

# **Mid-Term Evaluation of the Governance and Economic Management Assistance Programme (GEMAP)**

## **Evaluation report**

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**Disclaimer**

Conclusions and recommendations of this report reflect evaluation mission views and opinions. They do not necessarily reflect views and opinions either of the donor' community or the Government of Liberia.

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## List of Acronyms

ACPA	Accra Comprehensive Peace Agreement
BOB	Bureau of the Budget
BOC	Bureau of Customs
CBL	Central Bank of Liberia
CMC	Cash Management Committee
CPA	Comprehensive Peace Agreement
CS	Civil Society
EC	European Commission
EGAP	Economic Governance Action Plan
EGIRP	Economic Governance and Institutional Reform Programme
EGSC	Economic Governance Steering Committee
EM-LDRC	Executive Mansion-Liberia Development & Reconstruction Committee
EPA	Environment Protection Agency
EU	European Union
FDA	Forestry Development Authority
GAC	General Auditing Commission
GEMAP	Governance and Economic Management Assistance Programme
GOL	Government of Liberia
GSA	General Service Agency
HIPC	Heavily Indebted Poor Countries
ICG-MRB	International Contact Group-Mano River Basin
IFMIS	International Financial Management Information System
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INTOSAI	International Organisation of Supreme Audit Institution
IPRS	interim Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy
IRFC	internationally recruited financial controller
ISLP	International Senior Lawyer Program
LBDI	Liberian Bank of Development and Investment
LECAP	Liberian Expenditure Control and Accounting Programme
LEITI	Liberia Extractive Industry Transparency Initiative
LF	Logical Framework
LPO	Local Purchase Order
LPRC	Liberia Petroleum Refinery Company
MCIMS	Mineral Concession Information Management System
MDA	Mineral Development Agreement
MLME	Ministry of Land Mines and Energy
MOF	Ministry of Finance
NPA	National Port Authority
NTGL	National Transitional Government of Liberia
PEFA	Public Expenditure Finance Accountability
PFM	Public Finance Management
PPCC	Public Procurement and Concession Commission
PRS	Poverty Reduction Strategy
RFTF	Result Focused Transitional Framework
RIA	Robert International Airport
RMU	Resources Management Unit
SOE	State Owned Enterprise
TOR	Terms of Reference
TT	Technical Team
UNDP	United Nation Development Programme
UNMIL	United Nation Mission in Liberia
USAID	United States Agency for International Development

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## Background note to the draft report

Following a series of meetings between the National Transitional Government of Liberia (NTGL), and their international partners in May 2005, it was concluded that there should be a more robust approach to economic governance in Liberia. As such, the NTGL and its partners endorsed the Governance and Economic Management Assistance Programme (GEMAP), to improve financial and fiscal administration, transparency and accountability, and to support the scrupulous implementation of the Accra Comprehensive Peace Agreement (ACPA). GEMAP is therefore a partnership agreement between the Government of Liberia (GOL) and the international community, and a response to international concern about mismanagement of public finances in post-conflict Liberia. The Agreement seeks to build a system of economic governance to promote accountability, responsibility and transparency in fiscal management so that Liberia's resources would be used in the interests of its citizens. Signed on September 9, 2005, the Agreement has six major components:

- Securing Liberia's Revenue Base
- Improving Budgeting and Expenditure Management
- Improving Procurement Practices and Granting of Concessions
- Establishing Effective Processes to Control Corruption
- Supporting Key Institutions
- Capacity Building

There have been series of assessments conducted by different stakeholders to take stock of accomplishments and challenges of GEMAP. Nevertheless, the need for a mid-term evaluation was apparent for the government as well as the international partners. Consequently, three consultants (two international and one national), were recruited to conduct the mid-term evaluation of the GEMAP. The overall purpose of the evaluation was to assess the extent to which GEMAP has achieved its original objectives, highlight lessons learned, and provide recommendations for any improvements and adaptations needed to ensure that its objectives are met.

The evaluation was mostly focused on the overall GEMAP programme rather than on its specific components (institutions). This is because the evaluation was primarily meant to provide recommendations on possible needs for programme reorientation and exit strategy. In this regard it could be stated that the scope of the evaluation was to conduct an independent exercise aimed at contributing to the current debate on GEMAP perspectives and future set-up. Along this way the evaluation was aimed at stimulating and facilitating the debate during the GEMAP workshop at the end of the evaluation exercise, by providing an independent viewpoint.

## Background note to the final report

The draft report has been revised by the evaluation team in accordance with the comments received during the EGSC and written comments prepared by most of stakeholders. Main revisions concern :

- corrections of factual mistakes, inaccuracies and omissions;
- a better assessment of GEMAP achievements in terms of institutional and human resources capacity building;
- a more detailed explanation of the transition phase including reform programmes formulation, work plan preparation, reporting system and institution building activities;
- a revision of the results achieved and of the recommendations for some of the GEMAP institutions including NPA, GAC, PPCC, CBL
- the acknowledgment of UN role (UNMIL and UNDP).

With regard to GSA the evaluators have introduced all information provided by the GSA advisor. However, the assessment of GEMAP results and impact at GSA has remained largely unchanged. Along this line it is worth noticing that the opinion of the evaluators is shared by key stakeholders and by the short-term expert previously deployed at GSA, who has explicitly recognized that the opinions expressed during the meeting by the evaluator have been precisely reported in the written assessment. The evaluators would however like to express their concern with regard to the minutes of the meeting that were never presented for approval to them.

The team, comforted by the appreciations expressed by some stakeholders in relation to the evaluation conclusions and recommendations, has kept its general orientation considering this exercise as an independent contribution to the debate on the future of GEMAP.

The evaluation team would like to take this opportunity to confirm some limitations of the evaluation exercise. Despite several attempts the evaluators were not able to arrange meetings with IMF and with the Ministry of Finance. The evaluators were not able to meet some of the GEMAP advisors, since they left their positions before the evaluation took place or were on leave during the field visits (BOB and NPA former advisor, CMC advisor, and two RMU team members). The evaluation team was also unable to conduct interviews with some representatives of the international partners despite a couple of TT meetings were organized for this purpose. Finally, the evaluation mission was unable to meet the managing director of GSA due to misunderstandings concerning the meeting schedule. Further attempts (during the TT meetings) were frustrated because of the absence of the GSA representatives.

The team would also confirm that assessments, conclusions and recommendations presented in the evaluation report were jointly discussed, revised and finally approved by all members of the evaluation team. The evaluators also acknowledge different opinions concerning their own performance. Some comments acknowledge the good quality of the evaluation, particularly considering the complexity of the exercise and its valuable contribution to the debate; others do not share this opinion.

## Executive summary

GEMAP was certainly relevant at the time of its conception. It was a response to serious corruption and mismanagement of public finances in post-conflict Liberia due to the collapse of the state structures and to a prolonged period of a systematic deterioration of the public administration. Boundaries of GEMAP assistance are not clear-cut. Occasionally GEMAP institutions benefitted from support from non-GEMAP entities. In some cases, assistance provided by GEMAP partners outside GEMAP arrangements was more relevant. In this framework it is worth noticing the IMF technical assistance to CBL (three advisors), the USAID assistance to MLME and the World Bank funded Economic Governance and Institutional Reform Programme (EGIRP - \$11m) that is to provide additional assistance to several GEMAP and non-GEMAP institutions which are, however, relevant to economic governance.

The evaluators could safely conclude that GEMAP and other parallel programmes contributed to the achievement of objectives: **Remarkably** with regard to the (i) establishment of transparent and accountable procedures for concessions (MLME and FDA); (ii) improved effectiveness, transparency and accountability of SOEs financial management (with the exclusion of NPA) (iii) improvement in the external audit process which, however, has yet to produce any follow up on audit findings; (v) progress in the budgeting process and in securing and stabilizing expenditure management at MOF; **Unremarkably**<sup>1</sup> with regard to the: (i) improvement of central banking functions; (ii) securing revenue and improving management and processes at the Bureau of Customs and Excise. Furthermore, while the conditions for improving the procurement process have just been created, the assistance to GSA has produced limited results. The delays experienced in the deployment of the technical assistance teams were compensated for by the readiness of international partners' response to emerging needs (i.e. MLME, harmonization of sectoral laws and PPCC).

The following factors contributed to the achievement of GEMAP objectives: (i) Government commitment to reform; (ii) programme comprehensiveness, policy and technical coordination; (iii) focus on institutions' mandatory functions; (iv) salary and allowance policy that has allowed for the recruitment and the retention of qualified staff (v) performance of advisors and (vi) critical mass of technical assistance to put in motion changes. Co-signature arrangements, when and where properly implemented, which means whenever complemented by capacity building initiatives aimed at addressing the identified shortcomings and developing appropriate procedures, were accepted and effective. The Economic Governance Steering Committee is a high level and effective forum for addressing policy issues. The TT, in its performance assessments, was not always able to address detected problems or lack of performances. Similarly the TT did not sufficiently use its platform to identify best practices and disseminate them across GEMAP institutions and outside GEMAP boundaries. The Technical Team mechanism should be reformed to be less bureaucratic and more results-oriented with best practice input from GEMAP advisors and counterparts.

Main recommendations are: (i) The management of expenditure at MOF should now plan ahead to move from securing and stabilization of the system to reform and regular operations aimed at providing, in the medium term, greater autonomy to the line ministries and agencies. Along this line there is need for de-concentration and for planning significant capacity building assistance within the financial departments of key ministries on financial management to pave the way for future decentralization. This assistance should be complemented by a program aimed at strengthening internal audit function, in line with the strategy recently approved by GOL. In this context the PFM law, currently being developed, and the IFMIS, which will begin to be implemented shortly, should provide the regulatory framework and the technical platform to implement the reform process. The possible

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<sup>1</sup> Referred to the impact of GEMAP not necessarily to the performance of the institutions

merging of the BOB and MOF will improve coordination and effectiveness. With regard to budgeting process, the assistance should focus on increasing its link to poverty reduction policy objectives. (ii) GEMAP should provide assistance to facilitate the process of SOEs privatization and interim management/capacity building.

No major policy recommendations are envisaged for the MLME and the FDA, since they are on the right track. For the Bureau of Customs & Excise the outsourcing process should be quickly finalized. In this framework, whenever the donors will not be ready to fund the contracts, the BCA should present an alternative option to strengthen its management. In the case of the PPCC and procurement entities the planned WB assistance should be able to address institutional building needs by ensuring the achievement of a critical mass. With regards to GAC, in order to further strengthen the external audit function, there is need to further improve the legislative framework, increase financial independence and improve capacity. The Legislature scrutiny of the first set of auditing reports is expected to produce appropriate follow up. Relevance of GEMAP programme at GSA and effectiveness at CBL should be carefully scrutinized. Furthermore the GOL and the international community should agree on the implementation of an assistance programme to the Anti-Corruption Commission as soon as the relevant legislation will be adopted. The programme funded by the WB (within EGIRP) to support the Civil Service Agency will complete the framework.

Given the results achieved by GEMAP up to now the evaluation mission believe that the co-signature arrangement could be lifted in the: BOB (where progress are consistent and should be measured, from now on, against the set of criteria presented in the draft WB report<sup>2</sup>), FDA (where the regulatory framework and procedures are fully in place and progress is sustainable); MLME (where co-signature is no more foreseen in the TOR). Concerning the three SOEs, in two of them the advisors signature is simply part of their statutory responsibility in line with their position in the organization. The completion of the training of the Chief Accountant in RIA and the envisaged privatization and proposed recruitment of a Corporate Financial Manager in the LPRC would end this practice. With regard to NPA, it will depend on the new TOR that should be designed by the privatization team. Concerning CMC the evaluation team, in line with the opinion expressed by the Assistant Minister, recommends that the co-signature stays to complement the WB TA to procurement entities and to avoid relapses. Co-signature arrangements should stay till substantial improvement in the procurement process will be achieved. Finally with regard to CBL a decision should be taken in the framework of the review of the technical assistance to the Bank.

The EGSC should continue to play its fundamental role of policy coordination. It should meet whenever required to approve institutions' reform agenda (see below), assess progress and discuss issues relevant to economic governance reform such as the privatization of SOEs. The TT should ensure effective technical coordination including cross cutting fertilization and dissemination of best practices, and effective monitoring to detect problems and lack of performances. It is recommended that membership be re-sized and revised and the adoption of a more effective reporting and monitoring practices be introduced. Furthermore it would be of particular importance that the Liberian leadership, that is de facto quite well established at the level of EGSC, would be clearly established at TT level as well. This would increase Liberian ownership and would provide the ground for taking more effective actions aimed at addressing the detected weaknesses. However the most important recommendation, aimed at enhancing coordination and policy dialogue, is that any new programme or initiatives (privatization of NPA), related to the GEMAP institutions and, specifically, to economic governance, is presented to the TT and to the EGSC and enter in the GEMAP reporting system. This will promote a smooth transition from GEMAP to a system aimed at coordinating all long-term initiatives in the area of economic governance reform and institutional building.

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<sup>2</sup> 2008 Public Finance Management Performance Report (Draft) – World Bank

In order to increase Liberian ownership and leadership each institution should prepare its own reform programme. This exercise should be performed by the management of the institution, the advisors and, whenever necessary, by external consultants appointed by the GOL and/or by the donors. The reform agenda should set objectives, define indicators and benchmarks, propose a realistic time schedule and identify resources needed for its implementation. In case of PFM indicators and benchmarks are clearly identified in the Draft of the Public Finance Management Performance Report by the World Bank. The reform agenda may include several issues such as the improvement of the legal and regulatory framework, the upgrading of process and procedures, the need for institutional and human resources capacity building. The reform agenda should be discussed first at TT level and then approved by the EGSC. Each institution's work plan should be based on the reform agenda and the quarterly reports should aim at assessing achievements against a clear set of indicators and benchmarks. In this framework the technical assistance programmes should provide the inputs required for the implementation of the reform programme.

This would allow for the strengthening of the partnership concept and approach and consolidate the shift from donor accountability to domestic accountability. It will also allow for putting in the right perspective the improvement in the economic governance. Institutional building in this area is a long-term process that requires a long-term partnership between the Government and the international community that goes far beyond the narrow implementation schedule of GEMAP. In this context the co-chairing practice should be revised. The evaluators suggest that the EGSC and the TT are chaired by a national authority while the representative of the international partners should act as deputy chair. In this new framework, as the evaluation mission pointed out, the issues of co-signature, given its new scope, should no more define the nature of the programme or represent its main characteristic.

Once GEMAP will formally terminate (achievement of HIPC completion point or on the basis of a political decision jointly taken by GOL and the international partner) its institutional system (technical and policy coordination bodies), its reporting system and the set of operational programmes derived from the institutions' reform agenda could be easily transferred under the second pillar of the PRSP system.

## **Main Report**

## 1 Relevance and appropriateness of programme design

### 1.1 The genesis of the programme<sup>3</sup>

The Comprehensive Peace Agreement (CPA) of 18 August 2003 ended fourteen years of violent conflict in Liberia. The CPA followed the resignation of Charles Taylor, former rebel warlord and, after 1997, elected president. Decades of corruption, mismanagement and violence, which started in 1985 when the Doe presidency initiated the process of replacement of professional cadres of the public administration with loyalists, left Liberia, a country rich in natural resources with a long, accessible coastline, economically destroyed. The CPA, among other provisions, also provided for the creation of a Governance Reform Commission to assist transparent and accountable public sector management as well as a Contract and Monopolies Commission to ensure that all commitments entered into by the transitional government were legitimate and acceptable. Recognition of the centrality of good economic governance for Liberia's future stability was also evident in the decision of the United Nations Security Council to maintain existing sanctions on the import of diamonds and timber from Liberia and link their termination to the successful implementation of the CPA.

By mid-2004, reports of widespread corruption were appearing in the Liberian media and the various factions within the NTGL accused each other of siphoning state finances for personal gain, increasing fears for the stability of the peace process. A significant catalyst for donor action was the completion of the EC audits in early 2005, the ECOWAS investigation of corruption within the Office of the Chairman, and the reports by the World Bank and IMF of widespread abuse in the Cash Management Committee (CMC), charged with managing the government's limited cash-based budget. The results were the most comprehensive empirical evidence to date of the extent of corruption in Liberia; so dramatic were the data that the EC did not immediately release them for fear of the reaction they could provoke and the ECOWAS results were officially released only after the change in Government. The annual review of RFTF progress in Copenhagen on 9-10 May was the occasion to raise the issue of corruption in Liberia. Corruption was seen as the main reason for Liberia's lack of recovery. The follow up was preparation of the Economic Governance and Action Plan (EGAP) presented by the US Ambassador to the international partners. To ensure enforcement, an oversight body was proposed to be co-chaired by the Head of State of Liberia and a representative of the international partners. In this initial draft, the Economic Governance Steering Committee would have veto power over "any government policy" and would report to the CPA International Consultative Groups on Liberia.

The transitional administration presented a counter-proposal, the Liberia Economic Governance Assistance Programme (LEGAP). This plan rejected the concept of international co-signature authority, called for an audit of donor expenditures, and proposed international technical assistance and capacity-building in each of the areas identified in EGAP. The 21 June 2005 Security Council Resolution referred to EGAP, noting its linkage to CPA implementation and to the lifting of sanctions, and expressed its intention to consider, as appropriate, the Plan. Although the importance of respecting Liberian sovereignty was underscored, it was not a contentious issue. At the ICG-MRB meeting in Niamey, Niger, on 19 July, participants agreed to establish a joint technical working group to harmonize the international and Liberian plans into a Governance and Economic Management Assistance Programme to be submitted to the UN Security Council. The NTGL response identified two outstanding areas of disagreement. The first was the proposed submission of GEMAP for Security Council endorsement. The NTGL argued that it would mean there would be no clear exit from the programme. The second issue was the international recruitment of the Chief

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<sup>3</sup> The review of GEMAP origins is largely based on: A joint review by the Department of Peacekeeping Operation and the World Bank' Fragile States Group – May 2006

Administrator of the Central Bank of Liberia (CBL). An exit strategy was proposed linking GEMAP's termination to Liberia making successful progress through the debt relief process (the HIPC completion point). In parallel threats of withdrawal of foreign assistance grew. The Head of State would chair and an international partner would be deputy chair. On 9 September, with most tactics exhausted, Chairman Bryant signed the GEMAP text before promptly departing the country. The new Liberian administration has declared its commitment to implement the plan and the desire to 'render GEMAP non-applicable in a reasonable period of time' (inaugural speech of President Ellen Johnson Sirleaf).

## 1.2 Relevance

GEMAP was certainly relevant at the time of its conception. It was a response to serious corruption and mismanagement of public finances in post-conflict Liberia due to the collapse of the state structure and to a prolonged period of a systematic deterioration of the public administration. GEMAP targets public finance management transparency and accountability and, in particular, revenue collection, expenditure controls and government procurement and concession practices. It does this through a set of comprehensive international controls including the placing of international experts with co-signature authority in selected government ministries, agencies and state-owned enterprises (SOEs); an international administrator in the Central Bank. It provides for the establishment of an Anti-Corruption Commission to enforce the law and a Steering Committee, chaired by the Head of State with a representative of Liberia's international partners as deputy, to oversee implementation.

## 1.3 GEMAP design

GEMAP is not based on a proper programme document. The basic programme documentation is composed of the GEMAP Agreement and its Technical annexes. Otherwise the Agreement and the annexes provide a quite clear and comprehensive picture of programme objectives, components and modus operandi. According to the Agreement the programme is structured into the following six main components/objectives:

*Securing Revenue and Transparent and Accountable Financial Management* – This objective/component includes the Central Bank of Liberia, five State Owned Enterprises<sup>4</sup> (SOEs), the Ministry of Land, Mines and Energy and the Bureau of Custom and Excise. For the first six institutions was foreseen the need for a co-signature arrangement.

*Improving Budgeting and Expenditure Management* – This objective/component includes the Bureau of Budget and the Cash Management Committee. For both institutions was foreseen the need for a co-signature arrangement.

*Improving Procurement Practices and Granting of Concessions* – This objective/component includes the Contract and Monopolies Commission later renamed Public Procurement and Concession Commission (no co-signature).

*Establishing Processes to Control Corruption* – This objective/component includes the Anti-Corruption Commission (no co-signature).

*Supporting Key Institutions* – This component<sup>5</sup> includes a number of institutions key to economic governance: General Auditing Commission, General Service Agency, and Governance Reform Commission (no co-signature).

*Capacity Building* – The sixth component crosscuts all the others. The objective is the institutional strengthening of all institutions mentioned under the other components.

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<sup>4</sup> This number includes the FDA which is not an SOE and the Bureau of Maritime Affairs that was subsequently excluded from assistance

<sup>5</sup> In this case we cannot referring to it as an objective since supporting key institutions is an action aimed at achieving objectives

Looking at its structure the programme is very comprehensive, adding to it the specific assistance provided by the IMF on the revenue side, it tackles most of the issues and institutions related to public financial management, state enterprises and governance. On the other hand the grouping of institutions under the headings needs to be revised. The CBL, given its independence from the Government, and at the TOR of the Chief Administrator should be assessed under a separate heading (see scope of work of the Chief Administrator as reported in the TOR). The FDA and the MLME, as regulatory institutions concerned with concessions, should be assessed separately from the SOEs. The evaluation mission adopted this revised cluster organization to present the results of the GEMAP programme and assessed capacity building in each institution.

#### 1.4 GEMAP assistance and its boundaries

It is difficult to trace the boundaries of GEMAP assistance. Although it is mostly involved in the deployment of financial controllers and in the provision of technical assistance, in some cases specialized software was provided (IFMIS to the MOF- not provided yet-, ACCPAC to the three SOEs, and Bankmaster Plus to CBL). In addition GEMAP institutions benefited from support provided by non-GEMAP entities (PASTEL software at FDA from Liberian Forestry Initiative and legal assistance to MLME from the Senior Lawyer Programme). However, the assistance provided by GEMAP partners outside GEMAP arrangements were and could continue to be more relevant to the specific needs of the various institutions. In this context it is worth noting the IMF technical assistance to CBL (three advisors), the USAID programme for geo-cadastre assistance at the MLME (which has limited linkages with economic governance), the USAID funded expertise for the harmonization of sectoral laws with PPC Act, and the World Bank funded programme at the PPCC and at the procurement entities. The latter is particularly relevant since it is within the framework of a large grant programme (Economic Governance and Institutional Reform Programme – EGIRP - USD11m) that should also provide additional TA and a software for integrated management of the tax administration to the MOF, assistance to the General Auditing Commission and to the MLME and significant assistance to the Civil Service Agency for the civil service reform (outside GEMAP). According to the World Bank the need for these assistance programmes were identified within the framework of GEMAP. However, the negotiation with the GOL and the programme formulation were conducted independently and the report to GEMAP on progresses is not a certainty. The evaluation mission has included all the assistance programmes mentioned above in its assessment of the institutions since they are clearly aimed at economic governance and despite they were not necessarily included in the preliminary design (GEMAP Agreement), they provided substantial inputs and capacity building.

## **2 Programme results by cluster**

### 2.1 Strengthening CBL mandatory functions

The initial TOR of the GEMAP Chief Administrator covered the following areas: (i) appropriate and independent conduct of sound monetary policy; (ii) sound and efficient central bank operations; (iii) strong, independent, and appropriate supervision and regulation of Liberian banking institutions. According to the interviews conducted, the role of the Chief Administrator was apparently questioned at many levels. Subsequently, his integration in the environment could have been presumably challenging but, according to IMF, successful. Subsequently, in early 2008 a new GEMAP advisor was deployed at the CBL. The position was revised, and the Director of Finance was designated as his counterpart. With regard to CBL operation improvements the following achievements were noted: for the first time, the Bank met the benchmarks of the IMF; an operational surplus was recorded in 2007; the IFRS (international financial reporting standards), adopted in 2006 as framework for financial reporting become effective in 2008. Three sets of IFRS financial statements have been

produced; the Finance Department has internally developed a software in addition to Bankmaster Plus to process financial data; assessment/review of the dual currency system in Liberia has been completed and the report expected soon. Importantly, the capacity of staffs within various departments is being enhanced through local and international training. The evaluators perceived that the improvement in the Bank operations were primarily due to the management and to the technical assistance provided by IMF. The CBL needs further technical assistance, as was stated by the Bank, but the evaluators believe that this assistance could be provided within the IMF assistance framework. The mission has some concerns about the effectiveness of GEMAP assistance since it seems still creating conflicts (even at the EGSC meeting) which are not conducive to achievement of results.

## 2.2 Securing Revenue and Transparent and Accountable Financial Management

### State owned enterprises

*Securing revenue* - The three SOEs remarkably improved their performances during the past few years: RIA for the first time in 2007, after several years, recorded a surplus; LPRC 1.5m in 2005, \$4m in 2006 and posted a net loss of 390k following the writing off of obsolete equipment in 2007 but paid contributions/dividends to the GOL \$2.15m in 2008; the NPA has paid a contribution of \$250,000 to the GOL. The evaluation team believes that this was due to: (i) the economic recovery and improvement management system, (ii) the government's commitment to transparency and accountability that created a pressure on SOEs staff and promoted good management, (iii) the decision to centralize bank accounts, and (iv) the control and pressure exercised by the co-signature arrangements.

*Transparent and accountable financial management* – In this area GEMAP contribution was very remarkable. The assistance to RIA is an example of good practices with regard to the development of processes, procedures and capacity and also at LPRC progress is significant. Vice versa at the NPA there were no visible progress neither in the financial management nor in the reporting system nor in capacity building (NPA has not produced a financial statements till April 2007).

### Ministry of Land, Mines and Energy & Forestry Development Agency

The MLME has greatly benefited from the technical assistance provided through GEMAP arrangement in the areas of policy and regulations, operations, capacity building, and improved concession transparency. The USAID is funding the Geo-cadastre system. The FDA is progressing very well, the regulatory framework is fully in place, capacity is growing both at central and local levels and transparent and accountable procedures were set, documented and implemented as far as financial procedures and the chain of custody are concerned. The assistance to FDA in terms of capacity building is an example of best practices as regard to the participative approach adopted and its sequencing. The major contribution of GEMAP was on the expenditure side rather than on revenue side since revenue securing was mostly due to the procedures that provide for direct payment to the bank of concession fees. Moreover, significant revenues will be earned only after the letting of logging contracts, which are now just beginning.

### Bureau of Customs & Excise

The scope of the assistance was to review the regulatory framework for customs inspection, review duty exemptions and prepare strategy and bidding documentation for outsourcing Pre-Shipment Inspection, automation and operational management. The bidding process for the management contracts is finally in its final stage, although three years have elapsed since the signing of the GEMAP agreement. In this area the IMF contribution was much more relevant than the GEMAP support. Better performances of the GEMAP advisor would have most likely led to a shortening of the implementation schedule. Any consideration concerning sustainability is premature. The approach adopted (management contracts) seems promising since the contractor will be responsible for setting new procedures,

selecting the personnel and HR development. However, at this stage the donors were not convinced by BCE presentation of cost-benefit. A long-term technical assistance project is currently being tendered by the EU Delegation. The main scope of work is to monitor the implementation of the outsourced contracts.

### 2.3 Improving Budgeting and Expenditure Management

#### Bureau of Budget

Liberia's PEFA indicators for budget performance are generally poor. However there were significant improvements since 2006. Budget preparation and coordination significantly improved with the establishment of the Budget Committee that provides oversight of the budget process. Ministries/Agencies engaged earlier in the budget process through a budget circular setting out guidelines for budget preparation, sent out by BOB. The linkage between policies and budget allocations has been gradually strengthened. For the 2007/2008 fiscal year, the iPRSP was used to guide allocation decisions. The 2007/08 budget introduced the concept of "programme" although in practice most of these were only administrative sub-division of the various bodies of the state. For expenditure, the current object classification, which is compatible with GFS 1986, was significantly rationalized for the 2007/08 budget and code duplications were cleared up with the introduction of Liberian Expenditure Control and Accounting Programme (LECAP). Comprehensiveness of information included in the budget documents has been evolving. During the preparation of draft 2008-09 budget and the execution of the 2007-08 budget, there have been further improvements in budget calendar, in budget classification, in monitoring, and in better justification of allocations in relation to Liberia Poverty Reduction Strategy (PRS). Since 2006, the GEMAP advisor contributed significantly to the evolution of the systems and procedures that now make up the annual budget process.

#### Ministry of Finance and CMC

The GOL under GEMAP arrangements has set up a system of accounting for its revenues, expenditures, assets and liabilities to re-establish transparency and accountability, contain expenditures within the quarterly cash limits, enable initial budget policy targets to be met and to ensure that arrears are not built up by ministries and agencies. This system involves the Bureau of the Budget, Bureau of General Accounting, Ministries, Departments and Agencies and the Cash Management Committee. The system, which allows for detecting irregularities and short-comings in the public procurement procedures implemented by line ministries/agencies is effective and becoming sustainable.

The contribution provided by the other members of RMU (see GEMAP Agreement) has been, at this stage, less relevant and in one case below expectation (however the RMU is fully operational only since early 2008). Remarkable contributions were provided by the team leader – advisor to the Minister - (recently replaced) who was highly appreciated and delivered high profile advise in a broad range of issues, by the IT team who helped the MOF setting up the LECAP and by the PFM advisor who helped to establish the PFM training school. LECAP has contributed to the gradual improvement of the accounting system and provides a good platform for the implementation of IFMIS (not yet implemented) by exposing key officials to a computerized environment. After constant delays on the planned schedule the IFMIS system is now set to be installed. The project coordinator has been recruited and will take office at the end of this month. IFMIS implementation will start with the core modules (budget execution and commitment control, general ledger that will include bank reconciliation and reporting).

## 2.4 Improving Procurement Practices and Granting of Concessions

### Review of contracts and concession

The CCRC review is one of GEMAP's most prominent successes in terms of securing revenues. The review of existing contracts and concessions, to which many donors and agency have contributed (EC, USAID, WB, UNMIL), ended with the following results: out of the 95 identified lease agreements 52 were accepted, 16 were recommended for renegotiation and 27 were rejected. Subsequently, with regard to renegotiation the big companies have complied with the request while the small companies, for which the contracts were of limited duration, are phasing out. Concerning the rejected contracts the judiciary process is on-going. A second output of the review was recommendations to harmonize sector legislation and regulations (oil and minerals) resulting with the Act on procurement and concession being enacted in 2005. To this aim the USAID has fielded two legal experts; the TORs were ready by April 2008 while the harmonization proposals should be ready by November 2008.

### Public Procurement and Concession Commission

The decision of decentralizing procurement without building capacity at central level first has adversely affected the implementation of effective and transparent procurement procedures. The procurement units within the ministries and agencies still lack staff and capacity, the PPCC has not yet produced regulations and manuals for the PPC Act, and has incorrectly inserted itself into the procurement process rather than supervising that process, according to its mandate. The Ministry of Finance has observed many common deficiencies related to procurement executed by the procurement entities which still lack most of the needed capacity and experience. It is difficult to estimate which share (if any) of the current backlog could have been avoided in case of better performances of the advisors initially deployed (or in case of faster procedures in contracting consulting companies by PPCC) and in case the PPCC would have been more effectively managed. However the PPCC and together with the assistance should soon be on the right track, thanks to the new assistance package to be provided by the World Bank under EGIRP.

## 2.5 Supporting Key Institutions

### General Auditing Commission

Currently GAC has trained 127 auditors including internal auditors from the Ministry of State and financial crime investigators from the Ministry of National Security and 11 audits have been carried out. Out of the 11 audits undertaken, three; thus the audit of NASSCORP, the Ministry of Youth and Sport's vocation training and play ground projects and the BMC/ESCROW Account to build a school, clinic and road in Bong county are ready to be submitted to the Legislature and the other 8 are with the management of the respective ministries and agencies for comments. Although there are concerns over the delays by GAC to deliver audit reports, it is important to note that the state of the accounting function in many government ministries and agencies is undergoing reconstruction. A meaningful audit can only be achieved, when the basic accounting systems and procedures (such as double entry and documentation) are in place. Thus the just completed audits which were carried out on the basis of a risk matrix will provide a foundation through recommendations, for the development of the accounting function within the various ministries/agencies, which is key to good governance. GAC has been accepted into international auditing bodies such as International Organisation of Supreme Audit Institution (INTOSAI) and its Africa chapter AFROSAI-E. GAC has adopted and adapted the INTOSAI Code of Ethics and Auditing standards and has developed an audit manual and guidelines and a training manual. The audit body has contributed to the formulation of recommendations for the enactment of the Public Finance Act, the Financial Regulation and has worked with the Ministry of Finance in the development of the Internal Audit strategy which were included in the PFM review

implemented by the World Bank. GAC is one of the success stories of GEMAP. It was evident during this evaluation exercise that the institution had achieved significant milestones towards effectively performing its functions. This is attributable to the effectiveness of the leadership, team efforts, clear focus on goals, determination to succeed, and the support received from the Government of Liberia and GEMAP through EC technical assistance. Concerning follow up on audit reports it is premature to make any comments since the audit institution has just completed its first set of 11 audits which are at various stages of the audit review process (Executive, Legislature and management of institutions).

### General Service Agency

The assistance of GEMAP to GSA was not particularly successful. Some of the activities implemented were either irrelevant in relation to GSA mandate (audit, general computer training), in contrast with best practices or with the current legislation (procurement of used vehicles, centralized system for fuel storage and distribution) or scarcely effective due the dilapidated state of GSA equipment (training on maintenance). The results were therefore questionable and not necessary conducive to the achievement of economic governance objectives. More efforts could have been devoted to the establishment of an effective assets registration process and to the formulation of technical specification that would have helped improving procurement process and reducing backlog. A combination of factors are presumably at the origin of this situation: (i) the initial lack of clarity on the GSA functions, (ii) the dilapidation of GSA infrastructures and equipments, (iii) the lack of ownership, commitment and motivation of GSA staff due to the adverse environment conditions, (iv) the good will and energy of the deployed advisor that, in an environment that was not conducive to reform, engaged himself in a number of activities not necessarily relevant to GSA mandatory functions or ineffective given the status of GSA facilities (v) the scarce effectiveness of GEMAP monitoring and the consequent lack of capacity of identifying and implementing remedial actions.

### **3 Summing up, overall impact and sustainability**

To sum up, the evaluation mission could safely conclude that GEMAP and other parallel programmes contributed to the achievement of objectives:

#### **Remarkably** with regard to:

- the review of prior concession and the establishment of transparent and accountable procedures for new concession agreement (MLME and in the FDA) that will help maximize revenue
- the improved effectiveness, transparency and accountability of SOEs financial management (with the exclusion of NPA), also partially contributed in securing their revenue
- the building up of external audit capacity which, however, has yet to produce any follow up on audits
- progress in the budgeting process and in securing and stabilizing expenditure management at MOF

#### **Unremarkably** with regard to:

- the improvement of central banking functions
- securing revenue and improving management and processes at the Bureau of Custom and Excise

Furthermore the conditions for improving the procurement process have been recently created but with a delay of almost three years compared to plans, while the assistance to GSA has not produced remarkable results since it was wrongly conceived. Finally the assistance to the Anti-Corruption Commission has not yet taken off due to delays in the

approval of legislation and the assistance to the Governance Commission was not implemented.

In this framework the evaluation mission concludes that GEMAP clearly had a positive impact on economic governance by (i) increasing transparency and accountability, (ii) securing revenue with particular regard to concession process, (iii) securing and stabilising expenditure management at MOF. Progress in the budgeting process is conducive to better targeting spending in accordance with poverty reduction strategy objectives.

It is worthwhile noticing that GEMAP did a lot in term of institutional and capacity building. In particular the evaluation mission had the perception that GEMAP did much more than what is generally recognized by some stakeholders. It contributed to the harmonization of legislation, development of regulatory frameworks, setting up of processes and procedures, training of counterparts and concerned officers. It is also important noticing that in some areas best practices were developed by GEMAP advisors (i.e. in case of FDA, process and procedures were developed through a participative approach where all concerned officers were involved in the identification of risks and gaps in the internal system of financial control) but more should have been done to share these practices more broadly.

There is potential for sustainability, *in cases where the results were remarkably achieved and within the framework of the immediate objectives of GEMAP*, which mainly focus on the securing and the stabilization of the system. Regulatory framework is mostly in place, processes and procedures were set-up, and immediate counterparts were capacitated. Continuous GOL, top officials and top management commitment would ensure the sustainability of the results achieved (where results have been achieved).

## **4 GEMAP Implementation performance**

### **4.1 International partners performance**

With regard to the performance of international partners it is worth noticing that, while the recruitment of the first set of financial controllers was quite expeditious, the recruitment of technical assistants were much slower (RMU, GAC, PCC – second set of contracts). Equally slow was the procurement of software (IFMIS in particular). On the other end the partners were quite responsive whenever new needs for technical assistance were identified: USAID and WB in particular (harmonization of sectoral law with PPC Act, cadastre at MLME, further technical assistance to PPCC). The quality of advisors recruited was variable.

### **4.2 Factor contributing to programme performances**

The following factors have been positively or negatively affected the programme performance:

- Government commitment to reform – the primary condition for the success of any assistance programme is the government's commitment to reform. It is unusual to find a government committed as it is the Government of Liberia, starting from the Presidency. This creates the opportunity for an effective policy dialogue and donors' coordination. Furthermore the appointment of qualified and motivated staff in key institutions ensure the professionalism, the management capacity and the guidance needed to conduct a restructuring process. Finally it promotes awareness at all levels and pressure to adopt transparent and responsible behaviours. Looking at the specific institutions not in all of them the commitment to transparency and accountability and the capacity of the management were at top and this contribute explaining different levels in the results achieved.

- Comprehensiveness and coordination – GEMAP includes a number of correlated institutions in particular as far as the public finance management is concerned. This encourages coordination and synergies as in the case of PPCC and MLME/FDA with regard to concession policy, and as envisaged in the case of MOF and procurement entities as soon as the team of WB advisors are deployed at the entities. However these opportunities were not fully exploited by GEMAP (see below institutional set up).
- Right focus on mandatory functions – a precondition for the effectiveness of assistance is in its focus on core mandatory functions of the host institution. The assistance to GSA did not necessary met this requirement and was, therefore, of limited relevance.
- Salary and allowance policy – most of the institutions under review had salary and allowance policies which are more flexible than those for the regular civil service, particularly the SOEs and independent commissions, which are not bound to the Government’s pay scale. This has allowed for the recruitment and the retention of quality staff in the various institutions reviewed. It has also contributed towards staff motivation and promoted integrity (see annexes - institutions assessment).
- Advisors performance and attitude – the professional skills, team work, good interpersonal relationship skills, and attitude determine the level of integration of advisors into the host institution. However also the commitment of the management was a pre-condition for the establishment of positive interactions. Along this line a bad example was the advisor initially posted at FDA and subsequently at the NPA, who was criticized for its attitude and capacity by several sources, but also the management of NPA which was reluctant to accept any form of control.
- Critical mass – in order for the assistance to be effective it must achieve a critical mass to set changes in motion. In the PPCC the early dismissal of two advisors resulted in the loss of critical mass and only now, with the new assistance provided by the WB, it should be possible to attain the necessary mass to make an impact. At NPA there was a need for more assistance in the area of operation (provided that it would have been well received by the management).

#### 4.3 Co-signature effectiveness

Co-signature was intended as a means to exercise control over institutions in critical condition and to protect the revenue streams of key revenue generating agencies and institutions in the interest of Liberia. The GOL had initially some concerns on this arrangement to the extent that it raised issues of sovereignty. However co-signature, when and where it was properly implemented, which means in institutions where it complemented capacity building initiatives to address identified shortcomings and to develop appropriate procedures (as opposed to a mere exercise of control, power or fortitude), was accepted and even effective. For example, at the CMC the co-signatory arrangement continues to be well received by the Assistant Minister and where, in the future, it is expected to complement the WB assistance to procurement entities and to avoid a relapse. Similarly at RIA and LPRC, the financial controller is considered to be occupying a statutory position that brings with it the responsibility of co-signing. The evaluators believe that, in terms of ensuring control, co-signature arrangement would have been ineffective without the continuous commitment and support of the Government.

#### 4.4 Institutional set-up

The Economic Governance Steering Committee is a high level forum for policy debate chaired by the President of the Republic of Liberia, and attended by key Ministers and local head of the international community organizations. It was quite effective in addressing policy issues raised during the implementation of the programme. The evaluators had the opportunity to participate at one EGSC meeting and were quite impressed by the

chairmanship ensured by the Presidency, by the high level of issue discussed and by the level of debate. In particular the evaluators appreciated the fact that an issue such as the privatization of the NPA (which goes beyond the GEMAP initial objectives) was presented at the EGSC and deeply discussed in that forum.

The Technical Team was set up to ensure technical coordination of the programme. It is co-chaired by the Minister of Finance and by a representative of the international community. It is comprised of a large number of members and meets twice a month. Since the stabilization of the programme implementation the attendance has decreased. Despite the well structured reporting system introduced in 2007 and other tools such as the policy matrix and the monitoring framework developed by UNDP, the analyses of progress are of a bureaucratic nature mostly targeted at assessing the status of implementation rather than the achievement of objectives and discussing bottlenecks, weaknesses and strengths. Despite the TT detected lack of performances, reporting them to the EGSC, it was unable to address the problems. A paramount example concerns the lack of initiative in relation to the inadequate performance of the advisor deployed at the NPA and of NPA itself which was scarcely committed to the achievement of GEMAP objectives. In the case of GSA, there was a limited understanding of the progressive lack of relevance of GEMAP in that institution. With regard to CBL the problems were brought to EGSC but the latter declined to respond. Most likely the TT co-chairs should have been more active and they needed to act together. Regrettably the GOL co-chair was unable to devote the attention necessary.

On the other hand the TT was unable to identify best practices (i.e. RIA and FDA) and ensure their dissemination across other GEMAP institutions and outside GEMAP. This dissemination could have been of paramount importance in avoiding problems such as at NPA. This opportunity was lost.

## **5 Recommendations**

### **5.1 Recommendations by institution**

#### **Central Bank of Liberia**

The evaluation mission recommends a careful scrutiny of the effectiveness of GEMAP assistance to CBL given the fact that the conflicts it creates are not conducive to the achievements of results. Since the CBL needs further technical assistance, as was stated by the Governor, the evaluators recommend to IMF and the senior management of CBL to discuss the present GEMAP arrangements in the framework of a potentially enlarged technical assistance programme.

#### **State owned enterprises**

*Liberian Petroleum Refining Company* - The LPRC should fast proceed toward privatization; in parallel the sector should be de-monopolized. The international partners and the GOL should assess the extent to which GEMAP could support this process. LPRC needs a professional financial manager with outstanding corporate experience. The question is: should GEMAP provide this type of assistance, using public funds, to a very profitable company that can afford to recruit a high profile professional in the free market?

*Robert International Airport* - GEMAP assistance should be phased out as soon as the Chief Accountant is fully trained and able to replace the advisor. The Legislature should deliberate on the Act that establishes the RIA as a SOE to facilitate the privatization of the airport. The international partners may agree with the Government on the provision of support for preliminary studies aimed at facilitating the privatization process.

*National Port Authority* - It is indubitable that the NPA needs assistance in the area of financial management (improvement of process and development of sound procedures, and

capacity building) and in the area of operational management. However, given the ongoing privatization process (PPPs), the TOR for technical assistance to NPA should be designed by the privatization team in accordance with transition and privatization process needs.

#### Ministry of Lands, Mines and Energy – Forestry Development Authority

With regard to MLME and FDA there is little to recommend, operations should continue along the existing and well established track. Assistance should continue to ensure that the ongoing concession process is implemented effectively. Need for further specific support should be reported by the Ministry and the advisor to the Technical Team.

#### Bureau of Custom & Excise

Negotiation between donors and GOL concerning the final decision on sectors to be outsourced should be quickly finalized. Since the donors are apparently not prepared to fund the outsourcing contracts concerning automation and operational management the BCE should present an alternative option to improve its management.

#### Bureau of Budget and Ministry of Finance

The evaluation mission believes, in accordance with the opinion of top government officials and World Bank draft report<sup>6</sup>, that it is the time to plan ahead, to move from securing and stabilizing the system to reform and then to regular operations. This requires, in the medium term, a shift from cash based management to cash flow forecasting and the design of a more streamlined procurement and payment process.

In order to progress and to create the conditions for increasing the autonomy of line ministries, there is need for de-concentration and for planning significant capacity building assistance within the financial departments of key ministries (selected on the basis of spending and relevance to PRSP objectives) on financial management to pave the way for future decentralization. This assistance would be in line with that, to be provided in the framework of EGIRP, on procurement. This assistance should be complemented by a large program aimed at strengthening internal audit function, in line with the strategy recently approved by GOL. In this context the PFM law and the IFMIS, both currently being developed, should provide the regulatory framework and the technical platform to implement the reform process. The possible merging of the BOB and MOF will improve coordination and effectiveness. In this framework the composition and functions of RMU should be revised.

With regard to the budgeting process there is a need to progressively increase its links with poverty reduction policy objectives and allocate resources accordingly. The credibility of the budget needs to be strengthened by improving expenditure and revenue forecasting so as to avoid recurrent reallocation during the fiscal year. Budget classification needs to be improved as well by introducing programme and functional codes.

#### Public Procurement and Concessions Commission

The activities, after painful delays, are finally on track and cover all major needs. In this framework it can only be recommended to foster recruitment and contracting procedures to have the new team of advisors in place soonest, and to focus on updating the PPCA, developing regulations and a manual for the PPCA, ensuring that the PPCC remains focused on its regulatory role, and in house capacity building and within the procurement entities.

#### General Auditing Commission

In order to further strengthen the external audit function, there is need for further improving the legislative framework, increasing financial independence and improving capacity. Action is being taken on all three fronts. An Act to repeal and replace Chapter 53 of the Executive

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<sup>6</sup> 2008 Public Finance Management Performance Report (Draft) – World Bank

Law of 1972 that will grant financial independence to the GAC has been submitted to the Legislature, but has yet to be approved. Financial independence is being improved through MOF providing GAC with quarterly releases, with replenishments on the basis of accountabilities provided. There is, however, a need of a new and separate Act on the GAC fully in line with international recognized auditing standards (Lima and Mexico declarations) and best practice in order to strengthen the external audit. GAC is a key governance institution, therefore should continue to receive financial support from donors and from the GOL in order to competitively remunerate its staff (to prevent brain drain) and keep improving the audit quality. The awareness and the ability of Ministries/Agencies to fully exploit audit recommendations in order to improve accounting and financial system should be strengthened in the framework of the proposed assistance to the financial departments of line ministries and agencies (see MOF). As much as possible, the independence of GAC must be observed by all state structures to ensure sustained credibility. Adoption of best practices from elsewhere in Africa such as Ghana, Zambia and South Africa through networking programmes to help build and enhance the quality of audits and building the capacity of GAC should continue.

### General Service Agency

The evaluation mission recommends strengthening activities related to assets registry and design of technical specifications; reconsidering the policy related to the procurement of used vehicles and conducting a full shaped feasibility study assessing all possible options for fuel procurement and distribution. Before providing further assistance in the area of building and vehicle maintenance the GOL should decide how these services should be managed. The options are: (i) rehabilitate the GSA maintenance capacity by executing huge investment in infrastructure, equipment and capacity building, (ii) outsourcing the maintenance service.

Furthermore the GOL and the international community should agree on the implementation of an assistance programme to the Anti Corruption Commission as soon as the relevant legislation is adopted. Notwithstanding the importance of an anti-corruption institution, the evaluation team believes that strong and functional systems and procedures, combined with capacity building will provide Liberia with a considerable base to control corruption.

### 5.2 Co-signature lifting

As described in the previous chapter, when best practices are in place, co-signature arrangements are not a function of control but complement capacity and institutional building. Given the results achieved by GEMAP up to now the evaluation mission believe that the co-signature arrangement could be lifted in the: BOB (where progress are consistent and should be measured, from now on, against the set of criteria presented in the draft WB report<sup>7</sup>), FDA (where the regulatory framework and procedures are fully in place and progress is sustainable); MLME (where co-signature is no more foreseen in the TOR). Concerning the three SOEs, in two of them the advisors signature is simply part of their statutory responsibility in line with their position in the organization. The completion of the training of the Chief Accountant in RIA and the proposed recruitment of a corporate financial manager in line with the privatization of the LPRC would end this practice. With regard to NPA, it will depend on the new TOR that should be designed by the privatization team. Concerning CMC the evaluation team, in line with the opinion expressed by the Assistant Minister, recommends that the co-signature stays to complement the WB TA to procurement entities and to avoid relapses. Co-signature arrangement should stay till substantial improvement in the procurement process will be achieved. Finally with regard to CBL a decision should be taken in the framework of the review of the technical assistance to the Bank.

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<sup>7</sup> 2008 Public Finance Management Performance Report (Draft) – World Bank

### 5.3 Institutional set up

The EGSC should continue to play its fundamental role of policy coordination. It should meet whenever required to approve institutions' reform agenda (see below), assess progress and discuss issues relevant to economic governance reform such as the privatization of SOEs.

The TT should ensure effective technical coordination including cross cutting fertilization and dissemination of best practices, and effective monitoring to detect problems and lack of performances. To these aims the evaluators recommend:

- (i) the re-sizing and the revision of membership and of the frequency of meetings – The permanent members should be: one representative for each donor financially or technically committed in the implementation of the project, one representative for each institution and one representative for each technical assistance. The meeting should be held on monthly basis.
- (ii) the revision of the reporting system – The work plan and the reports should be based on a reform agenda prepared by each institution and structured in accordance with the Logical Framework (LF) approach to better identify objectives, expected results, outputs and indicators of performance. Quarterly reports should be accompanied by a narrative part that, among others, outlines bottlenecks, need for reorientation and for further assistance.
- (iii) dissemination of best practices – Special sessions of TT should be devoted to analyse implementation methodology and outputs produced. Policy papers, manual of procedures, functional analysis and related organizational restructuring plan and other relevant documentation produced in the framework of the programme should be published in a special section of the website.
- (iv) monitoring system - A number of monitoring teams, each composed of three members (one representative from the institutions, one from the donors and one from the technical assistances) should be formed. Each institution should be visited by one team on quarterly basis and an in depth assessment should be conducted. The team should then report to the TT.

Furthermore it would be of particular importance that the Liberian leadership, which is de facto quite well established at the level of EGSC, would be clearly established at TT level as well. This would increase Liberian ownership and would provide the ground for taking more effective actions aimed at addressing the detected lacks of performances.

The most important recommendation, aimed at enhancing coordination and policy dialogue, is that any new programme or initiatives (privatization of NPA), related to the GEMAP institutions and, specifically, to economic governance, is presented to the TT and to the EGSC and enter in the GEMAP reporting system (at present this concerns the IMF assistance to CBL, the USAID assistance to MLME and, in particular, the WB-EGIRP assistance package). This will promote a smooth transition from GEMAP (which focused on securing revenue and institutional stabilization) to a system aimed at coordinating all long-term initiatives in the area of economic governance reform and institutional building. Along this line, once GEMAP will be phased out, GEMAP matters should be integrated into different reporting system but policy and technical coordination should continue on the basis of the positive experience matured in the GEMAP period.

Finally, the evaluators have noticed a certain degree of opaqueness in the TT and donors' operations (i.e. the way certain issues, raised from the evaluation exercise itself, were addressed). Along this line the evaluators recommend to publishing all evaluation reports in a devoted section of the GEMAP website.

## 6 Exit strategy or transition?

According to the GEMAP Agreement, the exit of the programme is conditional upon the Liberia's attainment of the completion point of the Enhanced Highly Indebted Poor Countries (HIPC). The country's ability to achieve this status will determine the final exit of GEMAP. It is therefore imperative that GOL ensures that more effort is placed towards the country attainment of the completion point. The IMF<sup>8</sup> designed triggers to ensure that, prior to the completion point; Liberia would have transitioned from the current GEMAP-supported fiduciary arrangements to permanent systems and procedures to ensure efficient and effective use of public resources. These triggers relate to; PRSP, macro-economic stability, public financial management, social sectors, debt management and governance. Liberia has made significant progress towards attainment of the enhanced HIPC completion point.

A full PRSP has been released; Liberia has cleared arrears to some multilateral creditors, efforts are in place to finalise the PFM Law, the Anti-Corruption Commission though not yet in place, the law to established the commission is now in place, publication is being enhanced through the MOF websites and other related sites such as GEMAP websites and the Audit General Commission has completed 11 audits. However all these efforts will have to be assessed independently in order to evaluate progress towards the completion point of the enhanced HIPC and to align the gains of GEMAP with HIPC.

GEMAP has already evolved from its initial set-up. The technical assistance component, aimed at institutional building, is becoming predominant. Liberia has evolved under a committed and visionary leadership. The institutional system and the institutions themselves are largely stabilized. Whenever the policy recommendations put forward by the evaluators will be adopted, (with particular concern to those related to PFM) the focus will be more and more on reform. On the other hand this is in line with the current evolution of GEMAP (presentation of the NPA privatization proposal to the EGSC). In this framework the evaluators recommend to strengthen the policy dialogue on economic governance by formulating a common reform agenda to address the most relevant policy issues linked to economic governance.

In order to increase Liberian ownership and leadership each institution should prepare its own reform programme. This exercise should be performed by the management of the institution, the advisors and, whenever necessary, by external consultant (national and/or international) appointed by the GOL and/or by the donors. The reform agenda should set objectives, define indicators and benchmarks, propose a realistic time schedule and identify resources needed for its implementation. In case of PFM indicators and benchmarks are clearly identified in the Draft Public Finance Management Performance Report by the World Bank. The reform agenda may include several issues such as the improvement of the legal and regulatory framework, the upgrading of process and procedures, the need for institutional and human resources capacity building. The reform agenda should be discussed first at TT level and then approved by the EGSC. Each institution's work plan should be based on the reform agenda and the quarterly reports should aim at assessing achievements against a clear set of indicators and benchmarks. In this framework the technical assistance programmes should provide the inputs required for the implementation of the reform programme (policy advice, development of process and procedures, capacity building).

This would allow for the strengthening of the partnership concept and approach and consolidate the shift from donor accountability to domestic accountability as suggested by a top GEMAP advisor. It will also allow for putting in the right prospective the improvement in

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<sup>8</sup> 2008, International Monetary Fund - Liberia: Enhanced Initiative for Heavily Indebted Poor Countries—Decision Point Document, Debt Sustainability Analysis, and Staff Supplement

the economic governance. Institutional building in this area is a long-term process that requires a long-term partnership between the Government and the international community that goes far beyond the narrow implementation schedule of GEMAP. In this context the co-chairing practice should be revised. The evaluators suggest that the EGSC and the TT are chaired by a national authority while the representative of the international partners should act as deputy chair. In this new framework, as the evaluation mission pointed out, the issues of co-signature, given its new scope, should no more define the nature of the programme or represent its main characteristic.

Once GEMAP will officially terminate (upon the achievement of HIPC completion point or on the basis of a political decision jointly taken by GOL and the international partner) its institutional system (technical and policy coordination bodies), its reporting system and the set of operational programmes derived from the institutions' reform agenda could be easily absorbed transferred under the second pillar of the PRSP system.

## **Annexes**

## **Annex 1: Central Bank of Liberia**

### **Central Bank of Liberia Rapid assessment**

#### Background

Within the first component of GEMAP the new position for Chief Administrator was created at the Central Bank of Liberia (CBL) to serve under the guidance of the Executive Governor, with binding co-signature authority for operational and financial matters. Special emphasis was on banking operations and on internal controls and audits to be carried out according to established process and procedures. The initial TOR of the GEMAP Chief Administrator covered also the following areas: (i) appropriate and independent conduct of sound monetary policy; (ii) sound and efficient central bank operations; (iii) strong, independent, and appropriate supervision and regulation of Liberian banking institutions.

The Chief Administrator took office on February 2006 and remained in that position till July 2007, under the sponsorship of the IMF. This arrangement was approved by the CBL Board but implementation was problematic, and the Advisor seemingly had a difficult task integrating within the system. Moreover, the co-signatory arrangement with the Governor was explicitly considered unacceptable.<sup>9</sup> The Advisor subsequently resigned without submitting a report, or a letter of resignation to the Governor, or to the Board<sup>10</sup>.

Subsequently in early 2008 a new GEMAP advisor was deployed at the CBL with the position of 'Special Advisor to the Executive Governor', negotiated under a new TOR arrangements. The terms of reference was revised to reflect the extensive technical assistance from IMF in the area of monetary policy, banking supervision, national payments system development, and central bank accounting, as well as the level of co-signing. According to the new TOR his position was revised and the Director of Finance is now the counterpart. Co-signing continues to relate to all financial transactions of the CBL and along with any officer of the CBL with the responsibility for such transactions. The duration of the contract was reduced from a year to six months, with possibility for extension. The evaluation team met: the Governor, Deputy Governor, Director of Finance and the Special Advisor.

#### Activities and Results

According to the interviews conducted the role of the Chief Administrator was apparently questioned at many levels. As a consequence his integration in the environment could have been presumably challenging. His work plan was never endorsed. It was reported that the scope of the intervention was not linked to the Bank's core business operations. However, the IMF has revealed that during the tenure of the Chief Administrator at the CBL many achievements in CBL activities were recorded to include: improvement in the CBL financial position from a deficit of US\$4.9 million in 2005 to a surplus of US\$1.8 million in 2007; the adoption of a travel policy, consistent with that of the government; regular foreign exchange auctions conducted in accordance with approved regulations; increase in CBL's U.S. dollar reserves from US\$6.4 million in 2005 to US\$35.1 million in 2007.

An assessment by IMF accountants (the "safeguards" assessment) in October 2006 concluded that key internal controls at the CBL were predicated on the direct involvement of

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<sup>9</sup> EGSC Minutes of January 24, 2008

<sup>10</sup> EGSC Minutes of March 26, 2008

the CA. The mission is not in a position to assess to which extent the above reported results were directly attributable to the Chief Administrator role.

The second GEMAP Special Advisor implemented the following activities: co-signature of financial transactions; enhancing systems, policies and procedure and drafting manual of procedures on financial management and procurement. We noted that as an autonomous agency, the Bank does not follow the PPC Act. The Advisor also stated that he sits on the Bank Supervision/compliance and money management committees, as well as on the Board of Directors. The Advisor is presently assessing the existing procedures to identify gaps and weaknesses and subsequently to enhance their effectiveness. The evaluation team was informed that the Bank was audited by PricewaterhouseCoopers Ghana. The CBL's external auditors offered "no opinion" with regard to the 2006 accounts, and an "adverse opinion" with regard to the CBL's 2007 accounts. According to IMF an adverse opinion is very rare, and was based on the auditor's assessment that the CBL's financial statements did not present fairly in all material aspects the financial position of the CBL

With regard to improvements in CBL operation, the following achievements were reported in the Compliance, Balance of Payment and Payment System. For the first time, the Bank met the benchmarks of the IMF; an operational surplus was recorded in 2007; the IFRS (international financial reporting standards), adopted in 2006 as framework for financial reporting become effective in 2008. Three sets of IFRS financial statements have been produced; the Finance Department has internally developed a software in addition to Bankmaster Plus to process financial data; assessment/review of the dual currency system in Liberia has been completed and the report expected soon. Importantly, the capacity of staffs within various departments is being enhanced through local and international training. The evaluators perceived that the improvement in the Bank operations were mostly due to the management and to the technical assistance provided by IMF.

### Conclusions

The CBL needs further technical assistance, as was stated by the Governor, but the evaluators believe that this assistance could be provided within the IMF assistance framework. The mission observed the sensitiveness of GEMAP assistance at the EGSC meeting where IMF and CBL disagreed on a number of issues such as PricewaterhouseCoopers Audit recommendations. The team concluded that this is not conducive to achievement of positive results for the Bank.

### Recommendations

The evaluation mission recommends a careful scrutiny of the effectiveness of GEMAP assistance to CBL given the fact that the conflicts it creates are not conducive to the achievements of results. Since the CBL needs further technical assistance, as was stated by the Governor, the evaluators recommend to IMF and the senior management of CBL to discuss the present GEMAP arrangements in the framework of a potentially enlarged technical assistance programme.

## **Annex 2: Liberia Petroleum Refining Company**

### **Liberia Petroleum Refining Company Rapid assessment**

#### Background

The Liberia Petroleum Refining Company (LPRC) is a state owned enterprise (SOE) established under the Liberian Business Corporations Act. It is bound by the memorandum and articles of incorporation of the company. LPRC is responsible for the importation, storage and marketing of petroleum products to Liberia. Due to the lack of control and structural weaknesses in financial and operational systems, in particular during the post-war period, SOEs in Liberia were exposed to financial risks that caused a lot of leakages in revenue. LPRC is one such SOE and is among the 3 SOEs in Liberia that have an internationally recruited financial controller (IFRC) supported by USAID under the GEMAP programme. This support falls under component 1 of GEMAP; securing revenue base (financial management and accountability). The LPRC has not operated as a refinery for over 20 years and instead, has been a state controlled monopoly for the importation, storage and marketing of petroleum products to Liberia.

Currently there are 9 importers of petroleum products. Revenue for LPRC is derived from importation and license fees. Importation fees are the major revenue contributor and fees are currently pegged at 20 cents per gallon. According to the Ernst and Young 2005 audit report for the period October 2003 to June 2004, the accounting and financial systems and procedures at LPRC were done manually and exposed the company to risks of misappropriation and frauds. There was therefore a need to institute a system of control and a more rigorous financial management to secure the revenue base of LPRC and indeed of the GOL (tax revenue and contributions/dividends). In addition to weak accounting and financial systems, the 2005 audit report also highlighted weaknesses in the legal and regulatory framework. For instance even if the articles of incorporation state that the company reports to the government, it is not clear exactly to whom or to which ministry LPRC should report to. The audit report also identified weaknesses relating to the state of facilities that affected operations and occupational and safety standards.

In line with component 1 of GEMAP the USAID support to LPRC was by means of financing the recruitment of a financial controller in April 2006, who was subsequently replaced by the incumbent in April 2007.

The evaluation team met and interviewed the Managing Director, the financial controller and held a phone interview with the former Chief Accountant who is now employed by GAC.

#### Activities and results

Reports indicate that LPRC made significant improvements in securing its revenue over the years. Net profits were reported at \$1.5m in 2005 and \$4m in 2006. A net loss of \$390k was recorded in 2007 as a result of write-off of obsolete equipment of \$6m. This profitability trend was attributable to; improved systems in receivables that included flexible payment plans which minimised defaulters, reduction of full time staff from 650 to 236, the layer of management was reduced from 6 to 3 the number of departments were also reduced from 16 to 6, senior management team was trimmed down to managing director, a deputy managing director and 5 directors each of whom heads a department. The Oilers Sports Association which was on the company's payroll was made a self-accounting unit. According to LPRC this re-organization which started in April 2006 led to 44 percent revenue growth,

26 percent cost savings, faster decision making and increased efficiency in 2006. A debt of \$2.2m has since been cleared and the net current cash position is now reported at \$8m. LPRC has paid contributions to the GOL amounting to \$2.15m in 2008.

The evaluation team was informed that the accounting at LPRC is in transition phase from a limited automated general ledger system, QuickBooks, to an integrated financial management system called ACCPAC. Although ACCPAC is not yet installed it is expected to be in place within the next 2 months. Constraints in the computerisation process were due to the crash of the QuickBooks system in March 2008 and LPRC is currently restoring the accounts of April 2008. Particular weaknesses were noted to the non-maintenance of external back-ups including hard copies of monthly accounts by the accounts and IT departments. This resulted in total loss of financial information and lengthy period of time spent in restoring the accounts. The management reported that internal audit department is weak and needs to be strengthened. GAC is currently auditing LPRC.

LPRC is currently engaged in 3 major investment projects. A Canadian Petroleum Consulting company, William G Matthew and Optec carried out an assessment and inspection of the plant and provided an estimated cost for building new tanks and repairing the 14 existing ones. The consultants also carried out a market analysis (to 2013) to assess the demand for petroleum products. The report from the consultants informed the bidding for the project which is expected to commence in November 2008. The estimated cost is \$20m. The 2<sup>nd</sup> capital project underway is the World Bank financed construction of the jetty at LPRC. The 3<sup>rd</sup> and major investment project is the proposed construction of a new oil refinery in Buchanan which would be at least 3 times the size of current dilapidated LPRC plant. The estimated cost is around \$500m. It is at this stage that the LPRC has planned to privatise the company in order to co-finance the investment.

The privatisation of LPRC calls for effective corporate governance systems and procedures. Currently the articles of incorporation for LPRC do not give clear guidelines. According to the current legal and regulatory framework the board of directors does not have the power to hire and fire the Managing Director. The Managing Director is appointed by the President as well as the Board of Directors and this creates 2 parallel reporting lines to the President and an inconsistent set up vis a vis corporate governance best practices. In addition, the lack of clarity on reporting lines between LPRC and the shareholder (GOL), as outlined earlier in this report, weakens the governance of the organisation particularly in terms of supervision and accountability.

Capacity building activities and good team work between financial controller and the Chief Accountant were reported, the results of which were timely production of good quality financial reports and financial compliance with GAAP. Co-signatory arrangement also contributed to the capacity building through coaching and mentoring of staff, e.g. in documentation and classifications of expenditure. The LPRC lost its Chief Accountant who moved to GAC since he was appointed as one of the two deputies Auditor General by the President. The new Chief Accountant is still settling in after being promoted from a lower position. According to human resource management procedures at LPRC, when an incumbent leaves and a vacancy is created, automatically the one next in line will take over. Weaknesses of this arrangement are that the system does not consider the suitability of the candidate in terms of skills and experience and thus carries the risk of compromising the efficiency of the business.

However since the departure of the former counterpart, the Chief Accountant, it was reported to the evaluators that there has been a decrease in quality and timing of the financial reporting. At the time the team visited LPRC, the current financial controller was also acting as controller at the National Port Authority (NPA). LPRC expressed the need to recruit through GEMAP a Financial Accountant or Manager with strong corporate experience in

financial systems and reporting. The argument for this being that skills set of a financial controller in a profit making organisation differs from the set of skills required in a government institution or non-profit making institution. As LPRC proceeds towards privatisation, there will be need for more corporate financial management. LPRC also require a short-term technical assistant to strengthen its Internal Control Department.

Procurement systems and procedures were revised and major improvements highlighted were; compliance of procurement procedures with the PPCC Act and documentation. Stock management of petroleum products at LPRC is now documented and streamlined, thus stock balances are readily available for inspection. GEMAP advisor was responsible for these positive results. Salaries paid at LPRC were reported to be competitive with fringe benefits being paid in addition to basic salaries.

As the systems and procedures at LPRC are strengthening, the management has started identifying corrupt practices with the company. The management is currently handling a corruption case where a syndicate involving workers and outsiders diverted large quantities of fuel during the offloading and storage processes. The management intends to hand over the culprits to the law enforcement.

### Conclusions

The success at LPRC in securing revenue and enhancing financial accountability and management is attributable to the new management and GEMAP. Appreciable achievements in procurement procedures and, in particular, stock management, systems and procedures put in place to improve receivables, capacity building in accounting systems and procedures and the part computerisation (ACCPAC), costs reductions resulting from the re-organisation of LPRC, the specific market conditions which include growth in the demand for gasoline and gas due to economic recovery and LPRC's monopolistic position contributed to the successes at LPRC. Although there is room for improvement towards securing more revenue, such as strengthening of internal audit and full computerisation, generally

It is however important to realise that the skills set of a financial controller in a profit making organisation differ from the set of skills required in a government institution. Therefore there is need at LPRC, for a financial manager with strong corporate and private sector experience. In addition to the day to day financial operations, the financial manager would be of immense support to LPRC during the envisaged privatisation process. GEMAP could add greater value by providing an additional advisor, with petroleum and refinery experience, to assist and advise the Managing Director on specific petroleum industry issues. This should enhance operational efficiency given the fact that the Managing Director is a chartered accountant. Corruption is starting to be tackled with the advent of new and stronger systems and procedures at LPRC.

### Recommendations

The LPRC should fast proceed towards privatization. In parallel the sector should be de-monopolized. The international partners and the GOL should assess the extent to which GEMAP could support the privatisation process. As the organisation gears up for privatisation, LPRC needs a financial manager with outstanding corporate experience. The question is: should GEMAP provide this type of assistance to a profitable company that could afford to recruit a high profile professional on the free market?

## **Annex 3: Robert International Airport**

### **Robert International Airport Rapid assessment**

#### Background

Unlike other SOEs, there is no special Act or law in Liberia that establish the RIA as an SOE. The Roberts International Airport was originally built by the United States Government as an air force base and later was leased to the Pan American Airways by the Government of Liberia in 1942, which eventually made it an important stopover point in its global operations network. In 1985 the Government of Liberia took control over RIA. The first component of GEMAP focuses on securing Liberia's revenue base and the RIA falls under this component being one of the three SOEs in which an internationally recruited financial controller (IRFCs) was deployed within the GEMAP framework. The objective, apart from securing revenue, was to improve financial management at the RIA. The objective was broken down into the following advisor's goals/responsibilities: (i) exercise co-signatory authority & ensure full compliance with the Memorandum of Understanding based on the Executive Order 2; (ii) ensure that all requests for receipt of revenue or payment have appropriate supporting document and follow verifiable procedures; (iii) ensure that all revenues are fully recorded and banked; (iv) ensure that operating authorizations are in line with business plans, and operating and procurement procedures; (v) ensure that all financial transaction are accountable and transparent; and finally (vi) ensure that all finance and relevant staffs are trained to perform their jobs independently. The evaluation team meet: Mr.Corneh Jacob and Mr. Cuffy Alexander.

#### Activities and Results

In order to achieve its objectives, the advisor, in partnership with his counterpart and other top managers, conducted the following activities: co-signed all revenue and expenditure commitments, issued monthly certification attesting that RIA and the LBDI complied with the MOU in respect of the Executive Order 2, improved financial management by revising process and procedures and producing manuals, enhanced the capacity of staff by mentoring, organization of seminars and workshops. Furthermore IT technology was upgraded and the accounting software ACCPAC, provided under GEMAP arrangements, installed. However, the ACCPAC is yet to become fully operational.

Many results are reportedly accruing from the GEMAP arrangement. The activities implemented, especially those regarding development of procedures and processes, have reportedly been effective in managing the RIA budge and expenditure. The ACCPAC has allowed for monitoring the airport financial operations. Currently the standard of quarterly financial report presented to the Board of Directors, and those of the monthly reports to the airport management are very high. For the first time, after many years, the Airport recorded a surplus of approximately \$125,000.00. The source of revenue includes landing fees from charter, private and cargo airlines.

Other noticeable impact recorded during the interview is the reduction in maintenance cost and operating expenditure. Retrenchment has been followed by recruitment of more adequate staff, making the Airport more efficient in its operations. The Airport at the end of September 2007, reported overall improvement in internal control, resulting in a 25%

increase in cash balance, and 22% decrease in expenses<sup>11</sup>. Moreover, as a result of the adopted anti-corruption strategy, leakages were drastically reduced.

There are several factors one can attribute to the success of GEMAP at the RIA. Paramount amongst them are: the acceptance of the GEMAP arrangement by the RIA Management, the readiness of the national staff to work with the IRFC, who is a Liberian, the IFRC respect for diverse ideas, and the competence and commitment of the available staff. The management reported that there is a need for revising the salary scale to recruit and retain qualitative staff. The ACCPAC software needs upgrading. Looking at the regulatory framework there are a delay in the approval of the Act that establish the RIA as an entity which is currently with the Legislature. The approval of the Act it is extremely important since it is a pre-condition to proceed with the privatization in line with the objective set within the PRSP. The evaluation team was informed that potential partners are currently approached.

### Conclusions

RIA is on the right track, especially with respect to the setting up of effective financial management process and procedures. The improvements have made the operations of the Airport more transparent. The chief accountant capacity is being built to gradually assume the functions of the IFRC. The objective of the management is to keep GEMAP arrangements with the advisor responsible for oversight financial management until the chief accountant will be able to replace him. In this framework the co-signatory authority is not aimed at exercising any specific control but it is simply part of the responsibility attached to his statutorily position in the organization. The GEMAP assistance to RIA is an example of best practices. It could have been usefully disseminated to other SOE (NPA in particular) to improve financial management in those entities. The lack of dissemination is a shortcoming in the coordination activities played by the Technical Team.

### Recommendations

Special attention should be given to retaining the trained staff by providing them with additional incentive and regular training. Assistance is required to ensure that ACCPAC is running effectively to avoid a brake down of the system. The GEMAP assistance should be phased out as soon as the chief accountant will be fully trained and able to replace the advisor. The Legislature should deliberate on the proposed Act to facilitate the privatization of the airport. The evaluation team agrees with the RIA management that privatization of essentials services would make the entity more profitable and secure more revenue for the government. The international partners may agree with the Government to provide support for preliminary studies aimed at facilitating the privatization process.

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<sup>11</sup> See EGSC Bulletin of September 26, 07

## **Annex 4: National Port Authority**

### **National Port Authority Rapid assessment**

#### Background

The National Port Authority is a state owned enterprise responsible for the management of the 4 ports in the country; Monrovia, Harper, Greenville and Buchanan. The Port Act of 1967 provides the legal framework for the authority. The Port of Monrovia is the largest and the busiest and it handles 90% of the cargo and 100% of the oil imports into Liberia. The National Port Authority (NPA) provides and maintains port facilities. Its revenue is derived from wharfage, storage and handling charges. Given the increasing traffic of cargo and oil imports into the country related to reconstruction and economic recovery of the country, the revenue generated by NPA is increasing. Support to NPA was provided under the first GEMAP component. USAID supported NPA by providing the services of one financial controller. The NPA in accordance with the objectives stated in the PRSP is progressing towards public/private partnership with the privatization of port services. The World Bank is also involved in the preliminary study.

The evaluation team met and interviewed the Managing Director and the Chief Accountant assisted by a senior accountant. Pertinent questions were asked from other parties such as the former IFRC (now at FDA), and other members of the GEMAP Technical Team.

#### Activities and results

A Memorandum of Understanding was signed by NPA along with other SOEs and Commercial Banks NPA which required SOEs to hold two operating accounts, one in Liberian dollar and one in US dollar within a single commercial bank. The authorised signatories are the Managing Director and the internationally recruited financial controller (IFRC). The first IFRC recruited was replaced with the IFRC at Forestry Development Authority in April 2007. At the time this evaluation team visited NPA, the IFRC was reported to have resigned a few days earlier.

This was a major limitation to the GEMAP evaluation of NPA. Furthermore there were no documentation availed to the team to verify the statements made by the interviewees. The interviews held with the NPA Controller (the counterpart), the Chief Accountant and the Managing Director, revealed that the advisor performed poorly. This was manifested by the reported cases of inability to build capacity in the financial management department. Furthermore the team was informed that the IFRC monopolized the ACCPAC accounting system by keeping it on his computer and denied to the counterpart the access to the system. The reports by NPA on weaknesses of the IFRC in developing manuals and building capacity of staff were corroborated by other officials outside NPA including a fellow IFRC and those that had worked with him in FDA. The only mentioned area of partial success was the co-signatory arrangement. However it was perceived that the IFRC used this responsibility as more of fortitude than to build capacity at NPA in terms of transfer of awareness, knowledge and skills with regard the preparation of supporting documentation. Thus the co-signatory arrangement had a negative impact on NPA staff.

Although the accounting software, ACCPAC was installed, the accounting system is predominantly manual. Financial reporting is poor and NPA. has not been producing financial statements since the first IRFC left in April 2007Credit was given to the efforts of

the previous IFRC in developing strong financial and accountability systems and in building the capacity of staff at the NPA prior to his departure. The discussions held with the officials at the port were in some cases emotional, resulting in one meeting being centred on the weaknesses of the IFRC. This evaluation exercise would have benefited from an interview with the former IFRC at NPA, in order for the team to have a balanced viewpoint on the effectiveness of GEMAP at NPA.

It was stressed that there is a need for continued assistance to the NPA, in financial management and also in operations. The management recognized that there are still leakages due the lack of appropriate procedures, control and automation in the operational area. The management expressed the need for participating in the selection and recruitment process to ensure that NPA would get an IFRC with skills (including interpersonal skills) and experience that are appropriate for the port. The external audit by GAC commenced at the beginning of July 2008 and was in progress at the time the evaluation team visited NPA. It would be therefore important for the GEMAP Technical Team and Steering Committee to carefully review the audit report when made available.

The evaluation team noted the sterling achievements (at FDA) made by the former financial controller now based at FDA, in for instance capacity building, systems development and procedures documentation. It was inconceivable that the NPA could let go of such capacity. The questions that arise are; was it the GEMAP controller who was not good for NPA but was good for FDA? Or was it NPA that did not provide the appropriate environment for the GEMAP controller to be effective? The turnover rate of key governance functions is high raising concerns over continuity of systems at NPA. For instance, the first GEMAP controller reported to have been performing effectively even while at NPA was removed after one year for unclear reasons. The local controller was removed in 2006 for reasons an NPA investigation later determined to be unfounded. Two leaders of internal audit were removed again without stated cause. These activities raise concerns over governance such as conflict of interests, change management, corruption and continuity.

### Conclusions

The evaluation team could only conclude that GEMAP at NPA was quite unsuccessful. It is also conclusive that the IFRC acted unprofessionally by absencing himself during the evaluation. While it could be true that there were other mitigating factors for his poor performance the evaluation team concludes that the IFRC lacked professionalism and was unable to integrate into the NPA.

However, despite the failure in capacity and institutional building, and the persistent poor control on operations, it can be stated that the GEMAP objective of securing revenue was to a small extent achieved (NPA has paid a contribution of \$250,000 to the GOL). This was due to: (i) the government commitment to transparency and accountability that create pressure on port environment and promote good management, (ii) the decision to centralize bank accounts, (iii) the efforts of NPA management, and (iv) control and pressure exercised by the co-signature arrangements.

The first impression of the GEMAP controller at NPA, leads the evaluation team to conclude that GEMAP Technical Team should have been swifter in addressing the reported lack of performance of the international advisor. On the other hand, one could also conclude that the governance at NPA is extremely weak. Some of the reported events at NPA are manifestations of resistance to change. It could be that corruption and other unethical practices are being concealed under the guise of "bad" financial controllers. The continuity of good systems and procedures is constantly being threatened through high staff turnover in key governance functions (financial accounting and internal auditing). The above fall

outside the ambit of GEMAP, but within the government's commitment, change or a reshuffle in management could be considered.

### Recommendations

It is indubitable that the NPA needs assistance in the area of financial management (improvement of process and development of sound procedures, and capacity building) and in the area of operational management. However, given the ongoing privatization process, the TOR for technical assistance to NPA should be designed by the privatization team in accordance with transition and privatization process needs.

## **Annex 5: Ministry of Land, Mines and Energy**

### **Ministry of Land, Mines, and Energy Rapid assessment**

#### Background

The assistance is provided to the MLME within the first component of GEMAP Agreement aimed at securing revenue and improving financial management and accountability. In this framework the Executive Order 2 gave mandate to Ministry of Finance to collect revenue and maintaining government accounts at the Central Bank of Liberia (CBL). The Executive Order No. 3 also prescribed the procedure for implementation of the PPC Act, and for monitoring of contracts, concession agreements and liberalization of monopolies in Liberia.

The MLME has a key role as regulatory entity and in the in granting and monitoring concession for minerals, petroleum, land and energy. The objectives of GEMAP assistance were: to review exploration and mining licences; to enhance policy environment for granting concessions; to improve transparency and accountability of the process, and to improve transparency of revenue collection systems.

GEMAP technical assistance to the Ministry of Lands Mines and Energy is funded by USAID. The Ministry had three consecutive GEMAP advisors for about one year each. The advisor has co-signature authority. Furthermore the Ministry is benefitting from the assistant of a short-term advisor (USAID funded) for the harmonization of the sectoral law with the PPC Act. Finally a specific programme also funded by USAID for development of the geo-cadastral system which includes technical assistance, equipment and the reconstruction of the facilities. Furthermore the Ministry is benefitting from the assistance provided by the International Senior Lawyer Programme. The evaluation team meet the Minister and the GEMAP advisor.

#### Activities and Results

Since the inception of the GEMAP, many activities have been implemented to ensure that the overall goals of GEMAP in this area were accomplished.

There has been assistance in the assessment of new mining application. As a result 49 new licences for exploration were issued. Furthermore there was also assistance in dormant mineral concession tender for the Western Cluster (iron ore), and the Bong Mines tender process. Concerning Western Cluster a Request for Proposals was launched, the bidding process conducted, and the winners were announced. A new due diligence is ongoing to since some concerns were raised with regard to the size and capacities of awarded companies. The estimated size of the investment size is US\$1.5 billion and it is expected to provide substantial revenue, employment and infrastructure development.<sup>12</sup>

Concerning policy area a large number of activities are being implemented. New regulations on exploration were completed with the assistance from the International Senior Lawyer Program (ISLP). The regulations are being harmonized with EPA Environment Protection Agency (EPA) guidelines. Next step will concern the formulation of new regulations on exploitation. Assistance was provided to finalize the standard MLME Mineral Development Agreements, harmonize the sectoral legislation with PPA, and formulate Mineral Strategy

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<sup>12</sup> Ministry of Finance Quarter three fiscal outturn, Fiscal 2007/2008, Monrovia, Liberia

and Action Plan. As a result of these activities, a model MDA has been developed, the harmonization is nearly completed, and the mineral strategy and action plan is in his the final stage after a series of consultative meetings held with different stakeholders.

The developing programme of a geo-cadastral system is to be implemented. The programme includes the formulating of regulatory framework, the provision of technical assistance, staff capacity building, the provision of equipments and the rehabilitation of facilities. The mission understood that that the implementation of the programme has been delayed for various reasons, but mainly for the rejection of the cadastre design report. The reason for the rejection was not clearly identified.

Furthermore the set up of the Mineral Concession Information Management System (MCIMS) is planned. An independent diamond valuator has been recruited and is conducting training for MLME staff.

There has been remarkable improvement in the operations of the Ministry and the contribution of GEMAP advisors were widely recognized. They have provided valuable assistance and were able to integrate very well in the Ministry structure. On the other hand a targeted recruitment policy accompanied by an effective system of incentive has allowed for the deployment of a capable management. However is still quite large the gap in term capacity between the management and the ministry's officers.

### Conclusions

The MLME has greatly benefited from the technical assistance provided through GEMAP arrangement in the areas of regulations and policy, operation, capacity building, and improved concession transparency. However, many activities are still outstanding, and challenges still exist, especially in sustaining the gains already made. One of the main issue concern the still non competitive salaries and incentives which could prevent retaining qualified technical staff as the mining industry will developed and will be able to offer higher remuneration.

### Recommendations

The assistance should continue as it is. Need for further specific support should be reported by the Ministry and the advisor to the Technical Team.

## **Annex 6: Forestry Development Authority**

### **Forestry Development Authority Rapid assessment**

#### Background

The assistance is provided to the Forestry Development Authority (FDA) within the first component of GEMAP Agreement aimed at securing revenues and insuring transparent financial management and accountability. The assistance is particularly relevant since the balanced exploitation of forestry resources through the awarding of concession and permits and subsequently monitoring of compliance would ensure consistent revenues to the state budget. Securing revenue was of paramount importance since revenue from timber were used, during the war, to fuel conflicts and destabilize neighbouring countries. These problems have contributed to the Liberian forestry sector being placed under UN sanctions in 2003. The sanction were reviewed in 2004/2005 then lifted in 2006.

The new Forestry Law, approved in June 2006, sets the mandatory functions of FDA over forestry conservation, community and commercial forestry; determine the rate for sharing the land rentals from logging: 30% to the communities, 30% to counties development (both through a trust fund) and 40% to state budget; and define the types of concession: (i) Timber Sale Contract (3 years, up to 5000 ha) and (ii) Forestry Management Contract (25 years, 50000 ha up to 400,000 ha, concession contract approved by the legislature and signed by the President). The embargo was lifted in December 2006 but only recently the FDA restarted commercial operations (after relevant regulation were passed). In the past two year commercial operations were limited to small domestic scale. The revenues from concession and permits fees are directly paid to the CB while the FDA investment and operational expenditures are financed through allotments from the State Budget. In this framework the FDA cannot be considered a state enterprise but a state agency.

The assistance provided to the FDA consisted in the GEMAP advisor (two were deployed in sequence) and in the funding of the study concerning the chain of custody. Both were provided by the USAID. The GEMAP advisor is vested with co-signature authority as far as financial management documentation and Timber Sale Contract are concerned. Furthermore an accounting software (PASTEL) was funded by Liberia Forest Initiative upon recommendation by Price Waterhouse. The evaluation team met: Mr. Bropleh Bernard, Mr. Downing Tom and Mr. Wetherspoon Emmanuel.

#### Activities and results

The assistance to FDA in term of capacity building is an example of best practices as far as the participative approach and the sequencing of stages were concerned. The advisor and the FDA staff started assessing risks and gaps in the internal system of financial control. Based on the outcome of the assessment new financial management and controlling procedures were design. The third stage was the review of the organizational set up in accordance with the new procedures. Finally individual tasks were identified and the job descriptions were prepared for each staff. Procedures were than codified in specific manual. The evaluation mission believe that this approach is much more effective that formal training.

Based on the system and procedures set up the central FDA staff is currently providing training to the personnel of decentralized offices. The evaluators came also across to an informal process of dissemination of good practices. A team from Liberian Bank of

Development and Investment (LBDI) has recently visited the FDA to learn from them how to implement effective financial management procedures. Similarly, the GEMAP controller was invited by the Minister of Agriculture to explain the FDA's internal control practices to the Minister's finance staff.

With regard to the implementation of the chain of custody a similar approach has been adopted. An FDA working group assisted by the advisor has assessed the risks, reviewed tender document and the contract and is currently developing procedures to ensure quality control on the operation of the external contractor responsible for carrying out operations.

With regard to concession the advisors contribute in the preparation of tenders, execute the due diligence of bidders and participate at the negotiation phase. In the coming months the existing small scale domestic operations, which are currently conducted without any formal permit, will be progressively legitimated.

The GEMAP advisor has been very well received and it is highly appreciated by the FDA, his integration in the FDA structure is excellent. On the other hand the FDA management and operational staff are certainly and visibly committed to the achievement of results and GEMAP objectives in terms of ensuring transparency and accountability. This is also facilitated by the FDA independent salary scale that ensures staff motivation and promotes integrity.

### Conclusions

The FDA is progressing very well, capacity is growing both at central and local level, and transparent and accountable procedures were settled and implemented. The mayor contribution of GEMAP was on the expenditure side rather than on revenue side since revenue securing is mostly due to the procedures that provide for direct payment to the bank of permit and concession fees. Moreover, significant revenues will be earned only after the letting of logging contracts, which are now just beginning. Much more relevant was the contribution on ensuring transparent and accountable procedures for concession awarding and control.

It worth noticing that GEMAP technical team reporting mechanism was not necessarily able to detect good practices and, in any case, the TT was unable to promote their dissemination within other GEMAP institutions and across government bodies. Furthermore TT monitoring mechanism was not able to detect the poor performance of the first advisor or, at least, the detection was not followed by appropriate actions.

### Recommendations

With regard to FDA there is little to recommend, operations shall continue along the existing and well established track. Assistance should continue to ensure that the ongoing concession process is implemented effectively. Need for further specific support should be reported by the Ministry and the advisor to the Technical Team.

## **Annex 7: Bureau of Custom & Excise**

### **Bureau of Custom & Excise Rapid assessment**

#### Background

The assistance is provided to the Bureau of Custom within the first component of GEMAP Agreement aimed at securing revenues and insuring transparent financial management and accountability. The assistance is particularly relevant since the Bureau collect about 55% of total revenue<sup>13</sup>. Despite significant improvement in the custom administration management, there are still large leakages especially from the custom at Monrovia Freeport which handles the majority of import/export. The assistance provided to the Bureau consisted of one short-term expert recruited by the EU Delegation (192 WDs starting from November 2006) and one short-term expert provided by IMF (3 missions of 2 weeks each). The scope of the assistance was to review the regulatory framework for custom inspection, review duty exemptions and preparing strategy and bidding documentation for outsourcing Pre-shipment Inspection, automation and operational management. A long-term technical assistance project is currently tendered by the EU Delegation. The main scope of work is to monitor the implementation of any outsourced contracts. The evaluation team met the commissioner Mr. Gaye Alfonso.

#### Activities and results

According to the outcomes of the interview held at the Bureau and the assessment of the reports reviewed by the evaluators, the performance of the first short-term expert was questionable. The fact that the expert was not particularly skilled was also confirmed during a call conference by a former EC task manager. Complaints were raised by the counterpart with regard to the advisor attitude of preparing progress reports without consultation. However he has contributed to the preparation of a preliminary strategy for services outsourcing that paved the way to the IMF short-term missions. The IMF missions revised and finalized the strategy and three calls for expression of interest were prepared. With regard the first one (PSI outsourcing) the process was completed and it is now at the stage of final negotiation. The other two (which are not self-financing as it is PSI) are still waiting for donors' funding decision. Furthermore negotiations are still on going to decide whether both sectors will be outsourced or only the automation one.

#### Conclusions

The process is currently in its final stage; however three years have elapsed since GEMAP agreement was signed. More effective performances of the first expert would have most likely lead to a shortening of the implementation schedule. Any consideration concerning sustainability is premature. The approach adopted (management contracts) is in line with the strategy proposed in the GEMAP Agreement but seems that the donors have refused to fund it.

#### Recommendations

Negotiation between donors and GOL concerning the final decision on sectors to be outsourced should be quickly finalized. Since the donors are apparently not prepared to fund

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<sup>13</sup> Ministry of Finance – Quarter II Fiscal Outturn 2007-2008

the outsourcing contracts concerning automation and operational management the BCE should present an alternative option to improve its management.

## **Annex 8: Bureau of Budget and Ministry of Finance**

### **Bureau of Budget and Ministry of Finance Rapid assessment**

#### Background

Given the close operational linkages and interdependency of the Bureau of Budget (BOB) and the Ministry of Finance (MOF), which includes the CMCo (inter-ministerial) and its secretariat plus a number of other GEMAP funded technical assistants, the evaluation mission has decided to merge the two institutions in a single assessment.

The assistance is provided to the BOB and to the MOF within the second component of GEMAP Agreement aimed at improving effectiveness transparency and accountability of budgeting and expenditure management. The assistance is particularly relevant since given the need for increasing the efficiency and the effectiveness of public spending, particularly in a situation where resources are scarce. In this framework improving system transparency (procedures) and accountability (reporting system) it is a pre-requisite.

At the time the Agreement was signed there were no reliable estimates of budgetary receipts, budgetary ceilings were not notified to line ministries in time, the budget circular and the formats therein were unclear resulting in line Ministries sending inflated proposals. After the budget is passed, Ministries were rarely notified of their allotments, with allotments being changed multiple times during the month/year at the sole discretion of the Bureau of the Budget resulting in Ministries not knowing, at any point in time, what the level of their allotment was causing uncertainty both at the commitment stage as well as at the final payment stage and finally resulting in the build up of large arrears. Since there was no commitment control system in place, Ministries incurred liabilities for Government, irrespective of the allotment made or the cash available. This resulted in the Ministry of Finance being in constant crisis mode with the Cash Management Committee under constant and enormous pressure to clear payments. The poor documentation, thirty stages of voucher review before payments were made, lack of ageing information and opaqueness regarding prioritization by the Cash Management Committee all exacerbate the problem.

The assistance provided to the BOB consisted in the GEMAP advisor with co-signature authority (four were deployed in sequence, the first two on short-term basis, the third has just completed her assignment and has been replaced by a short-term one for an interim period) and some short-term experts (budget monitoring, expenditure classification and IT for LECAP implementation – together with MOF).

The assistance provided to the MOF consisted in a team of advisors recruited under the umbrella of the Resources Management Unit (RMU), PFM capacity building programs including the establishment of a two-year graduate program in financial management, and in the procurement and implementation of the Integrated Financial Management Information System (IFMIS), not installed yet. In addition, a PFM training school was established to build long-term PFM capacity.

Initially the team had to include the following expertise: one team leader: public expenditure management expert, one cash management expert, one revenue management expert, one IFMIS, Payroll, Procurement system implementation expert, one IFMIS implementation expert, two procurement experts, two concessions review experts, one change management expert. The scope of RMU was then downsized since a specific pool of expert was

separately recruited for concessions reviews, procurement experts were deployed at PPCC, IFMIS is still waiting for implementation, and the revenue side was excluded from the assistance.

Currently the RMU is composed of nine members: a senior advisor of the Minister, a public financial management advisor (responsible for training), one cash management expert with co-signature authority, one concession expert, one legal advisor, two IT experts (one nationally and one internationally recruited), and two change management experts (one nationally and one internationally recruited). The experts were fielded starting in a period ranging from the second half of 2006 until early 2008.

The evaluation team meet: the Assistant Minister (Revenue) the Director, Acting GEMAP Advisor to GEMAP Budget Adviser and Financial Controller and five members of the RMU.

### Activities and results

#### *Bureau of Budget: GEMAP activities and contribution*

The following assessment based on the 2008 Public Financial Management Performance Report (Draft)<sup>14</sup> intends to briefly review budgetary performance. Liberia's PEFA indicators for budget performance are generally poor (yet consistent with those of other post-conflict countries in Africa). However there has been significant improvement since 2006. Budget preparation and coordination has significantly improved with the establishment of the Budget Committee that provides oversight of the budget process. The linkages between policies and budget allocations are gradually being strengthened. Prior to the 07/08 fiscal year the budgeting process was not anchored in any policy framework. The 2007/08 fiscal year used the iPRSP to guide allocation decisions, with the 2008/09 budget, currently before the Legislature, was guided by the recently completed PRSP. However, weak capacities in line ministries have so far limited the preparation of sector strategy documents and more detailed budget planning at the sectoral level.

Ministries/Agencies are engaged earlier in the budget process through a budget circular setting out guidelines for budget preparation, sent out by BOB. The aggregate expenditure and revenue out-turn still present significant variations compared to the original approved budget. Functional classification is not currently used in Liberia and there is no formal coding of poverty reduction spending item. The 2007/08 budget has introduced the concept of "programme" although in practice most of these were only administrative sub-division of the various bodies of the state. For expenditure, the current object classification, which is compatible with GFS 1986, was significantly rationalized for the 2007/08 budget and code duplications were cleared up with the introduction of Liberian Expenditure Control and Accounting Programme (LECAP). Comprehensiveness of information included in the budget documents has been evolving. During the preparation of draft 2008-09 budget and the execution of the 2007-08 budget, there have been further improvements in budget calendar, in budget classification, in monitoring, and in better justification of allocations in relation to Liberia Poverty Reduction Strategy (PRS)

Since 2006, the GEMAP advisor contributed significantly to the evolution of the systems and procedures that now make up the annual budget process.

#### *Ministry of Finance: GEMAP activities and contribution*

A key component of the budget execution is the cash management system introduced under the GEMAP system. This aims at ensuring that expenditures remain within the available

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<sup>14</sup> Document of the World Bank prepared in collaboration with the GOL, ADB, IMF, UNDP, DfID and SNAO

resources envelop, prevent the accumulation of arrears and ensure compliance with the new public procurement legislation.

Each Ministries/Agencies is responsible for submitting a monthly cash plan to the BOB, which is the basis of monthly cash allotments issued to Ministries/Agencies by the Bureau of Budget. These cash plans are reviewed and approved by the BOB, and the BOB subsequently issues allotments to the Ministries/Agencies and BGA, which is responsible for processing payment requests. Following receipt of its cash allotment from the BOB, Ministries/Agencies prepare a Local Purchase Order (LPO). After checking for appropriation, allotment, conformity of object code and verifying compliance with procurement procedures and financial rules, the BGA approves the LPO and returns the documents to the Ministries/Agencies. The Ministries/Agencies proceed with the procurement. On receipt of the goods and/or services, the Ministries/Agencies forward the voucher to BGA. The BGA then checks for conformity with LPO and processes the voucher for payment.

The vouchers approved by the BGA are then forwarded to the inter-ministerial Cash Management Committee (CMC) secretariat. The CMC Secretariat is responsible for preparing the listing of vouchers for payments, which is subsequently reviewed and approved by the Cash Management Committee. The CMC also receives from the office of the Controller General of Accounts details of the GOL Cash balances with the CBL prepared on the basis of CBL statements. However, cash position is based on bank statement balances at CBL rather than the cash book balances held by the Controller General of Accounts since Liberia operates a single entry system and so payments are not contra-entered into the cash-book. After reviewing the listing of vouchers for payment prepared by the CMC Secretariat, and after taking into consideration the available cash balances, the CMC approves the payments. The approved signed listing for the CMC meeting is forwarded to CBL.

With regard the other members of the Resources Management Unit (RMU - see the GEMAP Agreement) evaluators were unable to meet all members of the team. However the mission broadly understood and assess the activities implemented. The senior advisor to the Minister (who was replaced recently) was highly appreciated and apparently provided high profile advice in a broad range of issues.

A very important contribution was provided by the IT experts who helped the MOF setting up the LECAP which is an interim data capturing and reporting system that will be replaced by IFMIS. LECAP has contributed to the gradual improvement of the accounting system and provides a good platform for the implementation IFMIS by exposing key official to a computerized environment. LECAP was also used in the BOB to capture the annual appropriation and print the budget documents. Cash plans are also entered in LECAP and ensures that the annual appropriation is not exceeded.

The public expenditure management expert (responsible for training) has organized a number of short-term courses on PFM and oversees the PFM training school which offers a two year graduate program in PFM and currently enrolls 60 students; however the evaluation mission did not have the opportunity to assess their effectiveness. The concession expert is deployed at the Bureau of Concession which is responsible for assessing economic, fiscal and social implication of concession and investment incentive.

The two change management experts were deployed at the department for administration four month ago with the very ambitious tasks of developing and implementing internal controls policy and procedures, assist in financial and administrative planning, re-engineering administrative process and procedures, prepare and analysing departmental budgets, design and implement performance indicators, evaluate staff performances against operational plans and several others. Outputs to date were limited and not clearly linked to

the TOR which however is not particularly relevant to GEMAP objectives and further PFM challenges. The mission failed to meet the legal advisor.

With consistent delays on the planned schedule the IFMIS system is to be installed. The project coordinator has been recruited and will take office at the end of this month. IFMIS implementation will start with the core modules (budget execution and commitment control, general ledger that will include bank reconciliation and reporting). It will require extensive change management and capacity building.

Furthermore a MOF 2-year training program, which is a model for GEMAP related skill capacity building, has been designed to assist a broad range of Ministries and Agencies that are key to public finance management

The GEMAP advisors and RMU team members has been very well received and, in particular, the former advisors to BOB and to the Minister of Finance have been highly appreciated. Their integration in the BOB and in the MOF structures is excellent. On the other hand the BOB and MOF management and operational staff are certainly and visibly committed to the achievement of results and GEMAP objectives in terms of ensuring transparency and accountability. This is also facilitated by the allowance system that sometimes triples the basic salaries and ensures staff motivation and promotes integrity.

### Conclusions and recommendations

To re-establish transparency and accountability, contain expenditures within the quarterly cash limits, enable initial budget policy targets to be met and to ensure that arrears are not built up by ministries and agencies, the GOL under GEMAP arrangements has set up a system of accounting for its revenues, expenditures, assets and liabilities that involves the Bureau of the Budget, Bureau of General Accounting, Ministries, Departments and Agencies and the Cash Management Committee. This system, which is very effective and which is becoming sustainable, allows for detecting irregularities and short-comings in the public procurement procedures implemented by line ministries/agencies. In this framework the assistant minister for expenditure express her willingness to maintain the co-signature arrangements mostly as a mean to promote compliance with procedures, complementing the technical assistance that is to be provided procurement entities by the WB in the framework of EGIRP<sup>15</sup>.

The evaluation mission believes, in accordance with the opinion of top government officials and World Bank report<sup>16</sup>, that it is the time to plan ahead, to move from securing and stabilizing the system to reform and then to regular operations. This requires, in the medium term, a shift from cash based management to cash flow forecasting and the design of a more streamlined procurement and payment process aimed at promoting greater autonomy to the line ministries/agencies.

In order to progress and to create the conditions for increasing the autonomy of line ministries, there is need for de-concentration and for planning significant capacity building assistance within the financial departments of key ministries (selected on the basis of spending and relevance to PRSP objectives) on financial management to pave the way for future decentralization. This assistance would be in line with that, to be provided in the framework of EGIRP, on procurement. This assistance should be complemented by a large program aimed at strengthening internal audit function, in line with the strategy recently approved by GOL. In this context the PFM law, currently being developed, and the IFMIS should provide the regulatory framework and the technical platform to implement the reform process. The possible merging of the BOB and MOF will improve coordination and

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<sup>15</sup> Economic Governance and Institutional Reform Programme

<sup>16</sup> 2008 Public Finance Management Performance Report (Draft) – World Bank

effectiveness. In this framework the RMU assistant team should be largely revised to ensure that reform challenges are effectively addressed.

With regard to budgeting process there is a need to progressively increase its links with poverty reduction policy objectives and allocate resources accordingly. The credibility of the budget needs to be strengthened by improving expenditure and revenue forecasting so to avoid recurrent reallocation during the fiscal year. Budget classification needs to be improved as well by introducing programme and functional codes.

## **Annex 9: Public Procurement and Concession Commission**

### **Public Procurement and Concession Commission Rapid assessment**

#### Background

The assistance is provided to the Public Procurement and Concession Commission (PPCC) within the third component of the GEMAP Agreement aimed at improving procurements practices and granting of concession. The assistance has been and it is particularly relevant since it aims at reducing corruption and misuse of resources in the public expenditure process and maximizing the revenues deriving from concessions on Liberia vast patrimony of natural resources. The assistance consisted of two main components: (i) review of existing contracts and concession and (ii) support to the PPCC in the implementation of its regulatory, monitoring, inspection, complains and appeals revision and HR development mandatory functions established by the Act approved in September 2005<sup>17</sup>.

The assistance provided consisted in: (i) a team composed of 17 international and national experts funded by the EC, USAID, WB and UNMIL responsible for the review of contracts and concessions executed during the NTGL mandate and (ii) a team of three GEMAP advisors (without co-signature authority) funded by the WB and responsible for assisting the PPCC. The advisors were fielded in September, October and November 2006. A consulting company has been recently recruited to develop regulations and procedures.

Further assistance will be provided by the WB in the framework of its Economic Governance and Institutional Reform Programme (EGIRP). Within this arrangement the PPCC is expected to benefit from: (i) an internationally contracted consulting company that will provide technical assistance and capacity building to the procurement entities, (ii) one international advisor that should assist the compliance and appeals panel, and (iii) the installation of a software to monitor compliance of procurement procedures. The evaluation team meet the Executive Director and the advisor.

#### Activities and results

With regard to the review of existing contract and concessions it ended with the following results: out of the 95 identified lease agreements 52 were accepted, for 16 a renegotiation was recommended, 27 were rejected. Concerning follow up the situation is as follows. With regard to renegotiation the big companies have complied with the request while the small companies, for which the contracts were of limited duration, are phasing out. Concerning rejected contracts the judiciary process is on-going. A second output of the review was recommendations concerning the harmonization of sectors legislation and regulations (oil and minerals) with the procurement and concession Act of 2005. As a result USAID has fielded two legal experts, whose TOR were ready by April 2008. The harmonization proposals should be ready by November 2008.

As far as the assistance to PPCC is concerned two out of the three advisors fielded in 2006 resigned quite soon due to inadequacy and scarce performance. The third advisor has assisted the PPCC to conduct 60 compliance monitoring, develop a procurement/training manual and implement training programmes for PPCC and procurement entity staff. The compliance monitoring in this first phase were mainly aimed at assessing procurement entity

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<sup>17</sup> Act creating the Public Procurement and Concession Commission

capacity and gaps. In this framework the monitoring was particularly conducive to the development of the procurement/training manual. According to other sources the procurement/training manual is far from materializing. Since February 2007 a total of 19 training courses were organized and implemented by the GEMAP advisor in collaboration with the PPCC staff. For the staff it also represented an opportunity for on-the-job training.

The new assistance package to be provided under EGIRP is particularly needed to provide technical assistance to the procurement entities and improve monitoring procedures at PPCC. The current backlog in procurement put at risk the activities of line ministries and agencies and represents the main cause of the backlog in public expenditure.

The GEMAP advisor has been well received and highly appreciated by the PPCC Executive Director. According to the Director his integration in the PPCC structure is excellent. The PPCC management and operational staff are certainly committed to the achievement of results but some shortcomings and internal management issues have hampered the process. Staff commitment is also facilitated by the PPCC independent salary scale that ensures motivation and promotes integrity. Line ministries and agencies were reported to be committed to improvements despite their lack of capacity severely limited their current performances.

### Conclusions

The PPCC and the assistance are on the right track. Many activities are on-going in particular with regard to regulatory framework and procedures. The initial capacity building and monitoring activities are promising. However the most remain for the future in particular in term of capacity building.

Along this line the Ministry of Finance has observed the following common deficiencies related to procurement when processing Local Purchase orders (LPOs)/Vouchers<sup>18</sup>:

- Invoices are not consistent in terms of items/quantities procured (shopping).
- Delivery notes are not consistent with invoices or LPOs and are not signed.
- Procurement committee meetings minutes are not attached and/or not signed.
- Single sourcing not justified.
- Specifications are not drawn properly resulting in entities resorting to quoting 'end user requirement' as justification for preferring a particular bid.
- Advertisements are not prepared with lots in mind: ministries issue one advertisement for anything from stationery, fuel, computers, and vehicles.
- The period of advertisement and closing of bid submission and opening are not spaced out as per the provisions of the Act.
- Misunderstanding about term "responsive bids".
- Lack of clarity about payment terms (linked to delivery) advance payment (linked to a bank guarantee) mode of payment.
- Lack of understanding of letter of credit as a mode of payment.

The decision of decentralizing procurement without building at first capacity at central level has not facilitated the task. PPCC still lacks staff and capacity. The procurement entities rapidly set up procurement units appointing staff from different departments that have never had any procurement experience. It is difficult to estimate which share (if any) of the current backlog could have been avoided in case of better performances of the advisors initially deployed (or in case of faster procedures in contracting consulting companies for which the PPCC is responsible) and in case the PPCC would have been more effectively managed. However it could have helped speeding up capacity building activities.

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<sup>18</sup> 2008, Public Finance Management Performance Report (Draft), WB

It is remarkable the responsiveness of donors to arising needs: USAID that fielded a team for the harmonization of legislation as consequence of concessions review recommendations and the WB that is to provide further assistance to solve the backlog and strengthen PPCC functions. On the other hand these actions required a quite long time to be implemented (the CCRC review dated January 2007 and the TOR for harmonization of the legislation were ready in April 2008).

### Recommendations

As stated above the activities are on track and cover all major needs. In this framework can be only recommended to foster recruitment and contracting procedures (and the related decision making process) and to focus on capacity building in house and in the procurement entities.

## **Annex 10: General Auditing Commission**

### **General Auditing Commission Rapid assessment**

#### Background

The General Auditing Commission (GAC) is a statutory body in charge of conducting audits of all government ministries, agencies and organisations including state owned enterprises. Upon request by the President, GAC can also conduct special audits or investigations. It is regulated by the 1972 Executive Law (currently being revised). According to Chapter 53 of the Executive Law of 1972, modified in 2005, GAC reports directly to the Legislative Branch of the Government. As many institutions in post-war Liberia, GAC was reduced to bare minimal capacity with limited staff and records. The European Commission (EC) under GEMAP provides a long-term Technical Assistance to GAC as part of its support to GEMAP. This support falls under the components 5 of GEMAP supporting key institutions which does not require banding co-signature. Currently GAC has more than 100 trained auditors and 11 audits have been carried out, GAC has been accepted into international auditing bodies such as International Organisation of Supreme Audit Institution (INTOSAI) and its Africa chapter AFROSAI-E and GAC contributed to the formulation of recommendations for the enactment of the Public Finance Act, the Financial Regulation and the Internal Auditors Act which were included in the PFM review implemented by the World Bank. The EC financed the position of the Auditor General (AG) for 2 years (February 2007 to January 2009) and a technical assistant team, composed of human resource and legal consultants for an initial period of 18 months, extended to December 2008.

The evaluation team met and interviewed the Auditor General, the Team Leader of Long Term Technical Assistant supported by the Training Technical Assistant.

#### Activities and Results

Since the start up of the technical assistance, GAC has undergone a major restructuring that included the retrenchment of all old employees except 5, and the hiring of 107 auditors and 41 administrative staff. In addition the Government of Liberia appointed 2 Deputy Auditor General in April 2008. However it was noted during the interviews that the appointment of the 2 Deputies were carried out without consultation with the Auditor General and were, therefore, viewed as political appointments.

GAC staff development program is on-going. However so far staff from GAC was seconded to Ghanaian and South African Audit institutions and 22 auditors from Ghana and Zambia were brought in to assist with on-the-job-training during the implementation of the 11 audits that were carried out by GAC. Out of the 11 audits conducted, 3 audit reports are ready to be submitted to the Legislature and the other 8 are with the management of the respective ministries and agencies for comments. The 11 audits so far carried out were selected using a risk matrix developed by GAC to identify "High Top Priority" audits. Furthermore training and audit manuals and guidelines for auditors, Code of Ethics were developed; INTOSAI auditing standards were adapted to the Liberian context in "The Brown Book". In addition 127 auditors including internal audit staff from Ministries of State and the Ministry of National Security was trained. GAC has disseminated, through radio programmes sponsored by the EC and UNMIL, information on the role of the AG and has promoted awareness among the Liberian people on the need for accountability of those responsible for managing public funds. GAC has been actively involved in the National Budget analysis debates.

GAC audit fees to be charged to the public institutions audited are still being negotiated and thus GAC has not generated adequate revenue to support itself. GAC is housed in a dilapidated old mansion building, which is currently under refurbishment from funds provided by the GOL. The EC has pledged to finance the refurbishment of some sections of the building and is awaiting results of the tendering process.

It was not clear to the evaluation team whether any structured plans and strategies were in place to ensure that the capacity, particularly at leadership level, would be sustained after the departure of the LTTA in December 2008 and of AG in 2009. It is perceivable that the 2 Deputy Auditor Generals were brought in for that purpose, however no concrete evidence was found to support that view.

### Conclusions

GAC is one of the success stories of GEMAP as far as the support for key institutions and capacity building is concerned. It was evident during this evaluation exercise that the institution had achieved significant milestones towards effectively performing its functions. This is attributable to the effectiveness of the leadership, team efforts, clear focus on goals, determination to succeed, and the support received from the Government of Liberia and from EC through its GEMAP assistance.

Delays in audit reports present concerns over the country's attainment of the enhanced HIPC completion point. According to the IMF, Liberia should complete successive annual external audits of 5 key government ministries (Health, Education, Public Works, Finance and Lands, Mines and Energy), prepared under the authority of the General Auditing Commission, submitted to the legislature and disclosed publicly as an indicator of the smooth transition from GEMAP to an ordinary public finance management system. It is therefore important that GAC completes the audits as outlined above. However, the delays in the delivery of audit reports were exacerbated by the generally weak state of the accounting function in many ministries/agencies and the lack of skilled manpower at GAC. The quality of the audit will only be assessed when the audit reports have been publicised after approval by the Executive and the Legislature. Follow ups on recommendations in subsequent audits will provide indicators to the progress of the accounting systems and effectiveness of GAC audits. The capacity developed through training and audit experience has provided a foundation for GAC. However the pillars of sustainability of a supreme audit institution such as GAC include its ability to maintain independence and to retain experienced staff. This would entail, among others, the provision of adequate financial resources. GAC requires stable financial support from both donors and the government that will enable the institution to continue to train and carry out audits of a sound quality. It would also require independence from political interference to ensure follow ups by the Legislature on reported financial impropriety and maintain credibility. Ministries and Agencies should also implement corrective actions to address issues raised in the management reports of the completed audits.

### Recommendations

In order to further strengthen the external audit function, there is need to further improve the legislative framework, increase financial independence and improve capacity. Action is being taken on all three fronts. An Act to repeal and replace Chapter 53 of the Executive Law of 1972 that will grant financial independence to the GAC has been submitted to the Legislature, but has yet to be approved. Financial independence is being improved through MOF providing GAC with quarterly releases, with replenishments on the basis of accountabilities provided. There is, however, a need of a new and separate Act on the GAC

fully in line with international recognized auditing standards (Lima and Mexico declarations) and best practice in order to strengthen the external audit.

GAC is a key institution, therefore should continue to receive financial support from donors and from the GOL in order to competitively remunerate its staff (to prevent brain drain) and keep improving the audit quality. The awareness and the ability of Ministries/Agencies to fully exploit audit to improving accounting and financial system should be strengthened in the framework of the proposed assistance to the financial and internal audit departments of line ministries and agencies (see MOF). Adoption of best practices from elsewhere in Africa such as Ghana, Zambia and South Africa, through networking programmes, to help building and enhancing the quality of audits and building the capacity of GAC, should continue.

## **Annex 11: General Service Agency**

### **General Service Agency Rapid assessment**

#### Background

The assistance is provided to the General Service Agency within the fifth component of GEMAP Agreement aimed at supporting key institutions. We need to remind here that supporting key institutions is not an objectives but an actions for with the specific objective should be define in order to provide a justification for the intervention. In the Agreement the GSA was mentioned only twice in very few lines. The first was, as reported above, when it was enlisted among the institutions targeted for support, the second in the technical annexes where it was mentioned that “a review covering GSA mandate, structure and future organization will be undertaken”. The evaluation team had the opportunity to look at the TOR for the review but not at the final report. However the mission guess that the initial lack of clarity (most likely due to the redefinition of the role of GSA that took place almost in parallel to the signature of the GEMAP Agreement with the enactment of the new law on procurement<sup>19</sup> that divested GSA of its exclusive authority on procurement) was not properly addressed by the review.

In fact the current mandatory functions of GSA (registry of public assets, formulation of technical specifications for the most common GOL procured equipments including IT, data processing for GOL departments and agencies and maintenance of public buildings and state vehicle fleet) are not as relevant to economic governance as the functions mandated to the other GEMAP institutions are. Furthermore GSA was structurally and infra-structurally badly equipped to perform the designated functions. The assistance provided to GSA consisted of the initial scoping study, one long-term advisor (without co-signature authority) deployed since October 2006 and one short-term advisors on generator maintenance. All advisors were funded by USAID. The evaluation team meet the GEMAP advisor and the short term consultant.

#### Activities and results

The first activity undertaken by the LT advisor was to review the organizational structure, process and procedures of GSA in view of the implementation of the MainStar programme. This exercise has produced the mapping of 61 key business processes, a new organizational chart and a total of 15 manuals for the MainStar fixed assets management system. The GSA had received \$176,000 in the 2008-2009 budget that is earmarked to fully implement the MaintStar program and had hired Mr. John Tauh as the GSA’s database manager. The evaluators did not assess the quality of the outputs but had the impression that this exercise did not involved the GSA management and staff. However, giving the poor structural context and the dilapidation of infrastructures and equipments, and the consequent limited commitment and motivation of management and staff, it would have hardly produced any consequence in term of institution efficiency and effectiveness. In this framework the advisor has also presented a request for the recruitment of seven senior staff through the Senior Executive Services to be deployed as technical department’ heads.

More effective were the activities and investment targeted at the establishment of a registry of public assets. Software was installed and a computer room was equipped to register all

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<sup>19</sup> Act creating the Public Procurement and Concession Commission

public buildings and movable state assets. The mission was reported the registration is proceeding at a very slow pace due to the scarce collaboration of line ministries and agencies. The mission was explained that the current GSA website would eventually expand into a web portal to facilitate fixed asset management (i.e., all assets will eventually be bar-coded and GSA Coordinators, using hand-held bar-code scanners 50,000 records) will scan Ministry/Agency assets each year and upload the results through the web portal. Mr. Cajthaml continued by stating the web portal concept was also an underlying reason for constructing The recently built IT Training Centre will allow the GSA to train Ministries and Agencies on the MaintStar application so that Ministries and Agencies and upload and view their fixed asset inventory. The evaluators were not able to understand when these programmes will be completed.

With regard to the formulation of technical specifications, which is one of the GSA functions most relevant to the economic governance and in particular to procurement process, the main activities implemented concern:

- the ongoing development of a GOL price and commodity index catalogue to ensure “*more value for money*” and the provision to all GOL functionaries of guidance in the acquisition of supplies, equipment and vehicles via its web site. The GSA is also developing a website to publish its catalogue through funding provided by the USAID under the GEMAP program. However, the evaluators were reported from several sources that the delay in the formulation of technical specifications is one of the reasons for poor procurement performance.
- the formulation of a questionable policy on procurement of used vehicles (procurement of used vehicles is a very risky practice since no controls are effective to determine the condition of the asset and the evaluation of bids is based on very subjective assessment) which was designed and submitted to GEMAP Technical Team.

With reference to procurement the advisor is engaged on the preparation of a feasibility study on the setting up of a centralized system for fuel storage and distribution (two fuel stations should be built in this framework) for the vehicles fleet of ministries/agencies to replace the current coupon system that causes corruption and misuse of resources. The evaluators are not in the position to assess the potential benefits of the two approaches and whether other solutions could be identified to secure the coupon system. However it is worth to underlining that the proposal, formulated by the advisor, would require a change in the legislation that has decentralized the procurement to final users and that this issue falls outside the current GSA mandatory functions.

Concerning the third mandatory functions of GSA – maintenance of public building and state vehicle fleet – a number of training courses were implemented. Unfortunately they were of limited use since GSA workshops are extremely depleted and almost without equipments and even basic tools.

Furthermore another couple of activities, outside GSA mandatory functions, were surprisingly implemented. They concerns: (i) the delivery of basic computer training to Ministries/agencies staff (training due to start soon) and (ii) a course on internal auditing. The evaluators appreciate the relevance of these activities that are aimed at addressing real needs but the question is: why at GSA since these activities are not included in the GSA mandatory functions.

## Conclusions

The assistance of GEMAP to GSA was not particularly successful. Some of the activities implemented were either irrelevant in relation to GSA mandate (audit, general computer training), in contrast with best practices or with the current legislation (procurement of used vehicles, centralized system for fuel storage and distribution) or scarcely effective due the dilapidated state of GSA equipment (training on maintenance). The results were therefore questionable and not necessary conducive to the achievement of economic governance objectives. More efforts could have been devoted to the establishment of an effective assets registration process and to the formulation of technical specification that would have helped improving procurement process and reducing backlog. A combination of factors are presumably at the origin of this situation: (i) the initial lack of clarity on the GSA functions, (ii) the dilapidation of GSA infrastructures and equipments, (iii) the lack of ownership, commitment and motivation of GSA staff due to the adverse environment conditions, (iv) the good will and energy of the deployed advisor that, in an environment that was not conducive to reform, engaged himself in a number of activities not necessarily relevant to GSA mandatory functions or ineffective given the status of GSA facilities (v) the scarce effectiveness of GEMAP monitoring and the consequent lack of capacity of identifying and implementing remedial actions.

In this framework it is worth noticing that, despite the quite well developed reporting system, the GEMAP Technical Team was unable to detect the lack of consistency of the activities implemented or, whenever detected, was unable to address the problems.

## Recommendations

The evaluation mission recommends strengthening activities related to assets registry and design of technical specifications; reconsidering the policy related to the procurement of used vehicles and conducting a full shaped feasibility study assessing all possible options for fuel procurement and distribution. Before providing further assistance in the area of building and vehicle maintenance the GOL should decide how these services should be managed. The options are: (i) rehabilitate the GSA maintenance capacity by executing huge investment in infrastructure, equipment and capacity building, (ii) outsourcing the maintenance service.

## Annex 12: List of interviewees

<b>Ahiawadzo</b> Clement	PPCC
<b>Booth</b> Donald	US Embassy
<b>Bropleh</b> Bernard	FDA
<b>Browne</b> Aletha	MoF
<b>Cajthaml Frank</b>	GSA
<b>Carey</b> Douglas	US Embassy
<b>Ceesay</b> A.H (His Excellence)	ECOWAS
<b>Cilem</b> Samim	BoB
<b>Corneh</b> Jacob	RIA
<b>Cuffy</b> Alexander	RIA
<b>Davis</b> Ethel	CBL
<b>Davis</b> Natty B O	EM-LDRC
<b>Downing</b> Tom	FDA
<b>Fiadzo</b> Emmanuel	World Bank
<b>Gabelle</b> Chris	DfID
<b>Gabre-Kidan</b> Tadesse	CBL
<b>Gaye</b> Alfonso	Bureau of Customs
<b>Greaves</b> Harry	LPRC
<b>Kamuluddeen</b> Kamil	UNDP
<b>Lizwelicha</b> Kamau	LPRC
<b>Mills</b> Jones J.	CBL
<b>Morlu 11</b> John	GAC
<b>Mwamba</b> Ron	GAC
<b>Nanka</b> Winsley	LPRC (former)
<b>Newton</b> Wellington	NPA
<b>Ngufuan</b> Augustine	BoB
<b>Sam</b> Dominic	UNDP
<b>Simson</b> Rebecca	World Bank
<b>Sirleaf</b> Charles	CBL
<b>Torori</b> Cleophas	UNDP
<b>Tubman</b> George	NPA
<b>Wetherspoon</b> Emmanuel	FDA
<b>Wonzon</b> Patrick	EM- LDRC

## **Annex 14: List of documents reviewed**

Ernst and Young (2005), *Audit Report, Volume 1, Liberia Petroleum Refining Company (LPRC)*

Ernst and Young (2005), *Systems and Financial Audit of Roberts International Airport*

Ernst and Young (2006), *Central Bank of Liberia, Independent Auditor's Report on the Annual Financial Statements, Year Ended December 31 2006*

European Commission in Liberia, *Long Term Technical Assistance to the General Auditing Commission (GAC), First Progress Report*

European Union (2007), Final Report, Management Study of the Bureau of Maritime Affairs (BMA) as a revenue collection agency,

GEMAP Agreement

GEMAP Status Report (2006)

GOL, National Budget – 2006-2007, Bureau of Budget

GOL, National Budget – 2007-2008, Bureau of Budget

GOL, Ministry of Finance, Quarter 11 Fiscal Outturn Report Fiscal Year 2007-2008

National Transitional Government of Liberia, Budget, 2004

Public Procurement and Concessions Act

Poverty Reduction Strategy (Interim and Final)

United Nations Development Assistance Framework, 2008-2011

World Bank/UN Peacekeeping (2006), *Liberia's Governance and Economic Management Assistance Programme (GEMAP)*

World Bank (2008)' *Draft- 2008 Public Financial Management Performance Report – contribution from: IMF, AFDB, DFID, UNDP and SNAO*

Terms of References for GEMAP experts: *Bureau of Budget, Central Bank of Liberia, Forestry Development Authority, General Audit Commission, General Services Agency, Ministry of Land Mines & Energy, National Port Authority, Public Procurement & Concessions Commission and Roberts International Airport*

Annual Work Plans for: *Bureau of Budget, Bureau of Customs & Excise, Central Bank of Liberia, General Audit Commission, General Services Agency, Forestry Development Authority, Liberia Petroleum Refining Company, Ministry of Finance -Cash Management Committee, Ministry of Land Mines & Energy, National Port Authority, Public Procurement & Concessions Commission Roberts International Airport*

Quarterly Reports for: *Bureau of Budget, Bureau of Customs & Excise, Central Bank of Liberia, General Audit Commission, General Services Agency, Forestry Development Authority, Liberia Petroleum Refining Company, Ministry of Finance -Cash Management Committee, Ministry of Land Mines & Energy, National Port Authority, Public Procurement & Concessions Commission, Roberts International Airport*

Policy and Procedures Manual, Central Bank of Liberia