, given limited resources. These selections should be based on a set of clearly identified criteria, which are arrived at through consultations and internal planning. They should include such factors as population density, the proximity of unserved areas to served areas, the availability of basic infrastructure, ease of execution of the project, anticipated economic impact, and cooperation of local officials, among others.

Annex A describes a suggested approach to selecting initial UA projects and locations. This approach should be developed by the Committee and modified from time to time as experience is gained to be consistent with the evolving Universal Access strategy.

6.4 Project organization and management

The project design and specifications should describe the manner in which the project should be organized and managed by the implementing contractor; to the extent such arrangements are important to the project's goals. While it is preferable to give contractors as much latitude as possible in determining their own business models for achieving required project outcomes, there may be a number of parameters that the Implementation Committee wants contractors to follow in particular cases. Aspects of project organization and management that may be specified within the ITB may include, for example:

- Restrictions or obligations regarding the prime contractor's structure or status (e.g. a licensed telecom operator, consortium, public-private-partnership, etc.).
- Required affiliations or credentials related to particular technology or service delivery companies.

- Requirements for inclusion of local officials, local content, stakeholders, or enterprises in project implementation.
- Information and reporting requirements attached to services, equipment, utilization, etc.
- Obligations regarding coordination with related projects, contractors, or institutions.

6.5 Budget estimates

The PIU should develop an estimated budget forecast for every project, including approximate breakdowns by project component and location. This analysis should be based on research and gap analysis, as well as on similar projects that have already been implemented. Although bidders will propose their own subsidy amounts for each project, it will be important for the Committee to anticipate the expected range of such bids. In some cases, the maximum available subsidy for a project can be included within the ITB, based upon such forecasts. In the event that bidders' proposed subsidies deviate substantially from forecast estimates, it may be necessary to revisit project design and cost evaluations.

6.6 Implementation timetable and milestones

The project ITB must also include specific time frames for all stages of project implementation. Payments to contractors should be tied to identifiable and verifiable milestones over the course of the project schedule. Compliance with these milestones should be verified by the PIU, and any unexcused deviation from the schedule should result in clearly specified penalties or other sanctions.

7 Project Procurement and Award

7.1 Competitive Project Procurement

The Implementation Committee shall oversee UAF procurements implemented by the PIU. The procurement process for all UAF financed projects shall follow clear, transparent, competitive procurement procedures, as enshrined in the Public Procurement & Concessions Act (PPCA)¹. In keeping with its core values of transparency, collaboration and accountability, the Implementation Committee shall ensure that all details of bidding and contracting for UA Projects are legal, fair, and open. The PIU shall have responsibility for managing the procurement process for each approved UA Project. The PIU shall adhere to the following in conducting procurement and related functions:

- a) The procurement procedures shall comply with the PPCC Act and all relevant Liberian laws and regulations. .
- b) All bidding documents (standard terms/conditions, service specifications, any special conditions, and the templates of the contracts to be signed by the winning bidders) shall be posted on the UAF website. The exact geographical information and certain other data for projects shall be provided only to registered bidders.
- c) As mentioned previously, project ITBs should not specify which technology service providers should use to deliver the desired services (Technology Neutrality). In

¹ In the event of any discrepancy between this Operations Manual and the PPCA, the latter shall take precedence.

exceptional cases where some technological specification may be necessary, the internationally accepted standards defined by International Telecom Union (ITU) should be used, and compliance with these standards should be strictly and fairly applied.

- d) All UA projects/procurement shall be advertised in at least 2 widely circulated national Newspapers. Additionally the ads shall also be placed on the UAF and other relevant websites.
- e) All queries received from the bidders - and the given clarifications – shall be shared with all registered bidders. These queries and clarifications shall also be posted on the website so that everyone knows exactly what was asked and what replies were given.
- f) Bidders shall be required to submit a bid security to ensure their continued and sincere participation in the bidding process; however, any bid security requirement shall not be so burdensome as to deter potential bidders from submitting bids.
- g) Bids shall be accepted, at the announced bid-submission date/time, in presence of all attending bidders, and the major contents of the bids (especially bid-bonds, if required) shall be verified in front of all participants. Late or incomplete bids shall be rejected as non-compliant.
- h) The Committee may decide to cancel or re-bid any project at any time, including if the Committee deems the process non-responsive based on the criteria established in the tender documents.

7.2 Contract Award and Conditions

The Implementation Committee shall determine the winning bidder for each UA Project based upon neutral and transparent criteria, in accordance with 8.1. Winning bidders shall be awarded standard contracts to implement the designated projects, with appropriate terms and conditions, consistent with the PPCA and other relevant Liberian laws. The specific terms and conditions of UA Project contracts will be developed as appropriate by the PIU under the direction of the Implementation Committee, with assistance from outside legal and technical experts, as needed. In general, the contract award process and terms will conform to the following requirements:

- a) The PIU will evaluate all bids to verify the eligibility and qualification of each bidder according to the required criteria. Only bids of fully qualified bidders that have submitted adequate evidence of their qualifications according to the bidding specifications shall have their bids considered.
- b) The PIU will conduct an evaluation of each qualified bidder's technical project proposal, to ensure it meets the minimum obligatory technical standards for achieving the project objectives. Where applicable, the PIU may request clarification from bidders regarding elements of their technical bids, but such clarification shall not materially alter the content of a bid.
- c) Those bidders which meet the required technical standards for a project shall be contacted by the Implementation Committee and invited to witness the opening of sealed financial bids.

- d) In general, project awards should be based on least-subsidy bids: i.e., only qualified bidders submitting the lowest evaluated responsive bid should be awarded contracts. In some limited cases, to be determined by the Implementation Committee, qualitative scores may be assigned to technical bids, to be considered in conjunction with financial bids (i.e. QCBS - Quality & Cost Based Selection). However, the preferred approach will be that only the least-cost bid among all minimum qualified technical proposals will be awarded the contract.
- e) At the conclusion of every bidding process, the bid evaluation summary consisting of bidding process, its history, technical evaluations, bid amounts, and the bidding result will be posted publicly on the UAF website.
- f) The successful bidder shall be invited to enter into a standard contract for implementation of the UAF Project, subject to all the terms and conditions associated with the Project.
- g) After signing of the contract, a mobilization advance payment (if any) may be provided to the successful bidder only after posting an irrevocable bank performance guarantee consistent with the Tender Documents and at least equivalent in value to the advance.
- h) The contract will contain specific payment milestones and criteria, which shall be the basis for disbursements from the Fund to the contractor.
- i) The contract shall also contain standard conditions regarding contractor reporting, monitoring, and verification of performance, as well as procedures for dispute resolution and contract termination in cases of non-compliance or other violations. In addition, Contractors shall remain subject to any criminal or civil legal action which may be available to or taken by any government or regulatory authority.

8 Monitoring and Evaluation

The Committee must ensure that the projects financed by the UAF are successfully implemented, and that the outcomes and impacts of these projects are well understood. The UAF Regulations require that the Governing Board must review and approve the Monitoring and Evaluation Reports submitted by the Implementation Committee on a quarterly basis. Therefore, these reports shall be in conformity with a monitoring and evaluation (M&E) manual prepared by the Committee within 3 months of the establishment of the Committee, and approved by the Board.

The PIU, through its own resources and/or through outside technical support, shall be responsible for on-going monitoring of UA Project performance, in connection with the terms of each project contract. The PIU shall also conduct regular evaluation studies of overall UAF performance and outcomes, to obtain important feedback on overall effectiveness of projects, and insights on how to improve operations. General parameters of these functions are provided below.

The PIU shall ensure timely disbursements and efficient use of project funds, submit all invoices for payment by the UAF with relevant supporting documentation. It shall also maintain a financial management system acceptable to the Committee and liaise with the Committee to ensure the

financial responsibilities of UAF are carried out by the PIU with due diligence and efficiency and in accordance with the UAF Regulations.

8.1 Monitoring

Monitoring is an on-going process through which project implementation is assessed in relation to plans, contractual agreements, and specific outcome expectations. For each project, the project design must include specific indicators, developed through consultations with stakeholders and potential bidders that will be monitored by the PIU as the project is implemented. Indicators that may be covered by specific projects include:

- Project implementation progress
- Financial tracking
- Physical deliverables (equipment, etc.)
- Schedule compliance
- Quality of Service provided under project
- Service usage and customer response

As necessary, the Committee may engage specialized Technical Auditors to support the PIU's monitoring functions. These external Auditors should be appointed in the same transparent manner, through competitive bidding, among technically qualified firms.

In case of problems or non-compliance, any penalties imposed on account of delays or other lapses, shall also be made public for review and awareness, via the UAF website.

8.2 Evaluation

Evaluation studies shall be carried out periodically by the PIU under direction from the Committee, to provide objective assessment of the results of UAF financed activities. Evaluation studies should be used to respond to specific questions related to design, implementation, and results of UA projects. In particular the PIU should undertake evaluations of the impacts of UA projects on the communities they serve, and the efficiency and effectiveness of the Committee's own operating procedures with respect to management and oversight. The detailed approach and metrics will be specified in the M&E manual.

Impact evaluations are a particular type of evaluation that seeks to determine the direct or indirect effect of UA projects in relation to overall objectives for a given program. They may address issues such as ICT utilization by target populations, the role of ICT resources in generating employment and income opportunities, educational benefits, or improved government services, among other subjects. The findings of impact evaluations should be used to refine the contours of the on-going projects/programs, or as a starting point for designing and planning of new projects.

Effectiveness and efficiency evaluations examine the general results of UA projects in relation to plans and expectations. Budget forecasts and plans are compared against actual costs and implementation time frames, and any deviations from anticipated results are studied and explained. These evaluations help form more effective budgeting, planning, and project designs procedures. Each of these parameters shall be studied and incorporated in the Evaluation studies developed by the PIU under direction of the Implementation Committee.

8.3 Reports

As required by the UAF Regulations, the Committee shall submit quarterly M&E Reports to the Governing Board for review and approval. These Reports shall be developed regularly by the PIU from data collected from implementing contractors on an ongoing basis. The Reports will likely evolve over time, as more information is obtained and new projects are implemented. In general the M&E Reports shall include at least the following information:

- a) Summary status descriptions of all in-progress UA Projects
- b) Amounts of UAF spending on each project, by quarter and cumulative
- c) Infrastructure, equipment, and other resources installed and operational
- d) Environmental impact analysis
- e) Data on uptake and usage of UAF funded services in target areas
- f) Relationship of project performance to forecast results
- g) Reconciliation of budgets
- h) Any problems or challenges encountered, and planned mitigation strategies.

Annex A: Proposed procedure to select UA project locations

This Annex provides a simple, quantitative, step-by-step procedure to select locations for UA projects. It is important to recognise that the full range of factors that may affect the choice of project location cannot be reduced to a numerical or tick-box exercise. UAF staff should therefore ask themselves some other “soft” questions about the locations that are selected.

- Whether the proposed UA project would promote the objectives of the UAF?
- Whether the project is sustainable after an initial subsidy period?
- Whether the services would likely be provided by service providers within 3 years absent UAF support?
- Whether the project is financially and technically feasible (in other words is there any chance of receiving bids for the project)?
- Whether the community is committed to the project (e.g. is there a suitable location for a telecenter and staff to help it operate effectively)?
- Whether the community has the capability (e.g. level of literacy and education) necessary to make use of and benefit from the UA project?

The details of the procedure outlined below need to be confirmed and refined by the Committee in light of the UAF Strategic Plan that is approved by the Board.

Step 1: Decide on the type of UA projects to be funded

The UAF Strategic Plan would provide a list of possible types of UA projects. From this list generic project types should be chosen so as to maximise the impact of subsidies from the Fund. As an initial set of project types the following is proposed:

1. Construction of mobile base stations in **unserved** areas – this will widen access to voice services across Liberia. There will be a need to also support backhaul from the new location to the existing network.
2. Construction of telecenters and/or upgrade of basic voice installations to provide data access in communities that are currently **underserved** with data, internet access and other data applications. The telecenters must include the provision of relevant equipment and training to support their use in the local community. There will also be a need to support backhaul from the new location to the existing network.

Depending on the success of the initial projects, the UAF would need to decide whether and when to introduce further types of project.

Step 2: Create a long list of possible UA project locations

The aim of this step is to establish a list of candidate locations for UA projects that is **extensive** (more numerous than can be supported by the Fund in the current year) and **diverse** (including locations from all Counties and many Districts within those counties).

Locations may be determined by the PIU through gap analysis or they may be nominated by stakeholders.

Step 3: Gather data on the possible UA project locations

The PIU should then gather data on the candidate list of UA project locations. The PIU should consult with service providers and conduct market research to establish additionally:

- a) Name of the community
- b) Precise geographical location (e.g. co-ordinates for the center of the community)
- c) Number of residents = "R" (within a 10km radius of the center of the community)
- d) Number of non-residential premises (e.g. businesses, schools, clinics and government offices) = "B".
- e) Is there any current voice service available in the community?
- f) How many voice subscribers are there?
 - a. Residential = "Vr"
 - b. Non-residential (e.g. commercial and Government) = "Vb"
- g) Is there currently any data service in the community?
- h) How many data subscribers are there?
 - a. Residential = "Dr"
 - b. Non-residential (e.g. commercial and Government) = "Db"
- i) Is there any telecenter within the community?

Step 4: Filter to determine Un-served and Under-served locations

Un-served locations are those for which the answer to e) and g) above is "No".

Under-served locations are those for which the answers to i) is "No" and $Dr < 0.05 * R$, $Db < 0.1 * B$ (in other words fewer than 5% of residents and 10% of businesses currently subscribe to data services). Step 5: Rank project locations based on defined criteria

Within the **un-served** category, locations should be ranked in descending order according to the sum of $T = R + 2 * B$. This ranking gives an approximation of the total impact ("T") of voice services on that community.

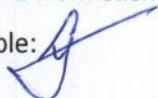
Within the **under-served** category, locations should also be ranked in descending order according to the sum of $T = R + 4 * B$. This ranking gives an approximation of the total impact ("T") of a telecenter (and data services) on that community.

Step 6: Select locations for tender based on ranking

The potential UA project locations should be drawn from the top of the T rankings separately for **un-served** and **under-served** areas. It is recommended that (up to) double the number of locations are put on the tender list than the number that are expected to be funded – thus allowing the competitive tender process to identify the most cost-effective use of the available funds.

Particularly in relation to **un-served** areas, the tender list should include as many counties as possible, so that the Fund is used to widen access to basic services as far as is technically and financially feasible. To achieve this it is recommended that if the tender list includes more than 15 locations then it should include at least one from each county; if it includes less than 15 locations then it should include no more than 1 from each county.

For example:



- Suppose that there is expected to be funds available for 8 unserved areas, then:
 - It would be appropriate to tender for 15 areas (almost double the number that are expected to be funded)
 - So the tender list would comprise the highest ranked location from each county.
- Suppose that there is expected to be funds available for 12 unserved areas, then:
 - The top 24 areas (double the number that are expected to be funded) are to be identified
 - Provisionally these are taken as the 24 unserved areas with the highest T ranking
 - However, if a county is not represented in this list, then the highest ranking location within that county should replace the lowest ranked location in the provisional list
 - This process should be continued until all counties are represented in the list.

This procedure is not recommended for **under-served** areas. In these cases, the range of factors that make for a successful project are more complex and nuanced (e.g. are suitably committed local people available to run the telecenter and is the level of literacy and IT awareness sufficient to make it a success). Imposing a condition that all counties must be considered might therefore result in projects being undertaken in unsuitable areas, with the risk of failure. It is better for **under-served** areas to be selected purely on the rankings without imposing further geographical conditions.

Step 7: Select UA project locations based on tenders received

Separately for the **un-served** and **under-served** areas, review the bids received and:

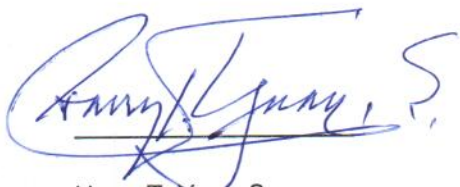
- a) For each location select the qualified bid with the lowest subsidy requirement (S).
- b) Compute the ratio of costs to benefits for that area $C = S / T$. "C" gives a ratio equivalent to the cost per unit population.
- c) Rank the locations in ascending order of C.
- d) Starting from the top of this list (i.e. from the lowest value of C), select as many projects as can be funded within the money available.

ENDORSED BY THE BOARD OF COMMISSIONERS OF THE LIBERIA TELECOMMUNICATIONS
AUTHORITY ON THIS 1ST DAY OF OCTOBER 2015 IN THE CITY OF MONROVIA, COUNTY OF
MONTERRADO, REPUBLIC OF LIBERIA.



Angelique E. Weeks

Chairperson



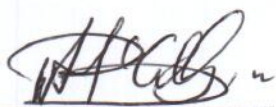
Harry T. Yuan Sr.

Commissioner



Henry W. Benson

Commissioner



B. Anthony McCritty Sr.

Commissioner



Maria G. Harrison

Commissioner