PROJECT PERFORMANCE ASSESSMENT REPORT

LIBERIA

Integrated Public Financial Management Reform Project

Report No. 153799
DECEMBER 21, 2020

IEG
INDEPENDENT EVALUATION GROUP

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WHAT WORKS

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LIBERIA INTEGRATED PUBLIC FINANCIAL MANAGEMENT REFORM PROJECT (IDA-50260, TF-012390, TF-0A2366)

December 21, 2020

Human Development and Economic Management

Independent Evaluation Group

Abbreviations

AfDB	African Development Bank
FY	fiscal year
GAC	General Auditing Commission
ICR	Implementation Completion and Results Report
IEG	Independent Evaluation Group
IFMIS	integrated financial management information system
IMF	International Monetary Fund
IPFMRP	Integrated Public Financial Management Reform Project
ISR	Implementation Status and Results Report
MDTF	multidonor trust fund
MFDP	Ministry of Finance and Development Planning
PDO	project development objective
PEFA	Public Expenditure and Financial Accountability
PFM	public financial management
PPCC	Public Procurement and Concessions Commission
Sida	Swedish International Development Cooperation Agency
SOE	state-owned enterprise
TSA	treasury single account
USAID	United States Agency for International Development

All dollar amounts are US dollars unless otherwise indicated.

IEG Management and PPAR Team

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This report was prepared by Yumeka Hirano and Jose M. Rodriguez Alvarez. The report was peer reviewed by Soren Kirk Jensen and Felix Oppong and panel reviewed by Clay Wescott. Patricia Acevedo provided administrative support.

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This is a Project Performance Assessment Report by the Independent Evaluation Group of the World Bank Group on the Liberia Integrated Public Financial Management Reform Project (P127319) and the project's additional financing (P156384). This instrument and the methodology for this evaluation are discussed in appendix C. Following standard Independent Evaluation Group procedure, the draft report was shared with relevant government officials for their review and comment; no comments were received.

Basic Data

Country	Liberia	World Bank financing commitment	$5,000,000
Global Practice	Governance	Actual project cost	$25,644,048
Project name	Liberia Integrated Public Financial Management Reform Project	Expected project total cost	$49,212,158
Project ID	P127319, P156384	Actual amount disbursed	$25,491,345
Financing instrument	Technical assistance loan	Environmental assessment category	Not required
Financing source	IDA, trust fund (Sida), USAID, European Union, AfDB		

Note: AfDB = African Development Bank; IDA = International Development Association; Sida = Swedish International Development Cooperation Authority; USAID = United States Agency for International Development.

Dates

Event	Original Date	Actual Date
Approval	12/15/2011	12/15/2011
Effectiveness	02/15/2012	09/18/2012
Restructuring	n.a.	05/10/2016
Mid-Term Review	11/16/2015	06/06/2016
Closing	06/30/2016	06/30/2017

Note: n.a. = not applicable.

Key Staff Responsible

Management	Appraisal	Completion
Project team leader	Ismaila B. Ceesay	Donald Herrings Mphande
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Summary

The project development objective of the Liberia Integrated Public Financial Management Reform Project (IPFMRP) was to improve the budget coverage, fiscal policy management, financial control, and oversight of government finances of the recipient. The project was restructured in 2016, but the project development objective remained unchanged. Four subobjectives are assessed for this review: (i) improve budget coverage, (ii) improve fiscal policy management, (iii) improve financial control, and (iv) improve oversight of government finances.

The IPFMRP aimed to support comprehensive implementation of the country's public financial management (PFM) reform agenda, aligning the resources of development partners. The IPFMRP was financed by a grant through (i) a multidonor trust fund supported by the Swedish International Development Cooperation Agency and the United States Agency for International Development, (ii) International Development Association credit, and (iii) an African Development Bank grant. In addition, the European Union supported the project with a trust fund arrangement.

This technical assistance project sought to strengthen the policies, functional processes, procedures, and information systems required to support PFM governance. The IPFMRP had five components (and 21 subcomponents; see appendix D): (i) enhancing budget planning systems, coverage, and credibility; (ii) strengthening the PFM legal framework, budget execution, accounting, and reporting; (iii) revenue mobilization and administration; (iv) enhancing transparency and accountability; and (v) program governance and project management.

Results

What Worked

The project, with the support of other donors operating in Liberia, contributed to the establishment of the Liberian Revenue Authority. With enhanced efficiency of tax administration, government revenue increased significantly (customs revenue collections by 50 percent and internal revenues by 30 percent) between FY10–11 and FY18–19.

Substantial progress was made in improving the quality and timeliness of financial statements. The Ministry of Finance and Development Planning continues to prepare and disclose quarterly and annual fiscal reports, though with some delays. Annual financial statements are prepared and submitted to the auditor general within six months of the end of the year and audited.

Civil society has been involved in the budgeting process through the engagement mechanism established for the first time in Liberia. The project provided training for more than 100 nonstate actors in public financial management.

Financial management and procurement skills were enhanced through training and capacity-development activities. The number of staff in charge of PFM in ministries and agencies who hold graduate degrees (master of business administration, master's programs in procurement) and professional certifications and qualifications increased (audit certifications, professional members, and certified accountants). The Ebola epidemic disrupted project implementation severely, but it also provided some opportunities. The Ministry of Finance and Development Planning decided to use the integrated financial management information system (IFMIS) procurement module for the first time to buy goods and services to support efforts to fight the epidemic.

What Didn't Work

Budget reliability deteriorated after project closure. The Medium-Term Expenditure Framework has not yet become a useful budgeting tool. Multiyear budgeting (two outer year projections) continues, but accurate projections, costing of budget items, and frequent changes to the projections are still a challenge. The variance between revenue forecasts and actual collections has more than doubled since project closure, reaching 16.7 percent in fiscal year (FY)18/19.

Treasury and cash management has not been improved because of the failure to establish a treasury single account (TSA) due to political constraints. There has been little progress in establishing county treasuries because of the lack of resources and operational support. Pilot county treasuries have been underused, making a payment only a few times a year.

Internal control deteriorated after project closure because of the underuse of the IFMIS. During the last three quarters of FY18/19, only 14 (13 percent) of the 106 budget-spending units submitted quarterly financial reports, declining from 46 percent.

The project led to only limited improvements in external audit functions, falling short of effective follow-up and implementation of audit recommendations. Important foundations have been established for external oversight of the budget, but there were delays in the hearings for the auditor general's reports on the three Consolidated Fund Financial Statements for FY14–15, FY15–16, and FY16–17.

Design and Preparation

Taking a sequenced and holistic approach was appropriate to address key challenges at each stage of the budget cycle. It was important to bring together work previously

supported by individual donors to enhance synergy and government leadership in a postconflict and fragile country, where key institutions had not been established or were weak. Successful PFM reform required a holistic view of the PFM system, which included awareness of the budget cycles.

Considering the postconflict situation and limited human resources, the project included training and capacity-development activities in key areas and a specific subcomponent on institutional and capacity building.

The links among activities, outputs, and outcomes in the results framework were weak in many cases, and even absent in a few cases. This made it difficult to use the results framework to monitor the project's progress in several areas.

The Public Expenditure and Financial Accountability (PEFA) indicators selected as the results indicators are composite indicators, which were not always suitable for project-level monitoring and evaluation. The composite PEFA indicators did not capture some results expected under relevant activities supported by the project, especially civil society engagement and some capacity-building activities.

Implementation and Supervision

The World Bank's routine supervision missions and reporting were timely, but supervision should have been more intensive and accurate, considering the country context and circumstances. The task team did not recognize the lack of progress on results indicators and instead provided optimistic ratings in the Implementation Status and Results Reports (ISRs).

More dialogue and engagement were needed to overcome political challenges, which delayed or made it difficult to implement some critical activities, such as improvement in budget coverage, the establishment of the TSA, and the IFMIS rollout, including its key modules (budgeting and procurement).

Appendix A describes the Independent Evaluation Group project ratings. Appendix C describes the evaluation methodology and evidence sources.

Lessons

This assessment offers the following lessons:

- **Effective support for enhancing revenue mobilization and administration can benefit from combining technical assistance with logistical support.** The project, in a coordinated effort with donors, contributed to the establishment of the Liberia Revenue Authority by providing technical assistance for establishing

its framework and developing its organizational structure, and financing logistical equipment and tax automation systems. With enhanced efficiency of tax administration, government revenue has increased significantly.

- **The use of PEFA composite indicators as results indicators is often not advisable.** In the IPFMRP, a PEFA produced in 2008 provided a solid analytical underpinning for designing the project. However, seven composite PEFA indicators used as results indicators made it difficult to follow the results framework. Selecting appropriate indicators is critical to monitoring progress toward achieving project development objectives.

- **Superficial reviews and overoptimistic ratings in ISRs can negatively affect project implementation and outcomes.** In the IPFMRP, the task team did not recognize the lack of progress on results indicators and instead provided overoptimistic ISR ratings. Raising concerns more clearly could have better motivated the government to act on key project activities that had been delayed. The Mid-Term Review was a missed opportunity to address implementation problems and improve the results framework.

- **Effective and sustainable PFM reforms require continuous engagement to overcome political challenges.** For political reasons, project implementation was often difficult or delayed in some critical activities, such as the establishment of the TSA and the IFMIS rollout. The seriousness of these risks was underestimated at appraisal. A lack of engagement at the political level has undermined the achievement of project development objectives.

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1. Background, Context, and Design

1.1 Liberia is a postconflict country that remains one of the poorest countries in the world. At the time of the preparation of the Integrated Public Financial Management Reform Project (IPFMRP), Liberia was recovering from 14 years of two devastating civil wars (1989–1997 and 1999–2003) that badly damaged basic infrastructure, public service facilities, and key institutions. According to the 2016 Household Income and Expenditure Survey, 51 percent of households were living below the poverty line (72 percent of households in rural areas and 32 percent of households in urban areas; Liberia 2018a). Liberia was ranked 181st of 189 countries and territories on the Human Development Index in 2017. The literacy rate was just 33 percent (World Bank 2018c).

1.2 Liberia has faced enormous economic challenges and crises, including the Ebola epidemic outbreak in 2014–15. The Ebola crisis had a serious impact on production and services, halting economic activity, constraining fiscal space, and disrupting the implementation of development projects for approximately nine months. The economy is only gradually recovering from the twin shocks of the Ebola epidemic and a sharp decline in commodity prices. Gross domestic product growth rate was −1.6 percent in 2016, 2.5 percent in 2017, and 3.2 percent in 2018 (IMF 2019). Fiscal deficits persisted over the years.

1.3 Corruption, poor governance, and misuse of public resources are endemic. Within the public sector, rules and internal controls are often ignored, resulting in the buildup of expenditure arrears (World Bank 2019b). These allowed public resources to be used for the benefit of a small political elite, heightening inequality and instability. Liberia's global rank in Transparency International's Corruption Perceptions Index fell from 75th of 174 countries in 2012 to 90th in 2016, then plunged to 120th in 2017 (and 2018)—the largest single-year drop in Africa. According to the Worldwide Governance Indicators, in recent years, Liberia has performed particularly poorly on three aspects of governance: control of corruption, government effectiveness, and rule of law.

1.4 The situation deteriorated beginning in 2017, with the combination of economic slowdown and lack of institutional capacity. After Liberia's first democratic transfer of power in more than 70 years (after the election of George Weah of the Coalition for Democratic Change as president in 2017), it was expected that the government's pro-poor policy agenda would stimulate broad-based economic growth (Liberia 2018b). However, real gross domestic product growth was only 0.4 percent in 2019 because of declining mining exports and rising inflation and currency depreciation (AfDB 2020). Institutional weakness and limited human resources and skilled personnel within public

administration have created significant challenges to performing basic government functions and delivering public services.

Project Background and Context

1.5 The government prioritized public financial management (PFM) in its medium- and long-term development strategies over the past decade. The country's poverty reduction strategy for 2008–11 argued that sound PFM was crucial to achieving the nation's central economic goal of rapid, inclusive, and sustainable growth and development. The significance of PFM was highlighted in Liberia RISING 2030, Liberia's long-term vision of socioeconomic and political transformation and development, and in the poverty reduction strategy Agenda for Transformation 2012–17 (Liberia 2012a, 2012b).

1.6 To better implement the poverty reduction strategy, the government developed a comprehensive PFM reform agenda in partnership with development partners. The PFM reform agenda was informed by the 2008 Public Expenditure Management and Financial Accountability Review (Liberia 2008), which was the first comprehensive assessment of public expenditure and financial management systems in Liberia, along with the International Monetary Fund Fiscal Affairs Department's Technical Assistance Report 2009 (IMF 2009). In addition, passage of the PFM Act in 2009 set the basis for regulatory and institutional reforms in this area. In 2011, the government approved a comprehensive PFM reform strategy to advance the PFM reform agenda (Ministry of Finance 2011).

1.7 The World Bank began seeking ways to support the government in implementing the comprehensive PFM reform strategy, aligning the resources of development partners. Before 2011, development partners had supported PFM reform through individual institutional initiatives. However, the World Bank took a leadership role with the government to coordinate donor activities.

1.8 Enhancing PFM has been a key priority in World Bank Group–supported country strategies. The Liberia Country Program Strategy for fiscal years (FY)09–11 (extended to FY12) emphasized the relevance of fiscal policy and financial management (World Bank 2009b). The Liberia Country Partnership Strategy FY13–17 included PFM under pillar III: Governance and Public Institutions. In addition, the Country Partnership Framework FY19–24 includes PFM as a priority and highlights the importance of achieving greater transparency, accountability, and efficiency in public institutions to strengthen institutions and create an enabling environment for inclusive and sustainable growth (pillar I).

1.9 The IPFMRP was prepared to complement other World Bank lending and nonlending work in Liberia that supported PFM reforms. These included (i) the Economic Governance and Institutional Reform Project, which aimed at improving efficiency and transparency in managing public financial and human resources, focusing on revenue administration, public procurement, budget execution, and payroll management; (ii) the Third Reengagement and Reform Support Program, which included prior actions to support PFM reforms; and (iii) the Liberia 2008 Public Expenditure Management and Financial Accountability Review.

1.10 The World Bank remained engaged in PFM reform in Liberia after the IPFMRP closure. A new project, the Public Financial Management Reforms for Institutional Strengthening Project, was approved in July 2019. Building on the activities and progress made under the IPFMRP, the new project sought to strengthen financial control and accountability in public finances and improve domestic revenue mobilization systems.

Project Objective, Design, and Financing

1.11 The IPFMRP's project development objective (PDO) was to improve budget coverage, fiscal policy management, financial control, and oversight of government finances of the recipient. There were no changes to the PDO for the duration of the project. This review assessed four subobjectives: (i) improve budget coverage, (ii) improve fiscal policy management, (iii) improve financial control, and (iv) improve oversight of government finances.

1.12 The project had five components and 21 subcomponents. Appendix D presents the project's components, subcomponents, and activities in detail.

1. **Component 1: Enhancing budget planning systems, coverage, and credibility.** The component was to establish comprehensive budget coverage and strengthen fiscal policy and budget management at all levels of government. It had three subcomponents: (i) enhanced macrofiscal framework, (ii) fiscal reporting and fiscal policy review, and (iii) enhancing the budget framework.

2. **Component 2: Strengthening the PFM legal framework, budget execution, accounting, and reporting.** The component was designed to strengthen the legal basis for budget management at the same time as ensuring that the budget is executed as planned and the quality of information on fiscal operations is improved for more informed government decision-making. It had six subcomponents: (i) review of the PFM legal framework; (ii) rollout of the integrated financial management information system (IFMIS) to ministries and agencies; (iii) strengthening financial standards, accounting, and reporting; (iv) strengthening treasury, cash, debt, and aid management; (v) establishment of county treasuries; and (vi) donor project financial management and use of country systems.

3. **Component 3: Revenue mobilization and administration.** The component was to complement ongoing efforts to improve the efficiency and integrity of revenue administration and increase the domestic revenues of central government entities, and integrate revenue systems with overall PFM. It had three subcomponents: (i) capacity development of customs, (ii) tax automation, and (iii) establishment of a revenue authority.

4. **Component 4: Enhancing transparency and accountability.** The component was to improve transparency and accountability in PFM by increasing the government's ability to report and account for the revenue it collects and for public expenditures, and strengthen the oversight function of the General Auditing Commission (GAC) and the legislature.[1] It had five subcomponents: (i) strengthening public procurement oversight, (ii) strengthening internal audit and controls, (iii) strengthening external audit, (iv) enhancing legislative oversight, and (v) civil society and social accountability.

5. **Component 5: Program governance and project management.** This component had four subcomponents: (i) program coordination, (ii) institutional and capacity building, (iii) monitoring and evaluation and change management, and (iv) project fiduciary management.

1.13 The project performance assessment is conducted based on the theory of change presented in the Implementation Completion and Results Report (ICR; World Bank 2017b, paras. 8 and 9, and figure 1). The Project Appraisal Document did not include a systematic presentation of the results chain between the PDO, PDO components, PDO indicators, intermediate indicators, components, subcomponents, activities, and inputs.

1.14 Total project costs at appraisal were estimated at $28.55 million. Actual costs were $31.85 million. The project was financed through (i) a multidonor trust fund

(MDTF) of $18.95 million from the Swedish International Development Cooperation Agency (Sida; $15.10 million) and the United States Agency for International Development (USAID; $3.85 million), (ii) an International Development Association credit of $5 million, and (iii) an African Development Bank (AfDB) grant of $4.6 million. The project became effective on September 18, 2012. In addition, the European Union supported the project with additional financing of $2.5 million under a trust fund arrangement through the World Bank. The credit was approved on December 15, 2011, with an original closing date of June 30, 2016. At restructuring on May 10, 2016, the closing date was extended to June 30, 2017, at which time it closed.

2. What Worked, What Didn't Work, and Why?

Improve Budget Coverage

2.1 The project sought to improve budget coverage by enhancing monitoring of donor funds and state-owned enterprises (SOEs). Having a complete picture of revenues and expenditure is essential for aggregate fiscal discipline and allocative efficiency. It was critical to monitor and analyze the extrabudgetary resources, such as donor funds and SOEs, as part of the budgetary process.

What Worked

2.2 The project contributed to the establishment of an SOE oversight function in the Ministry of Finance and Development Planning (MFDP) to monitor financial standings. The scope of this oversight was extended from 8 SOEs in 2013 to the 15 largest SOEs (of 39 total) at project completion. Since then, it has been extended to an additional 2 SOEs (as of 2019).

What Didn't Work

2.3 There have been some efforts to improve the management of donor funds, but these efforts did not result in the integration of donor funds into the national budget. At appraisal, about 15 percent of donor support was integrated into the government budget (World Bank 2011, 42). At project closure, donor-funded activities were outside of the government's financial statements (World Bank 2017b, 12), and continued to be so after project closure. Only 9 percent of external resources ($591.8 million) were included in the FY18–19 budget (MFDP 2018, XXII).

Improve Fiscal Policy Management

2.4 The project aimed at improving fiscal policy management by enhancing budget planning systems and credibility, notably through the implementation of a Medium-

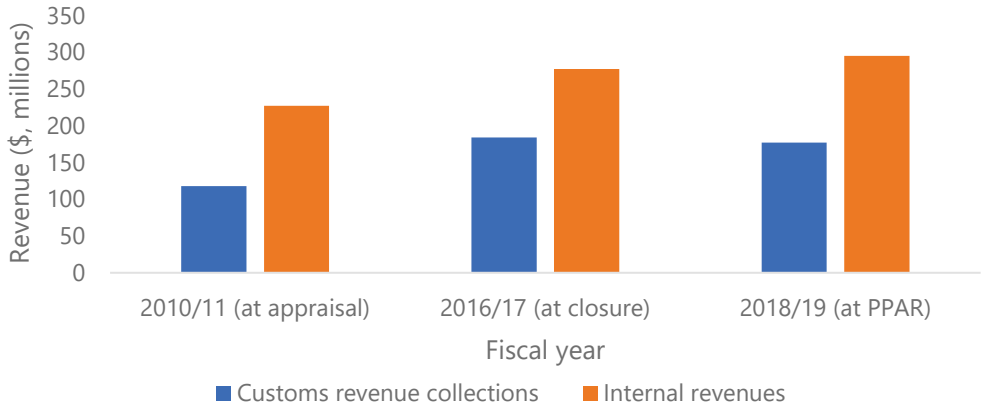
Term Expenditure Framework and the rollout of an IFMIS, and improving revenue mobilization and administration.

What Worked

2.5 The project contributed to the establishment of the Liberia Revenue Authority. The contribution included technical assistance for the establishment of its framework, development of its organizational structure, and publication of the Human Resource Management Manual; and logistical support for buying equipment, vehicles, and the Standard Integrated Government Tax Administration System. Interviews with government officials, development partners, and business representatives indicated that the efficiency of tax administration has been enhanced. Liberia's *Doing Business* score on paying taxes shows that the administrative burden of tax compliance has eased.[2] The time spent in number of hours per year declined from 151 hours in *Doing Business 2014* to 140 hours in *Doing Business 2020* (World Bank 2014a, 2020).

2.6 With the improvements in tax administration, government revenue increased significantly, particularly in customs (figure 2.1). Customs revenue collections increased by 40 percent at project completion, compared with the FY10/11 baseline, and further to 50 percent above baseline by FY18/19, exceeding the target of 23 percent in 2016 (appendix A, table A.4). Internal revenues increased by 30 percent during the same period (FY10/11 to FY18/19), despite a reduction during the Ebola crisis (2014–15).[3]

Figure 2.1. Customs Revenue Collections and Internal Revenues Adjusted for Inflation



Source: Independent Evaluation Group's complilation based on the information from MFDP.
Note: PPAR = Project Performance Assessment Report.

What Didn't Work

2.7 The Medium-Term Expenditure Framework was not a useful budgeting tool two years after project closure, mainly because there was no strategic planning in most

ministries (except for the Ministry of Education and the Ministry of Health). Even when such plans existed, the link with budgeting was weak, which undermined the implementation of the framework.[4]

2.8 The macrofiscal unit established in the MFDP in 2012 (with project-financed training and equipment) was not producing macroeconomic forecasts. Interviews indicated that the Ebola outbreak and the economic slowdown had negative effects on the capacity to produce accurate forecasting during some years. Despite some improvement, projections and costing of budget items by ministries and agencies are still a challenge, and multiyear budgeting (two outer years' projections) continues.

2.9 Budget reliability deteriorated after project closure. The variance between ministries' and agencies' appropriation and actual expenditures narrowed from 10 percent (baseline in 2014) to 6.4 percent at project completion (in 2017), but it increased to 9 percent in FY18/19. The variance between revenue forecast and actual collections increased from 5 percent (baseline in 2014) to 8.2 percent (in 2017), and the variance more than doubled after project closure, reaching 16.7 percent in FY18/19 (appendix A, table A.2).

2.10 Combined with the limited coverage of the budget (objective 1), underuse of the IFMIS and its modules was a key factor negatively affecting budget credibility. Budget preparation, execution, and fiscal reporting modules were still entered manually.[5] According to officials familiar with the matter, it was openly recognized that the government preferred to prepare the budget outside of the IFMIS because it allowed significant discretionary powers to redistribute appropriations without controls and outside of the formally approved budget.

2.11 Weak institutional capacity also negatively affected budget credibility. The Parliament Budget Commission confirmed that the government never sent a request to the parliament to modify the distribution of appropriations.[6]

Improve Financial Control

2.12 The project sought to strengthen cash management, notably through the establishment of a treasury single account (TSA), enhance the effectiveness of payroll and internal controls through the IFMIS rollout, and develop the capacity of procurement and internal audit staff.

What Worked

2.13 Financial management and procurement skills were enhanced through training and capacity-development activities supported by the project. A summary of capacity-development activities is presented in appendix H.

2.14 The MFDP Financial Management Training School and the University of Liberia played an important role in providing training, but the sustainability of the training activities remains a challenge. MFDP staff, with support from the project, obtained 132 degrees in business administration and 112 in public procurement during 2006–17. The number of qualified procurement staff increased from 40 in 2014 to 112 in 2017. Graduates from the Financial Management Training School supported the implementation of the IFMIS (World Bank 2019a). After the training school closed, the University of Liberia assumed responsibility for delivering the training and upgrading the Procurement Program to a master's degree level. After project closure, the University of Liberia trained 18 master of business administration students and 30 procurement students.[7] Although the follow-up project (Public Financial Management Reforms for Institutional Strengthening Project) is expected to finance logistical support to the University of Liberia, interviews with people familiar with the matter indicated that a lack of financial and human resources may undermine the sustainability of two master's programs (master of business administration and procurement) and training activities.[8]

2.15 The number of staff holding professional certifications and qualifications increased through training. The number of internal audit staff holding professional certifications and qualifications increased from zero in 2014 (baseline) to 63 (2 accountants certified by the Association of Chartered Certified Accountants and 61 certified fraud examiners) in 2017 (at closure), exceeding a target of 60. Internal auditors have been placed in 47 of 106 spending units. In addition, with support from the project, the Liberia Institute of Public Administration and the Liberian Institute of Certified Public Accountants provided training courses. The number of qualified accountants increased from 80 in 2014 to 96 in 2019 (appendix A, table A.6).

What Didn't Work

2.16 Treasury and cash management did not improve because of the failure to establish a TSA. During 2014–16, bank accounts were swept at the end of the day to the Central Bank of Liberia, controlled by the comptroller and accountant general, and then transferred back on the next day. However, this practice stopped in 2016. There has been a mechanism of reconciliation of accounts for reporting since 2016, but there were still more than 330 accounts in commercial banks in 2019, according to the information collected from the central bank during the Independent Evaluation Group (IEG) field

mission.[9] This severely undermined good cash management. Interviews during the IEG mission indicated that the TSA has not been created because of political factors.

2.17 There has been little progress in establishing county treasuries because of the lack of resources and operational support. The project supported the government to establish four pilot county treasuries in the counties of Bong, Grand Bassa, Margibi, and Nimba. The pilot county treasuries have been underused. This experience has not been extended to other counties. The IEG field mission found that they make payments only a few times per year for the spending centers of two ministries (Health and Internal Affairs). The staff do not receive sufficient operational budget, and they have to buy internet and SIM cards from their salaries to connect to the IFMIS to authorize payments. The operation will not be sustained without adequate resources and logistical support to fulfill their tasks.

2.18 Internal control over financial reporting deteriorated after project closure because of the underuse of the IFMIS. The number of spending units where IFMIS has rolled out increased from 2 units in 2014 to 50 units at project completion. All 50 ministries and agencies connected to IFMIS were producing quarterly expenditure reports at project completion. However, during the last three quarters of FY18/19, only 14 (13 percent) of the 106 budget-spending units submitted quarterly financial reports (appendix A, table A.5). During the same period, only 7 (14 percent) of the 50 IFMIS-connected spending units generated the reports. IFMIS is underused, and many modules are not used (appendix A, table A.3). In addition, the IFMIS payroll module has not been used since the payroll reform in July 2019.

2.19 The government's capacity to manage public finances using IFMIS has declined since project closure. The methodology and results of the IEG assessment of IFMIS coverage are presented in appendix G.

Improve Oversight of Government Finances

2.20 The project aimed to enhance the quality and timeliness of annual financial statements and strengthening external audit functions.

What Worked

2.21 There has been substantial progress in improving the quality and timeliness of financial statements. The quality and timeliness of financial statements, as measured by Public Expenditure and Financial Accountability (PEFA) PI-25 (the results indicator), improved from D in 2015 (baseline) to C+ in 2017 (at closure), achieving the target of C+, and this was sustained after project completion. Since project closure, the MFDP continues to prepare and disclose quarterly and annual fiscal reports, though with some

minor delays caused by capacity and institutional constraints. Annual financial statements are prepared and submitted to the auditor general—still with some delays but within six months of the end of the year—and audited. The FY18/19 Consolidated Financial Statement was submitted to the GAC on December 18, 2019.

2.22 Combined with the support to improve budget coverage (objective 1), the project supported adding balances of 30 donor-funded projects to the Comptroller and Accountant General's Department's IFMIS reports, including the IPFMRP. However, IEG found no evidence that additional projects were added.

2.23 Important foundations have been established for external oversight of the budget by the GAC and by parliament through the Public Accounts Committee. The GAC completed the FY14/15 Consolidated Fund Financial Statements Audit during project life, and the FY15/16 and FY16/2017 audits were completed after project closure (the latter in October 2019). The Public Accounts Committee presented four consolidated public hearing reports to the president during project life and another two after project closure, with 40 reports on individual audits.

2.24 Civil society has been engaged in the budgeting process through the engagement mechanism established under this project (a first for Liberia). The project provided training to more than 100 nonstate actors in public financial management, including proposal writing, grant management, and results-based management. The IEG mission received positive feedback from diverse civil society organizations on improvements attributable to the engagement mechanism. Impacts were observed at the local level, where these organizations interfaced with local authorities about the use of the resources and the implementation of projects. In addition, the Department of Budget produced and distributed budget information documents, including the Citizens' Guide and brochures, and it conducts nationwide programs raising awareness of the national budget.[10]

What Didn't Work

2.25 The project contributed to the foundations of external audit, but it led to only limited improvements, falling short of effective follow-up and implementation of audit recommendations. Regarding the Public Accounts Committee, there were delays in the hearings of the auditor general's reports on the three Government of Liberia Consolidated Fund Financial Statements for FY14–15, FY15–16, and FY16–17. Interviews with people familiar with the matter indicated that hearings could not be organized because the MFDP did not attend the meetings. The impact of these reports on implementing audit recommendations and improving government financial management is not yet known.

2.26 Despite training and other capacity-building activities supported by the project (under objective 3), procurement outcomes were well below expectations. The project supported the Public Procurement and Concessions Commission (PPCC) to establish a database containing information on vendor registrations and provide training for business representatives and procuring entities. At project closing, 404 vendors were registered,[11] and the number increased to 545 (including 70 female vendors) as of April 2019 (421 Liberians and 124 non-Liberians). However, the publication of key procurement process documents has declined significantly. Except for five contracts, no procurement plan was published during FY18/19, despite being required by law.

2.27 Although the PPCC approved the procurement plans of all spending units, significant challenges remain. The e-procurement module in the IFMIS is not in use (appendix A, table A.3). There is no PPCC strategy for the management of public procurement in the country. The PPCC does not send instructions with clear guidelines to coordinate ministries and agencies in the preparation, execution, and follow-up of procurement plans. Interviews with government officials pointed out that there is still excessive use of single-source purchases in many spending units. Researchers have found that these and related procurement reforms in Liberia based on generic models of best practice may have crowded out more innovative practices that would have been tailored better to the local context and could have improved functionality (Andrews, Pritchett, and Woolcock 2017, 43).

Design and Preparation

What Worked

2.28 The relevance of the project's objectives was high. The PDOs were highly relevant to the country context and well aligned with the government's and Bank Group–supported country strategies. The objectives were consistent with PFM reform strategies and plans, and they addressed the critical development constraints for Liberia of weakness of institutional, organizational, and human resource capacities for PFM (World Bank 2018c, 2019b).

2.29 The World Bank played an important role in attracting, coordinating, and leading the donors to support the critical PFM reform. The World Bank designed the project, which was relevant to the country context (fragile country without foundations for PFM) and matched the different priorities of donors (AfDB, Sida, and USAID), who contributed through a World Bank–managed MDTF, though there were issues with implementation (see para. 2.40).[12] Regarding USAID, it was the first time that this agency had contributed to an MDTF in Africa, recognizing the importance of enhancing synergies to support critical PFM reform in Liberia.

2.30 It was appropriate to take a carefully sequenced, holistic approach to address key challenges at each stage of the budget cycle. At first glance, the project might appear too ambitious, including many aspects of PFM reform.[13] However, it was important to bring together work previously supported by individual donors to enhance synergy and government leadership in a postconflict and fragile country, where key institutions had not been established or were weak.[14] PFM is an essential aspect of the institutional framework for an effective state. This project was part of wider efforts to implement a comprehensive PFM agenda. In the identification phase, there were diverse PFM reform projects on different aspects, including (i) budget planning, budget preparation, and budget execution; (ii) tax administration; (iii) civil service administration; (iv) customs administration; (v) aid and debt management; and (vi) common information technology infrastructure and technology platform for government PFM systems, supported by different donors (AfDB, Overseas Development Institute, Sida, United Nations Conference on Trade and Development, United Nations Office for Project Services, and the World Bank). Because many of these projects were nearing closure, and residual or additional work was still required, this multidonor project sought to provide financing and support to complete (or scale up) this work. By bringing the work into one operation, prioritization and sequencing could be better assured so that the most critical development constraints could be addressed first.

2.31 The analytical underpinnings for the project were robust. The project was informed by findings and recommendations from the 2008 Public Expenditure Management and Financial Accountability Review undertaken in collaboration with key ministries and agencies and development partners, including AfDB, the International Monetary Fund, the Swedish Nation Auditing Office, and the United Nations Development Programme. The Public Expenditure Management and Financial Accountability Review also included a Public Expenditure and Financial Accountability Assessment (PEFA) report, which identified the wide range of weaknesses in PFM tools and systems. In addition, several of the PFM projects and activities initiated by other donors provided significant information and analysis about the issues to be tackled.

2.32 Considering the low capacity in a fragile and conflict-affected country, the project emphasized training and capacity development. It had a specific subcomponent (subcomponent 5.2) that focused on institutional and capacity building in PFM and procurement. Appendix H highlights key capacity-development activities.

What Didn't Work

2.33 The Project Appraisal Document did not articulate a convincing results chain, which may explain the weak or absent links among some expected outcomes, components, subcomponents, and inputs. For example, it was unclear what supporting

efforts were needed to achieve full adoption of a TSA after IFMIS adoption. The theory of change (results chain) was presented only at the ICR stage.

2.34 The use of PEFA indicators as the results indicators was not ideal. As noted, the composite PEFA indicators selected identified broad challenges and assessed the overall impact of PFM reforms. Composite PEFA indicators included some aspects that were not supported by the project (for example, sector strategies, costing of investments, and debt sustainability analysis). Also, the PEFA indicators (or other results indicators) did not capture some results supported by the project, including SOE oversight, civil society engagement, and some capacity-building activities.

2.35 Progress on the results indicators was to be monitored annually by PEFA self-assessments. However, the quality of these self-assessments was never evaluated. The 2016 PEFA questioned the accuracy of several 2014 PEFA scores.

2.36 The significance of political, institutional, and governance risks was underestimated. The Operational Risk Assessment Framework ratings on stakeholder and governance risks at appraisal were too optimistic. Stakeholder (government of Liberia) risk was rated low, which should not have been the case for a fragile country with weak institutions recovering from destructive civil wars. The potential impact of postelectoral changes in stakeholder structures also should have been considered. Governance risk was rated as moderate, despite the weak institutions and enforcement mechanisms. Considering the political and governance environment of the country, the project required more extensive up-front risk mitigation measures.

Implementation and Supervision

2.37 More dialogue and engagement with key stakeholders were needed to overcome political challenges. Project implementation was difficult or delayed in some critical activities, such as the establishment of the TSA and the IFMIS rollout, including implementation of some modules (budgeting and procurement). Interviews with government officials indicated that the main reason for delays was not technical but rather the existence of large discretionary powers exercised by officials over public funds that were not tackled by the project. Stronger up-front efforts were needed to gain political and institutional support to implement important reforms and activities.

2.38 The Ebola epidemic severely affected project implementation, but it also provided some opportunities. The epidemic occurred only 18 months after project implementation began and had serious disruptive effects on the implementation of development projects in Liberia, including the IPFMRP.[15] The project was suspended for about one year, the Mid-Term Review was delayed to June 2016, and the original closing date of June 2016 was moved to June 2017, after restructuring with additional funding

from the European Union. On the positive side, the MFDP decided for the first time to use the IFMIS procurement module to buy goods and services to fight the epidemic. The Civil Service Management payroll module was also used for the same purpose. This was a donor requirement to receive emergency aid. However, the use of these modules was interrupted after the country was declared free from the virus.

2.39 The World Bank's routine supervision missions and reporting were timely, but supervision should have been more intensive and accurate, considering the country context and circumstances. The task team did not clearly alert stakeholders to the lack of progress on results indicators and instead provided generous and optimistic Implementation Status and Results Report (ISR) ratings.[16] In addition, the Mid-Term Review was a missed opportunity to address implementation issues and improve the results framework.

2.40 More frequent dialogue with other donors could have provided opportunities to share experiences and discuss specific issues related to donor coordination and approach. Pages 19–20 of the ICR report that donors took part in working group meetings and implementation supervision missions. This work was recognized by the World Bank's regional vice president with an Excellence in Donor Collaboration award. However, interviews with MDTF donors during the IEG mission indicated that dialogue was less intensive than what was needed during implementation. MDTF donors expected the World Bank to provide more specific reports and organize more meetings to discuss the progress and pitfalls, but they reported that the World Bank only sent them a copy of the aide-mémoire, a document oriented to a client rather than a donor. In addition, a key coordination mechanism, the PFM Steering Committee, did not work to facilitate project implementation, and few meetings of the committee took place.[17]

3. Lessons

3.1 **Effective support for enhancing revenue mobilization and administration can benefit from combining technical assistance with logistical support.** The project, in a coordinated effort with donors, contributed to the establishment of the Liberia Revenue Authority by providing technical assistance for the establishment of its framework and development of its organizational structure, and financing logistical equipment and tax automation systems. With enhanced efficiency of tax administration, government revenue has increased significantly.

3.2 **The use of PEFA composite indicators as results indicators is often not advisable.** In the IPFMRP, a PEFA produced in 2008 provided a solid analytical underpinning for designing the project. However, seven composite PEFA indicators

used as results indicators made it difficult to follow the results framework. Selecting appropriate indicators is critical to monitoring progress toward achieving PDOs.

3.3 **Superficial reviews and overoptimistic ratings in ISRs can negatively affect project implementation and outcomes.** In the IPFMRP, the task team did not recognize the lack of progress on results indicators and instead provided overoptimistic ISR ratings. Raising concerns more clearly could have better motivated the government to act on key project activities that had been delayed. The Mid-Term Review was a missed opportunity to address implementation problems and improve the results framework.

3.4 **Effective and sustainable PFM reforms require continuous engagement to overcome political challenges.** For political reasons, project implementation was often difficult or delayed in some critical activities, such as the establishment of the TSA and the IFMIS rollout. The seriousness of these risks was underestimated at appraisal. A lack of engagement at the political level has undermined the achievement of project development objectives.

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[1] The General Auditing Commission is the supreme audit institution, regulated by the General Auditing Commission Act of 2014. This is an autonomous entity, but its head, the auditor general, is appointed by the president after an independent process, with participation from diverse institutions in an ad hoc committee made up of the incumbent auditor general and representatives of the Civil Service Commission, the Anticorruption Commission, the Governance Commission, and civil society.

[2] The score measures payments, time, total tax, and contribution rate for a firm to comply with all tax regulations and postfiling processes.

[3] USAID (2017) reported that tax revenue performance has been robust. The ratio of revenue to gross domestic product increased from 19 percent in 2011 to 21.8 percent in 2016 (IMF 2019; USAID 2017).

[4] According to the discussions with the Ministry of Finance and Development Planning, there was a weak connection between budget appropriations and the projections of the strategic planning of such ministries.

[5] See para. 2.18 and appendix A, table A.2. Regarding the budget module, the integrated financial management information system (IFMIS) budget module is partially used (only for reporting). Instead of improving the IFMIS module, the Ministry of Finance and Development Planning uses a parallel and external system, and then data are manually migrated to IFMIS, with potential mistakes and problems with data reliability.

[6] Parliamentary scrutiny remains the weakest public financial management (PFM) function across the eight cases in fragile states (including Liberia) studied by the Overseas Development Institute—a result, in part, of limited reform effort and weak political incentives (ODI 2012).

There were improvements in public audit, but parliamentary oversight and follow-up remained weak, preventing real gains in budget accountability.

[7] These activities resulted from a well-coordinated effort among the main stakeholders creating the Financial Management Training School and a quality curriculum designed in coordination with the World Bank and the university, and attendees were selected through a competitive nationwide entrance examination with strict attendance control. However, the mission could not find evidence of a systematic process for identifying organizational needs and evaluating the training to assess whether it met these needs with regard to learning, behavior, and results. See further details in appendix H.

[8] The estimated cost of transferring the Financial Management Training Program to the University of Liberia is about $3.26 million. The transition's effectiveness depends on the financing of the estimated cost. The follow-up World Bank–financed Public Financial Management Reforms for Institutional Strengthening Project provides limited support ($300,000) to improve classrooms and other infrastructures for the activities of the University of Liberia.

[9] The Independent Evaluation Group could not determine the number of accounts that were active at the start of the project.

[10] According to the Open Budget Survey 2019, the public availability of budget documents (the citizens' budget) improved: the citizens' budget was not available in 2010 and 2012, but it has become available since 2015, though with some delays (IBP 2019).

[11] No vendors were registered at appraisal in 2011.

[12] The Project Appraisal Document describes institutional and implementation arrangements (World Bank 2011, 25–26 and annex 3), and it clearly designated specific areas of responsibility for specific donors (World Bank 2011, 88–94).

[13] The PFM reform requires a holistic view of the PFM system, which includes the budget cycle (formulation, execution, procurement, accounting and reporting, and external audit), both sides of PFM (revenues and expenditures), the central government (Ministry of Finance and line ministries), and the levels of government (national government and subnational government) (World Bank 2014b).

[14] Interviews with government officials, donors, and World Bank staff confirmed the significance of taking a holistic approach to support PFM reform in Liberia. The views are consistent with documentation or reviews conducted by the World Bank and other development institutions (PEFA Secretariat 2020, 32; World Bank 2004, 2005). According to the Systematic Country Diagnostic, the authorities are striving to establish rules-based governance and enhance the efficiency of public administration, but the obstacles they face are deeply rooted in the country's political and economic history. The success of the reform agenda will require extensive multistakeholder coordination to balance competing interests and maintain broad-based support for improved governance and institutional quality (World Bank 2018c).

[15] Liberia confirmed its first two cases of Ebola virus disease in March 2014, and the country was declared free from the virus in January 2016.

[16] This is a common problem with public sector governance operations. A 2009 internal World Bank study found that more than two-thirds of the Implementation Status and Results Reports of such operations were inaccurate in rating the status of outcome indicators (World Bank 2009a).

[17] A joint government–donor steering committee was supposed to meet twice annually to review the progress of the implementation of PFM reforms in general in Liberia and that of those supported under the project (World Bank 2011).

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Appendix A. Project Ratings

Liberia Integrated Public Financial Management Reform Project

Table A.1. ICR, ICR Review, and PPAR Ratings

Indicator	ICR	ICR Review	PPAR
Outcome	Moderately unsatisfactory	Moderately unsatisfactory	Moderately unsatisfactory
Overall efficacy	Modest	Modest	Modest
Risk to development outcome	Moderate	n.a.	Substantial
Bank performance	Moderately unsatisfactory	Moderately unsatisfactory	Moderately unsatisfactory
Quality of monitoring and evaluation	Modest	Modest	Negligible

Sources: World Bank 2017, 2018.
Note: The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible Global Practice. The ICR Review is an intermediate Independent Evaluation Group product that seeks to independently validate the findings of the ICR. n.a. = not applicable; PPAR = Project Performance Assessment Report.

1. Relevance of the Objectives

The project development objectives (PDOs) were highly relevant to the country context and well aligned with government and World Bank Group–supported strategies. Public financial management (PFM) was a key priority, because corruption, poor governance, and misuse of public resources were endemic. The country's institutions and capacity were weak because it was recovering from two devastating civil wars. The PDOs were consistent with Liberia's 2009 PFM Act, the PFM Reform Strategy 2011–15, and the PFM Reform Strategy and Action Plan 2017–20 (MFDP 2017a). The PDOs were also aligned with the fiscal year (FY)09–11 Country Assistance Strategy, which focused on improving the efficiency of budget preparation and execution and enhancing revenue administration (pillar 1). The PDOs remained relevant to one of the three pillars of the FY13–17 Country Partnership Strategy: governance and public sector institutions.

The relevance of objectives is rated **high.**

2. Efficacy

The results indicators and achievement of their targets are shown in appendixes E and F. The achievement of targets for intermediate outcome indicators and for additional performance indicators is presented in appendix F. Appendix D describes the project's components, subcomponents, and activities in detail.

Objective 1: Improve Budget Coverage

The project sought to improve budget coverage by enhancing monitoring of donor funds and state-owned enterprises (SOEs). At project appraisal, total development assistance was almost as much as the government's annual expenditure budget. Therefore, it was critical to monitor the extrabudgetary resources, including those of donors and SOEs, as part of the budgetary process.

The project supported the establishment of an SOE oversight function in the Ministry of Finance and Development Planning (MFDP) to monitor financial standings and reduce the extent of unreported operations. The scope of oversight was extended from 8 SOEs in 2003 to the 15 largest SOEs (of 39 SOEs total) at project completion. Since then, it has been extended to another two SOEs (as of 2019). In addition, the MFDP took the first step to monitor SOE performance to strengthen the oversight function, and a concept note has been drafted.

The objective was not achieved. At closure, donor-funded activities were outside of the government's financial statements, amounting to 15.7 percent of budget spending in 2016 (World Bank 2017). The results indicator (Public Expenditure and Financial Accountability [PEFA] PI-7) on the extent of unreported government operations remained at the baseline of D+, compared with a target of B+ (MFDP 2017b, 11, 25–26). After project closure, the donor-funded projects continued to be outside of the government's financial statements into 2019 (main text, para. 2.3).

The contribution of the project to the objective of improving budget coverage is rated **negligible.**

Objective 2: Improve Fiscal Policy Management

The project aimed at improving fiscal policy management by enhancing budget planning systems and credibility through the implementation of a Medium-Term Expenditure Framework (MTEF) and the rollout of an integrated financial management information system (IFMIS). The results indicator was PEFA PI-12: Multiyear perspective in fiscal planning, expenditure policy, and budgeting. The indicator was not closely linked to the (sub)component(s) on tax mobilization and administration.

Budget Planning Systems and Credibility

Implementation of the MTEF. There was initial progress in the implementation of the MTEF, but the MTEF is not a useful budgeting tool two years after project closure, mainly because there was no strategic planning in most ministries (except for the Ministries of Education and Health). Even when such plans existed, the link with budgeting was weak. In addition, the macroeconomic-fiscal unit established in the

MFDP in 2012, with project-financed training and logistical equipment, is not producing macroeconomic forecasts. Budgeting for the two outer years continues, and credible projections are still a challenge.

Budget reliability deteriorated after project closure, failing to meet the targets for two intermediate results indicators (table A.2). The variance between ministries' and agencies' appropriations and actual expenditures narrowed during implementation but deteriorated from 6.4 percent at project completion to 11 percent in FY17/18, before improving slightly to 9 percent in FY18–19. The variance between revenue forecasted and actual collections has more than doubled since project closure, reaching 20.9 percent in FY17/18 and 16.7 percent in FY18/19.

Table A.2. Budget Reliability

Intermediate Indicators of Component 1	Baseline, 2014	Actual Achieved at Completion, 2017	FY17/18	FY18/19
Variance between appropriations and actual expenditures; target: 5 (%)	10	6.4	11.0	9.0
Variance between revenue forecasts and actual collections; target: 3 (%)	5	8.2	20.9	16.7

Source: Ministry of Finance and Development Planning.
Note: FY = fiscal year.

Rollout of IFMIS.[1] The budget preparation module of IFMIS was not operational as of 2019 (table A.3). Budget preparation, execution, and fiscal reporting modules were still entered manually into the system (main text, para. 2.10). There appears to have been no technical reason for the delay, and several stakeholders suggested that key officials preferred to prepare the budget outside of the IFMIS because it allowed significant discretion to redistribute appropriations outside of budget controls.

Combined with the limited coverage of the budget (objective 1), the preparation of the budget outside of the IFMIS undermines budget credibility.

Table A.3. IFMIS: Licenses and Status in 2019

No.	Module	Licenses Purchased (no.)	Licenses Configured (no.)	Module Status in 2019
I	Budget preparation and reporting	165	165	Partially in use only for reporting
II	General ledger	165	165	In use
III	Expenditures	165	165	In use
IV	Civil Service Management (payroll)	90	90	In use until June 2019; not in use since July 2019
V	Forms and plug-in	90	90	Not in use
VI	e-procurement	5	5	Not in use
VII	Relational Database Management System	90	90	In use
VIII	Pay station	90	90	In use
IX	Crystal Reports	90	90	Partially in use
X	Doc Path[a]	90	90	In use
XI	Jasper	90	90	In use
XII	Revenue	5	5	Not in use

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; MFDP 2019.
a. Doc Path is a method for document output management.

Revenue mobilization and administration. The project, in a coordinated effort with donors, contributed to the establishment of the Liberia Revenue Authority, including technical assistance for the establishment of its framework and the development of its organizational structure, and logistical support for buying equipment, vehicles, and the Standard Integrated Government Tax Administration System. The rise in customs revenues has been significant (table A.4), with revenues increasing by 40 percent at project completion and by 50 percent by FY18/19 compared with the FY10/11 baseline, exceeding the target increase of 23 percent. Internal revenues increased by 30 percent during the same period, despite falling during the Ebola crisis (2014–15), but they still fell short of the 50 percent target. As discussed in the main text (para. 2.5), the efficiency of the tax administration has been enhanced.

Table A.4. Customs Revenue Collections and Internal Revenues (Inflation Adjusted)

	FY10–11 ($, millions)	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	Avg. Rate of Increase (percent)	Increase since FY10/11 (percent)
Customs revenue collections	118	161	160	176	178	194	184	185	177	6.3	50
Internal revenues	227	272	349	294	259	259	277	241	295	3.7	30

Sources: Ministry of Finance and Development Planning, based on data from the Liberia Revenue Authority; World Bank 2017 (until FY15/16).
Note: FY = fiscal year.

Drawing on PEFA ratings, fiscal policy management (PDO indicator: PEFA PI-12) improved from a baseline rating of D+ in 2015 to C+ at project closure. However, budget credibility has deteriorated since closure, with a lack of implementation of the MTEF and delays in using the IFMIS because of political factors. However, some progress was made in enhancing revenue mobilization and administration. Achievement of this objective is rated **modest.**

Objective 3: Improve Financial Control

The project sought to improve financial control by strengthening cash management through the establishment of a treasury single account (TSA), enhancing payroll and internal controls through the rollout of IFMIS, and developing the capacity of procurement staff and internal audit staff. Two results indicators focused on the effectiveness of payroll controls (PEFA PI-18) and effectiveness of internal controls for nonsalary expenditures (PEFA PI-20).

Treasury and cash management through establishment of a TSA. Treasury and cash management did not improve, given the failure to establish a TSA, the introduction of which had been envisioned in the 2009 PFM Act. During 2014–16, bank accounts were swept at the end of the day to the Central Bank of Liberia, controlled by the comptroller and accountant general, and then transferred back on the next day. However, this practice stopped in 2016. Although there has been a mechanism of reconciliation of accounts for reporting since 2016, there were still more than 330 accounts in commercial banks in 2019, according to the information collected during the Independent Evaluation Group (IEG) field mission. There do not appear to be major technical constraints to establishment of the TSA; the consensus is that political obstacles prevented its establishment. A TSA concept note was drafted in 2019 with support from the International Monetary Fund (IMF), and 117 dormant accounts in the Central Bank of Liberia were closed. However, the memorandum of understanding between the MFDP

and the Central Bank of Liberia on TSA implementation is still in draft form (since 2015) in the face of political opposition.

In addition, the project supported the government in establishing four pilot county treasuries in Bong, Grand Bassa, Margibi, and Nimba. In principle, each county treasury should have a core team (including a financial management officer, budget officer, procurement officer, and internal auditor), but they did not always have the full team because of a lack of resources and high turnover. The pilot has not been extended to other counties. Pilot county treasuries have been underused and were making payments only a few times per year. The staff do not receive operational support, and they have to buy internet and SIM cards from their salaries to connect to the IFMIS to authorize payments. Without adequate resources and logistical support, the sustainability of the operation is in question.

Internal controls through the rollout of IFMIS. The project supported bringing the balances of 30 donor-funded projects into the IFMIS, including the Integrated Public Financial Management Reform Project. This would enhance reporting, accounting, and the preparation of consolidated financial statements. However, the IEG field mission found no evidence that additional projects had been added. Other results on improving internal controls were not sustained and deteriorated after project closure. The number of spending units in which the IFMIS was rolled out increased from 2 in 2014 to 50 at project completion, exceeding the target of 40 (table A.5). All 50 ministries and agencies connected to the IFMIS were producing quarterly expenditure reports at project completion. However, during the last three quarters of FY18–19, only 14 of the 106 budget-spending units submitted quarterly financial reports. During the same period, only 7 of the 50 IFMIS-connected spending units generated the reports, failing to meet the target (40 ministries and agencies) for the intermediate indicator. Many IFMIS modules are not used (table A.3). Along with the crucial budget module, the procurement module has not been used at all as of 2019.

The payroll module was only partially used before the 2019 payroll reform in the 50 IFMIS-connected spending units. Since then, the IFMIS payroll module has not been used because of the need to integrate about 33,000 staff who previously were only paid with allowances. The government has indicated that the module will be reestablished by mid-2020 after unspecified technical changes. The delay and uncertainty raise concerns about the integrity and accountability of payroll management. Because of the delays in rolling out the IFMIS across all ministries and agencies, several entities have implemented or are planning to acquire parallel accounting and reporting systems.

Table A.5. Rollout of IFMIS: Spending Units and Budget Amount

	Number of Spending Units					Total Budget Amount		
	Baseline (June 19, 2014)		At closure (FY16–17)		Latest (FY18–19)	Latest (FY18–19)		
	(no.)	Share (%)	(no.)	Share (%)	(no.)	Share (%)	(no.)	Share (%)
Spending units where IFMIS has been rolled out	2	3.4	50	46	50	47	485,551,507	91
Spending units where IFMIS has not been rolled out	57	96.6	59	54	56	53	47,355,459	9
Total national budget	59		109	100	106	100	532,906,966	100
Spending units generating monthly expenditure reports through IFMIS (target: 40)	2	3.45	50	46	14	13	n.a.	n.a.

Sources: MFDP 2019; World Bank 2011, 48, para. 159; 2017, 14, 27.
Note: At project appraisal (November 2011), there were 42 ministries and agencies at the center in Liberia. In addition, 15 county treasuries were set up. Since then, new spending units have been created. According to the information sent by the Ministry of Finance and Development Planning, the total number of spending units has decreased from 109 in FY16–17 to 106 in FY18–19 because of restructuring. FY = fiscal year; IFMIS = integrated financial management system; n.a. = not applicable.

Capacity development of procurement and audit staff. Financial management and procurement skills were enhanced through training and capacity-development activities supported by the project.

Under the Financial Management Training Program, the MFDP Financial Management Training School delivered 132 degrees in business administration and 112 in public procurement (Intensive Procurement Training Program by project completion, exceeding a target of 60). After the Financial Management Training School closed, the University of Liberia assumed responsibility for delivering the training and upgrading the Procurement Program to master's level. The University of Liberia trained 18 master of business administration (MBA) and 30 procurement students after project closure. Although some of the students in the program were civil servants, many were recruited from outside the public service (97 MBA students and 54 Intensive Procurement Training Program students), given the lack of personnel to fulfill these functions (table A.6). A follow-up project is expected to finance logistical support to the University of Liberia, but there are concerns that a lack of financial and human resources could undermine the sustainability of the master's programs (MBA and Procurement) and training activities.

The project also supported the training of internal audit staff. The number of internal audit staff holding professional certifications increased from zero to 63 (2 accountants certified by the Association of Certified Chartered Accountants and 61 certified fraud examiners), exceeding the target of 60. Internal auditors have been placed in 47 of 106 spending units. The training and placement of auditors in additional spending units is expected to continue under the follow-up project.

The project also provided financial support to the Liberia Institute of Public Administration and the Liberian Institute of Certified Public Accountants (LICPA). The institute has provided courses to improve civil servants' skills in financial management and procurement.[2] The number of qualified accountants increased from 80 in 2014 to 96 in 2019 (table A.6). However, according to LICPA, a deficit of certified accountants in the public sector remains. As of 2019, only 20 of its 96 individual members are in the public sector, and only two are licensed to practice.

Table A.6. Number of Professional Members and Certified Accountants, 2014 and 2019

Year	Professional Members	Members, Public Sector	Active Members, Public Sector	Inactive Members, Public Sector	Licensed to Practice, Public Sector
2014	80	13 (including 3 from SOEs)	13	0	2
2019	96	20 (including 3 from SOEs)	19	1	2

Source: Liberian Institute of Certified Public Accountants.
Note: SOE = state-owned enterprise.

Effectiveness of payroll controls improved, as indicated by an increase from D+ to C+ in the relevant PEFA indicator during the project period, but it declined after project closure. Effectiveness of nonsalary controls was not enhanced, and the PEFA PI-20 remained at C+ after project closure. The failure to establish a TSA and underuse of the IFMIS limited the impact of increased staff capacity. This objective is rated **negligible.**

Objective 4: Improve Oversight of Government Finances

The project aimed at improving oversight of government finances by enhancing the quality and timelines of annual financial statements and strengthening external audit functions, as measured by two results indicators (PEFA PI-25 and PI-28) and six intermediate indicators. Elements of the project focused on strengthening procurement oversight, SOE reporting, and civil society engagement through training and capacity-development activities, although these were not well reflected in the results framework.

Quality and timeliness of annual financial statements. The quality and timeliness of financial statements have improved substantially. Since project closure, the MFDP continues to prepare and disclose quarterly and annual fiscal reports, though with some minor delays caused by capacity and institutional constraints. Annual financial statements are prepared and submitted to the auditor general, though still with some delays, within six months of the end of the year and audited. The FY18/19 Consolidated Financial Statement was submitted to the General Auditing Commission (GAC) on December 18, 2019.

External audit functions. The project led to only limited improvements in external audit functions, falling short of effective follow-up and implementation of audit recommendations. Important foundations have been established for external oversight of the budget by the GAC and the parliament through the Public Accounts Committee (PAC). The GAC completed the FY14/15 Consolidated Fund Financial Statements Audit during the project and completed the FY15/2016 and FY16–17 audits after project closure. The PAC presented four consolidated public hearing reports to the president during the project and another two after closure, with 40 reports on individual audits. However, regarding the PAC, there were delays in the hearings of the auditor general's reports on the three Government of Liberia Consolidated Fund Financial Statements for FY14–15, FY15–16, and FY16–17. Interviews with people familiar with the matter confirmed that the hearings could not be organized because the MFDP did not attend the meetings. Hence, the potential impact of these reports is not yet known.

Procurement function. Despite training and other capacity-building activities supported by the project (under objective 2), procurement outcomes fell well below expectations. The project supported the Public Procurement and Concessions Commission (PPCC) to establish a database containing information on vendors' registration and provide training for business representatives and procuring entities.[3] At project closing, 404 vendors were registered, and the number has increased to 545 as of April 2019.

However, the publication of key procurement process documents has declined significantly. Except for five contracts, no procurement plan was published during FY18/19, despite being required by law.[4] Although the PPCC also approved the procurement plans of all the spending units, significant challenges remain: the e-procurement module included in the IFMIS financed by the project is not in use (table A.3); there is no PPCC strategy for the management of public procurement in the country, and the PPCC does not send instructions with clear guidelines to coordinate ministries and agencies in the preparation, execution, and follow-up of the procurement plans. The IEG mission was informed that there is still an excessive use of single-source purchases in many spending units.

Civil society and social accountability. The project trained more than 100 nonstate actors in public financial management, including proposal writing, grant management, and results-based management. IEG received positive feedback on continuous engagement and improvements that resulted from the engagement mechanism established under this project, which was a first in Liberia.

The project contributed to improving the quality and timeliness of financial statements (and, to a lesser extent, their external scrutiny) and to general oversight. Targets for external audit and legislative scrutiny of external audit reports were not achieved, despite some progress after project closure. The target to improve the quality and timeliness of financial statements (the PDO indicator PEFA PI-25) was achieved and sustained after project completion. This objective is rated **modest.**

3. Efficiency

The Project Appraisal Document and Implementation Completion and Results Report noted that the traditional cost-benefit analysis or value-for-money analysis were not undertaken because the expected project benefits did not easily lend themselves to quantification. According to the Project Appraisal Document, the expected project benefits (including improved macrofiscal discipline, improved sectoral allocation, improved financial management and control, improved budget credibility and coverage, and improved revenue management) would likely outweigh the costs of implementation. However, the expected benefits from improved financial management and control and improved budget credibility and coverage did not materialize, and the achievement of project results were modest or negligible.

There were inefficiencies in the use of project resources because of implementation delays, cost overruns, and ineligible expenditures. Project implementation delays resulted from complex project design and weak implementation capacity. The project's closing date was extended by one year, partly because of the Ebola pandemic, delays in the financial management information system rollout, and additional European Union financing. There were also cost overruns related to the governance program component and project management, which exceeded the appraised estimates by 41 percent (actual final cost: $6.82 million), accounting for 23 percent of the final total cost. This component financed capacity development and change management, but most of the cost overrun was related to the Reform Coordination Unit's functioning. The cost for program coordination and financial management was more than $1.8 million, compared with the original allocation of $645,000. Ineligible expenditures discovered in 2017 have not been addressed or refunded (see appendix B).

The efficiency of the project is rated **modest.**

4. Outcome

The overall outcome of the Integrated Public Financial Management Reform Project is rated as **moderately unsatisfactory,** based on the indicators presented in table A.7.

Table A.7. Outcome Assessment Indicators

	Efficacy					
PDO Relevance	**PDO 1**	**PDO 2**	**PDO 3**	**PDO 4**	**Efficiency**	**Outcome**
High	Negligible	Modest	Negligible	Modest	Modest	Moderately unsatisfactory
			Modest			

Note: PDO = project development objective.

5. Risk to Development Outcome

Several issues pose a substantial risk to the sustainability of the limited development outcomes.

Budget limitations. The government faces budget limitations on training, recruiting new PFM and procurement graduates, and retaining qualified staff. For example, the transition of the MFDP Training School program to the University of Liberia planned for 2016 was delayed until 2019, and some of the ministries and agencies do not have the resources or vacancies to hire new graduates. Additional budget is also needed to further support LICPA for accountant certification.

Insufficient funds for maintenance. The government does not have sufficient funds to pay for maintenance fees for the IFMIS at county treasuries. Scarce resources pose a substantial risk to the sustainability of county treasuries.

Internal controls: constraints affecting the rollout of IFMIS. Results on improving internal controls achieved during project implementation deteriorated after project closure for political reasons, as discussed in the main report. More engagement between the MFDP and spending units (ministries and agencies) is needed to complete the IFMIS rollout and expand the use of system modules (for example, budgeting, procurement, and payroll modules). The payroll module has not been used since the payroll reform in July 2019.

Some of the risks are expected to be moderated in the medium term, given support from the follow-up Public Financial Management Reforms for Institutional Strengthening Project. In addition, development partners continue to support the follow-up project and other key PFM reforms. The IMF continues to support the government in implementing key PFM reforms such as the establishment of a TSA. A number of development partners support domestic revenue mobilization, including the African Development

Bank, the European Union, the German Agency for International Cooperation, IMF, the Open Society Initiative for West Africa, the Overseas Development Institute, the United Nations Development Programme, and the United States Agency for International Development.

Risk to development outcomes is rated **substantial.**

6. Bank Performance

Quality at Entry

The project was consistent with the government PFM reform strategy and the 2009 PFM law, and it built on findings and recommendations from solid analytical work, including the 2008 Public Expenditure Management and Financial Accountability Review and the PEFA assessment. Considering limited capacity, the project emphasized training and the rollout of information systems. The project was prepared with an adequate team of specialists to address sector deficiencies and concerns. In addition, the team led the coordination with other donors.

However, the project design had several weaknesses. There was an unclear link among some project objectives, intermediate results, and activities, and the results indicators were not adequate to assess the project outcomes and results. Additionally, the significance of political, institutional, and governance risks was underestimated. Considering country conditions and risks, the project could have given greater up-front consideration to appropriate mitigation measures.

Quality at entry is rated **moderately unsatisfactory.**

Quality of Supervision

The quality of supervision was mixed. The World Bank team accomplished formal supervision (routine mission and reports) and ensured compliance with the World Bank's fiduciary rules. However, the team did not alert stakeholders to the lack of progress on results indicators. Instead, generous Implementation Status and Results Report ratings were delivered.

Quality of supervision is rated **moderately unsatisfactory.**

7. Quality of Monitoring and Evaluation

Design

The results framework design had major deficiencies. The project's objectives were specified, but the theory of change was not well linked to the results framework, and the results indicators were not well linked to the outcomes of the PDOs.

A major concern was the use of composite PEFA indicators as results indicators.[5] PEFA indicators are composites and may not be useful for project-level monitoring and evaluation. The PEFA indicators included some aspects that were not within this project's scope (for example, sector strategies, costing of investments, and debt sustainability analysis). Furthermore, the indicators used did not capture some results supported by the project, such as SOE oversight, civil society engagement, and capacity building.

Progress toward the results indicator targets was to be monitored annually using a PEFA self-assessment. However, the quality of self-assessments was not evaluated. There was a risk that the self-assessments were not accurate or robust in the 2016 PEFA, which calls into question the accuracy of several 2014 PEFA scores (PEFA Secretariat 2016).

Implementation

Review of implementation progress was done annually using the indicators in the results framework. A focal point at the project implementation unit was appointed to collect, compile, and analyze data received from the persons responsible for the different project activities. This arrangement helped ensure the compilation of monitoring and evaluation data for inclusion in the progress reports shared with the World Bank.

Use

The monitoring and evaluation framework was not used effectively as a tool to guide and improve project management, activities, and supervision. It was not used to identify delays and the lack of progress in achieving PDOs to discuss with the government.

Monitoring and evaluation is rated **negligible.**

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MFDP (Ministry of Finance and Development Planning). 2017a. "Public Financial Management Reform Strategy and Action Plan 2017–20." Government of Liberia, Monrovia.

MFDP (Ministry of Finance and Development Planning). 2017b. "The 2017 PEFA Self-Assessment." Government of Liberia, Monrovia.

MFDP (Ministry of Finance and Development Planning). 2019. "Assessment of the Integrated Financial Management Information System—IFMIS Technical Assessment Report: Findings and Recommendations." Government of Liberia, Monrovia.

PEFA Secretariat. 2016. "Liberia Uses PEFA to Reform Its PFM and Monitor Progress Over Time." PEFA News, February 23, 2016. https://www.pefa.org/news/liberia-uses-pefa-reform-its-pfm-and-monitor-progress-over-time.

World Bank. 2011. "Liberia—Integrated Public Financial Management Reform Project." Project Appraisal Document 64363-LR, World Bank, Washington, DC.

World Bank. 2017. "Liberia—Integrated Public Financial Management Reform Project." Implementation Completion and Results Report ICR00004277, World Bank, Washington, DC.

World Bank. 2018. "Liberia—Integrated Public Financial Management Reform Project." Implementation Completion and Results Report Review ICRR021083, Independent Evaluation Group, World Bank, Washington, DC.

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[1] Integrated financial management information system (IFMIS) implementation in Liberia commenced in 2009, the year that public financial management (PFM) reform was launched. Implementation started slowly and included only the payroll (and not completely) at first. The objective was to build on the previous IFMIS project and support the effective rollout of the FreeBalance-based budget preparation, execution, and fiscal reporting modules to ministries and agencies and, on a phased basis, to donor-funded projects (World Bank 2011, para. 33). A substantial budget ($8.2 million at appraisal) was devoted to these activities.

[2] Data were not available on the number of attendees on the Liberia Institute of Public Administration's PFM and procurement courses between 2011 and 2019.

[3] A four-day workshop for private sector representatives to prepare and submit responsive bids when participating in the public procurement tendering process was held in September 2018, with a call for increased participation of Liberian-owned businesses in public tenders. In addition, more than 300 people attended a two-week procurement compliance workshop for procuring entities, which was held from May 27 to June 4, 2019.

[4] The law requires the publication of procurement notices above a specified threshold, notices on concessions, notices of invitations to bid, and contract award information above a specified threshold, along with a list of complaints received and outcomes of the procurement or concession dispute-resolution process.

[5] The decision to use Public Expenditure and Financial Accountability (PEFA) indicators was made because a key foundation for designing the PFM agenda in Liberia was a successful PEFA, implemented in 2009 by the International Monetary Fund within the context of the Public Expenditure Management and Financial Accountability Review. The PEFA framework and indicators were used as tools to facilitate donor coordination. However, the project used

indicators related to the measurement of expected outcomes and outputs of overall PFM reform, not to measure results supported by the project.

Appendix B. Fiduciary, Environmental, and Social Aspects

Fiduciary

The Independent Evaluation Group concurs with the assessment in the Implementation Completion and Results Report concerning the quality of financial management reporting, which was delivered on time and deemed satisfactory by the World Bank (World Bank 2017b). A Financial Management Review in 2017 found $97,000 in ineligible expenditures. The information was sent to the client in the final In-Depth Financial Management Review (World Bank 2017a). In response, on November 10, 2017 (after project closure), the Ministry of Finance and Development Planning explained and justified some expenditures and accepted others as ineligible (MFDP 2017). The Independent Evaluation Group did not find any evidence that the World Bank requested reimbursement of ineligible expenditures. There were no procurement or disbursement-related covenants in the financial agreements.

Environmental and Social

The project was a technical assessment rated environmental category C, with no social or environmental safeguards triggered.

References

MFDP (Ministry of Finance and Development Planning). 2017. "Responses to the World Bank In-Depth Financial Management Review of Liberia Integrated Public Financial Management Reform Project (November 10)." Government of Liberia, Monrovia.

World Bank. 2017a. *In-Depth Financial Management Review of Project Liberia Integrated Public Financial Management Reform Project*. Washington, DC: World Bank.

World Bank. 2017b. "Liberia—Integrated Public Financial Management Reform Project." Implementation Completion and Results Report ICR00004277, World Bank, Washington, DC.

Appendix C. Methods and Evidence

This report is a Project Performance Assessment Report (PPAR). This instrument and its methodology are described at https://ieg.worldbankgroup.org/methodology/PPAR.

The PPAR team reviewed relevant project documents (Project Appraisal Document, Implementation Status and Results Reports, Implementation Completion and Results Report, Implementation Completion and Results Report Review, and aide-mémoire) and external documents, including documents from development partners and the private sector. Semistructured interviews were conducted in Washington, DC, and in Liberia during a field mission from November 19 to 29, 2019. These involved World Bank staff, government officials, development partners, civil societies, academia, and private sector representatives (appendix I). The field mission included a site visit to Margibi County, one of four counties where the project established pilot county treasuries.

The PPAR team updated the project results indicators (appendix E). In addition, the team confirmed the latest official Public Expenditure and Financial Accountability assessment and an informal self-assessment by the government, and conducted an assessment of select Public Expenditure and Financial Accountability indicators (PI-18, PI-20, and PI-25) based on interviews and the latest data obtained during the mission (appendix F). The team also applied a diagnostic framework to assess the government's capacity to manage public finances (appendix G).

The team used several methods to assess political factors. The IEG mission consistently asked interviewees whether the main reason for delays in establishing the treasury single account and rolling out the integrated financial management information system was a technical issue. The results from the interviews indicated that there was no technical reason for the delay but rather political factors (political decisions, vested interests, keeping discretionary powers over public funds, and so on) (main text, para. 2.37). The memorandum of understanding between the Ministry of Finance and Development Planning and the Central Bank of Liberia on treasury single account implementation has been in draft form since 2015.

Appendix D. Project Components, Subcomponents, and Activities of the IPFMRP

Table D.1. Project Components, Subcomponents, and Activities of the IPFMRP

Components	Objectives	Subcomponents	Objectives	Activities
Component 1: Enhancing budget planning systems, coverage and credibility (estimated cost at appraisal: $1.84 million; actual cost: $1.84 million)	This component aims at enhancing budget planning systems, coverage of the budget to include aid on budget and overall budget credibility in the government of Liberia. The overall objective of the component is to establish effective systems and procedures for aggregate fiscal policy and budget formulation and management by the Ministry of Finance and ministries and agencies, and a basis for improved county-level management	Subcomponent 1.1: Macrofiscal framework	To establish analytical tools and capacity to prepare the medium-term Macrofiscal Framework and revenue forecasts as a reliable envelope for budget management	(i) Training in macroeconomic modeling, financial programming, and revenue forecasting, supported in part by consultancies; and (ii) Computers and accessories
		Subcomponent 1.2: Fiscal reporting and fiscal policy review	To establish IFMIS-generated fiscal operations reports as a basis for regular fiscal policy review and establish a fiscal monitoring framework for SOEs that helps to identify risks with the aim of reducing overall fiscal risks to the government of Liberia	Along with the mentioned activities, supporting the Ministry of Finance to (i) Establish criteria to determine if an institution should be classified as an SOE—this institutional boundary work is essential to clear up some of the existing SOEs—resulting in a policy note for cabinet approval; (ii) Establish a reporting framework for quarterly and annual financial reporting of SOEs to the Ministry of Finance; and (iii) Develop the Ministry of Finance's capacity to collect and report SOE data
		Subcomponent 1.3: Enhanced budget frameworks	To build capacity for medium-term budgeting and establish an orderly, realistic budget process that includes all central government ministries and agencies and counties	(i) Supporting the Medium-Term Expenditure Framework Secretariat; and (ii) Supporting strengthening of planning and budget preparation processes
Component 2: Strengthening PFM legal framework and	This component aims at strengthening the legal basis for budget management at the same	Subcomponent 2.1: Review of PFM legal framework	To cater to the need for refining the PFM laws and regulations for greater consistency with international best practice and thus establish an improved	(i) Building understanding of the law and regulations across government for improved compliance in the management and oversight of public finances; and

Components	Objectives	Subcomponents	Objectives	Activities
budget execution (estimated cost at appraisal: $10.26 million; actual cost: $12.25 million)	time as ensuring that the budget is executed as planned and the quality of information on fiscal operations is improved for more informed government decision-making. It has six subcomponents		enabling legal framework for management and control of public finances	(ii) Taking cognizance of other PFM-related laws—revenue administration, audit—to assure consistency where required
		Subcomponent 2.2: IFMIS rollout to ministries and agencies	This component will build on the work done under the current IFMIS project and support the rollout of the FreeBalance-based budget preparation, execution, and fiscal reporting modules of IFMIS that have been implemented under the current IFMIS project to ministries and agencies. The component will also complete the implementation of the payroll system initiated under the IFMIS project	(i) Rollout of the FreeBalance-based budget preparation, execution, and fiscal reporting modules that have been implemented under the current IFMIS project to ministries and agencies; (ii) Full implementation of the payroll system initiated under the IFMIS project; and (iii) Establishment of e-transcript utilities to interface with county-level systems
		Subcomponent 2.3: Strengthening financial standards, accounting, and reporting	To support the government's ongoing efforts to strengthen financial, accounting, and reporting standards	The project will finance technical assistance to develop these guidelines, train the Comptroller and Accountant General's Department staff, and develop the design specifications to automatically produce International Public Sector Accounting Standards cash-compliant reports from FreeBalance and the Crystal Reporting tool that the government currently uses The technical assistance will also review the current accounting and financial processes and recommend improvements in identified areas to bring these processes in line with best practices
		Subcomponent 2.4: Treasury, cash, debt, and aid management	(i) Treasury and cash management Objective: incorporate all funds defined in the PFM Act 2009 in a TSA held in the Central Bank of Liberia to improve the efficiency and effectiveness of government cash and debt management	Treasury and cash management: (i) Establishing a TSA to strengthen fiscal control and Government Finance Statistics reporting; (ii) Including donor funds in the TSA; and (iii) Establishing cash and debt management

Components	Objectives	Subcomponents	Objectives	Activities
			(ii) Aid management Objective: The objectives of this subcomponent are to improve the predictability and coordination of aid flows and to increase the proportion of total funds incorporated in the national budget	(i) Training of the Aid Management Unit staff in aid management and coordination, monitoring and evaluation, and grant negotiation; and (ii) Provision of logistics such as computers, photocopiers, printers, and scanners
			(iii) Debt management Objective: improve the efficiency and effectiveness of debt management	(i) Training requirements beyond the requirements that the AfDB and Department for International Development (UK) are financing; (ii) Purchases of periodic Commonwealth Secretariat Debt Recording and Management System upgrades; and (iii) Development or purchase of a domestic debt management module as an addition to the Commonwealth Secretariat Debt Recording and Management System
		Subcomponent 2.5: Establishment of county treasuries	This subcomponent will establish basic financial management and fiduciary control at the county level in support of the government's decentralization policy. It aims to lay the basic foundation for deconcentrating financial management of service delivery activities in the 15 counties in support of Liberia's approved National Policy on Decentralization and Local Governance	The basic internal renovation of existing county accounting offices and setting up of a treasury framework, including the design and provision of simplified bookkeeping and accounting tools, basic furnishing of country treasury offices, and capacity building of country treasury officers through consultancies
		Subcomponent 2.6: Donor project financial management/use of country systems	To establish a direct link between the Project Financial Management Unit and IFMIS to achieve increased use of country financial management systems and aid on accounting and reporting	(i) Consultancy services to design the budgeting, accounting, and reporting tools within IFMIS using the government's chart of accounts; (ii) Training the staff of the Project Financial Management Unit in the Comptroller and

Components	Objectives	Subcomponents	Objectives	Activities
				Accountant General's Department's Accounting Services Unit on the implementation of donor-funded project accounting as part of the overall government accounting arrangements; and (iii) Piloting the transition from stand-alone financial management arrangements for donor-funded projects to integrated government financial management arrangements
Component 3: Revenue mobilization and administration (estimated cost at appraisal: $5.38 million; actual cost: $5.38 million)	The objective of this component is to complement efforts aimed at improving the efficiency and integrity of revenue administration and increase domestic revenue of central government entities. The component has three subcomponents	Subcomponent 3.1: Capacity development of customs	To complement the activities supported by the government (the Automated System for Customs Data) funded through an arrangement under the AfDB budget support operation by providing requisite hardware and operational expenses not currently funded under the United Nations Conference on Trade and Development and United Nations Office for Project Services contracts	Other activities to be supported under the subcomponent include the following: (i) Training on customs administration; and (ii) Provision of logistical requirements such as vehicles to the rural collection teams to function better in their roles
		Subcomponent 3.2: Tax automation (SIGTAS)	This subcomponent is aimed at strengthening the tax collection system, including the nontax domestic revenues. The subcomponent will heighten the development of the tax automation system, allowing for a seamless migration from the legacy system, Integrated Tax Administration System, to the modern system, SIGTAS	(i) Refurbishment of collection sites in rural areas (no new construction envisioned); (ii) Provision of technical assistance for implementation of SIGTAS rollout and training; (iii) Procurement of hardware and related software and certain SIGTAS modules; and (iv) Operational expenses for effective SIGTAS project management, including technical staffing and change management
		Subcomponent 3.3: Establishment of revenue authority	The objective of this component is to strengthen the tax revenue administrative framework to facilitate policy implementation and improve	(i) Development of a Human Resource Performance Management Policy; (ii) Technical assistance for capacity building, change management, and awareness creation; and

Components	Objectives	Subcomponents	Objectives	Activities
			revenue collection. An independent revenue authority will be created	(iii) Renovation of new office space, network installation, and purchase of power generators
Component 4: Enhancing transparency and accountability (estimated cost at appraisal: $6.23 million; actual cost: $7.09 million)	The objective of the component is to improve transparency and accountability in PFM by increasing the government's ability to report on and account for the revenues it collects and for public expenditures, and to strengthen the GAC and legislature, enabling them to better execute their oversight function as assigned under the Liberian Constitution and the PFM Act	Subcomponent 4.1: Strengthening public procurement	To improve the public procurement oversight through strengthening the institutional capacity of the PPCC to deliver on its mandate	(i) Technical assistance to support institutional capacity building; (ii) Training of PPCC staff; (iii) PPCC outreach to government ministries and agencies to provide training on procurement guidelines; (iv) Support for South–South knowledge exchange activities; and (vi) Provision of a local area network to allow for view-only interface with the IFMIS procurement model, and to enable the PPCC to publish its review reports as required by the PPCC Act
		Subcomponent 4.2: Internal audit and controls	To establish improvements in the internal control environment of ministries and agencies to ensure sufficient and timely assurance services on all aspects of the government's service delivery	(i) Providing technical assistance support for establishing the Internal Audit Governance Board and Secretariat; (ii) Providing logistical support (for example, computers, a server for storing internal audit reports, follow-up actions, and so on) to the governance board; (iii) Training of internal auditors across ministries and agencies; (iv) Implementation of Internal Audit manuals; (v) Development and implementation of a risk-based audit methodology; and (vi) Specialized audit training (for example, computer-assisted audit tools), licensing, and certifications
		Subcomponent 4.3: External audit	To strengthen the oversight role of the GAC and improve financial compliance through expanding the scope of	(i) Technical assistance to train GAC staff on procurement audit, information system audit,

Components	Objectives	Subcomponents	Objectives	Activities
			external audits and helping to strengthen the follow-up and response to audit findings	revenue audit, public and environmental audit, oil and gas audit; (ii) Relevant professional training and certification for GAC staff; (iii) Implementation of risk-based audit methodology; and (iv) Logistics support, including computers, vehicles, and furniture
		Subcomponent 4.4: Legislative oversight	To enhance the capacity of the legislature to apply appropriate standards of PFM accountability to the executive branch. The subcomponent will focus on the Public Accounts Committee and complement other activities under implementation at the legislature in support of strengthening the capacity of the Legislative Budget Office funded through the United States Agency for International Development	(i) Expertise training and seminars on budget analysis for Legislature Budget Office staff; (ii) Introducing outreach programs for the Public Accounts Committee and the Ways and Means Committee of the Legislature through South–South study tours; (iii) Local training by specialist consultants; and (iv) Provision of logistical support, office equipment, and a local area network needed to facilitate the work of the Legislature Budget Office and the legislative committees
		Subcomponent 4.5: Civil society and social accountability	To strengthen the capacity of nonstate actors as critical watchdogs in ensuring transparency and accountability in the use of public finances	(i) Analysis and monitoring of the national and local government budgets at various stages of the budget preparation, approval, and execution cycle; (ii) Support for advocacy activities and dissemination of information on all aspects of PFM at the national and local government levels; and (iii) Media training for journalists on covering government budget and spending matters
Component 5: Program governance and project	To provide a robust project and program management function that caters to the needs	Subcomponent 5.1: Program coordination	To provide a strong institutional and functional capacity to coordinate the overall project implementation through respective component managers	(i) Short-term technical assistance consultancies to strengthen the coordination capacity;

Components	Objectives	Subcomponents	Objectives	Activities
management (estimated cost at appraisal: $4.85 million; actual cost: $6.82 million) From which: Program coordination and financial management (estimated cost at appraisal: $0.65 million; actual cost: $1.82 million)	of integrated coordination and monitoring of the implementation of the reform program, serves as the enabling component for delivery of PFM human resource capacity, and assures the appropriate sequencing of interventions across the various reform fronts			(ii) Local contractual staff to support the administrative functioning of the coordination mechanism; (iii) Procurement of hardware, related software, and logistics; and (iv) Staff training and incremental operational expenditures
		Subcomponent 5.2: Institutional and capacity building	To strengthen the institutional basis for PFM reforms and build national capacity for enabling new entrants into the civil service to perform their functions in the areas of PFM and public procurement	(i) Stipends to students in the PFM and procurement courses; (ii) Development of improved curriculum; (iii) Compensation to professional lecturers and other academic staff; (iv) Establishment of a career path framework for PFM and procurement staff through Civil Service Agency auspices; (v) Further implementation of the employee biometrics under Civil Service Agency auspices, including validation processes; and (vi) PFM-related workshops and knowledge sharing
		Subcomponent 5.3: Monitoring and evaluation and change management	To monitor, evaluate, and review progress on all project components and subcomponents, identify issues that may impede progress, develop effective change management strategies, and communicate key aspects of progress to the public	(i) Apply the harmonized monitoring and evaluation framework developed for this project; (ii) Maintain data that will facilitate annual PEFA self-assessments of key indicators and periodic independent full PEFA assessments; and (iii) Training in PEFA methodology for the monitoring and evaluation function to undertake the self-assessment
		Subcomponent 5.4: Project fiduciary	To ensure that funds advanced for project execution are used for the purposes intended with efficiency and economy	(i) Carry out procurement under the project; (ii) Provide technical procurement support to participating ministries and agencies, including procurement management; and

Components	Objectives	Subcomponents	Objectives	Activities
				(iii) Build procurement capacity to allow the Reform Coordination Unit to take over procurement responsibilities at the end of their contracts

Sources: World Bank 2011, 2016, 2018.
Note: According to the Restructuring Paper (World Bank 2016) approved on May 4, 2016, the budget of components 2, 4, and 5 increased as follows: component 2 from the original allocation of $10.26 million to $12.25 million; component 4 from $6.23 million to $7.09 million; and component 5 from $4.84 million to $5.29 million. AfDB = African Development Bank; GAC = General Auditing Commission; IFMIS = integrated financial management information system; IPFMRP = Integrated Public Financial Management Reform Project; IPSAS = International Public Sector Accounting Standards; PEFA = Public Expenditure and Financial Accountability; PFM = public financial management; PPCC = Public Procurement and Concessions Commission; SIGTAS = Standard Integrated Government Tax Administration System; SOE = state-owned enterprise; TSA = treasury single account.

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Appendix E. Results Framework

Table E.1. Project Development Objective Indicators

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Objective/Outcome 1: Improve Budget Coverage						
Public Expenditure and Financial Accountability PI-7: Extent of Unreported Government Operations	Text	D+ May 15, 2015	B June 30, 2017	n.a.	D+ June 30, 2017	Not achieved Little progress has been made after project closure. Donor-funded expenditures continued to be out of the budget. The FY18–19 budget consists of only 9 percent of the expected external resources ($591.8 million). However, there is more information in the Development Aid Reports on the income side, and in the Fiscal Outturn Reports on the disbursement side. These reports are published on the Ministry of Finance and Development Planning website.

Complementary Data and Information

- At appraisal. About 15 percent of donor support (both in loan and grant form) was incorporated into the government of Liberia's budget (World Bank 2011, 42).
- At completion. Donor-funded activities were outside of the government budget, amounting to about 15.7 percent of budget spending reported in 2017 (World Bank 2017). The total expenditure reported in 2017 for the FY15–16 was $613,892,000, and the total donor-funded expenditures reported by the Project Financial Management Unit for the same fiscal year was $96,529,000. This was not included in the financial statements (total expenditure) of the Consolidated Fund accounts.
- At PPAR. In addition, the FY18–19 consolidated budget included only the budgets of 18 of 39 state-owned enterprises.
- The government developed the Liberia Projects Dashboard, which is an online information management platform that captures both donor- and government-funded projects in Liberia. The dashboard has been developed under the Overseas Development Institute's Budget Strengthening Initiative with support from Sweden. Two units at the Ministry of Finance and Development Planning, the Aid Management and Coordination Unit and the Public Investment Unit, are using the dashboard. However, the platform is not interfaced with a treasury single account (IFMIS).

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Public Expenditure and Financial Accountability PI-12: Multiyear Perspective in Fiscal Planning, Expenditure Policy, and Budgeting	Text	D+ May 15, 2015	B June 30, 2017	n.a.	C+ June 30, 2017	Partially achieved Little progress after project closure. A new draft MTEF strategy was developed in 2019 to replace the previous one, which expired in 2018, but it has not been validated. Despite some efforts, multiyear budgeting (two outer years' projections) continues, and accurate projections, costing of budget items by ministries and agencies, and frequent changes to the projections remain a challenge.

Complementary Data and Information

- Elements of an MTEF have been introduced, but the MTEF is not yet a useful budgeting tool two years after project closure, essentially because there is no strategic planning in most ministries; when strategic plans exist, the links to budgeting are weak, and changes in multiyear budgets are unsubstantiated.
- The new strategy incorporates lessons learned and the challenges experienced from 2012 onward when the MTEF was first introduced. The MTEF manual will be revised in line with the new strategy once the relevant government ministries, development partners, and other key stakeholders validate it.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Objective/Outcome 3: Improve Financial Controls						
Public Expenditure and Financial Accountability PI-18: Effectiveness of Payroll Controls	Text	D+ May 15, 2015	B June 30, 2017	n.a.	C+ June 30, -2017	Not achieved D+ at PPAR. Payroll controls have weakened and will require regular audit to assure that these controls are still in place. The CSMS, since its deployment in 2013, had been used for managing human resources and payroll. However, the CSMS has been temporarily suspended because of the ongoing government payroll harmonization reform, which commenced in early 2019, and the government authorized the use of a temporary system in July 2019 for payment of salaries. The current CSMS will need to be reconfigured in line with the new harmonized pay structure. Once complete, the harmonized payroll data would be presented to FreeBalance in a predefined format for uploading into the CSMS. This was expected to be completed by June 2020. There are concerns about this delay and its possible impact on payroll control and transparency. Also, biometric controls were not used in FY18–19. For these reasons, the current rating should be D+, pending the completion and effective reestablishment of the updated IFMIS payroll module and biometrics controls.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Public Expenditure and Financial Accountability PI-20: Effectiveness of Internal Controls for Nonsalary Expenditure	Text	C+ May 15, 2015	B June 30, 2017	n.a.	C+ June 30, 2017	Not achieved C+ at PPAR. No advancement from the baseline. IFMIS is still being used for commitment controls, and considering that the system has different approval levels, some level of control is assured. The system is rolled out to 50 ministries and agencies and 4 county treasuries, accounting for more than 90 percent of the FY19/20 government budget. Excessive staff turnover complicates controls, the IFMIS procurement module remains unused, and there is an unjustified overuse of single-source purchases.

Complementary Data and Information

- The integration and reconciliation between personnel records management by the Civil Service Agency and payroll data management by the Ministry of Finance and Development Planning has been improved because of implementation of the CSMS. At the same time, the system was supposed to be rolled out to five line ministries by June 30, 2017. The rollout has not happened, and the timeline remains unclear. According to the Implementation Completion and Results Report team, payroll authorizations continue to be done in paper form, undermining efficiency gains of the system and delaying processes. However, the suspension of the use of IFMIS and biometric controls in 2019 jeopardizes all the previous advancements.
- Increased staff capacity in financial management, combined with initial rollout of the IFMIS (which only includes part of its modules) to about 50 ministries and agencies, and the establishment of operational treasury units in four counties should have improved internal controls over part of the payment system, in line with initial targets (the original results framework envisioned that about 40 ministries and agencies would be issuing monthly expenditure reports, but the lack of use of the IFMIS procurement module and abuse of single-source method in procurement remain by the end of 2019).
- Also, with 330 accounts in commercial banks, the failure to establish a treasury single account—which would be a prerequisite for a robust cash management system—reduces the impact of increased staff capacity and an expanded IFMIS. In summary, some improvements in financial (and payment) controls were achieved, as indicated by an increase in ranking from a baseline of D+ to C+ for payroll controls, but in 2019 the steps back in the use of the payroll IFMIS module and the absence of biometric controls send the rating back again to D+, and effectiveness of nonsalary controls remained at C+.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Objective/Outcome 4: Improve Oversight of Government Finances						
Public Expenditure and Financial Accountability PI-25: Quality and Timeliness of Annual Financial Statements	Text	D May 15, 2015	C+ June 30, 2017	n.a.	C+ June 30, 2017	Achieved C+ at PPAR. IPSAS-compliant consolidated financial reports are still being produced since 2017. Annual financial statements are still prepared and submitted to the GAC for external audit within six months of the end of the fiscal year. The FY18/19 Consolidated Financial Statement was submitted to the GAC on December 18, 2019. The FY17/18 Consolidated Financial Statement was submitted on December 4, 2018.
Public Expenditure and Financial Accountability PI-26: Scope, Nature and Follow-Up of External Audit	Text	D May 15, 2015	C+ June 30, 2017	n.a.	D+ June 30, 2017	Not achieved Follow-up of audit recommendations has been a challenge over the years. Despite the efforts of the GAC and parliament for the effective implementation of audit recommendations, there is still no real impact. The cases of several former government officials who were named in some external audit reports are being investigated and forwarded to court.[a] Concrete actions remain elusive.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Public Expenditure and Financial Accountability PI-28: Legislative Scrutiny of External Audit Reports	Text	D May 15, 2015	C+ June 30, 2017	n.a.	D+ June 30, 2017	Partially achieved Generally, legislative scrutiny of the external audit reports has improved and become institutionalized within the national legislature. Regular public hearings are conducted on the auditor general's report by the Public Accounts Committee. Reports with recommendations from these hearings are prepared and submitted to the president's office for actions. However, the main challenge has been the implementation of these reports. The real impact of these reports is not yet known. In addition, there has been no hearing on the Consolidated Financial Statements by the Public Accounts Committee.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Complementary Data and Information						
• Annual financial statements are prepared and submitted to the auditor general, still with some delays, but within six months of the end of the year and audited.						
• An external oversight process of the budget had been established, involving the GAC and the Public Accounts Committee of the legislature.						
• Accounts for FY11–14 have been endorsed by the legislature, but public hearings have not been organized, nor has the legislature provided final endorsement to the reports. The Public Accounts Committee has scheduled the hearings for the Consolidated Financial Statements of FY14–15, FY15–16, and FY16–17 in January 2020, with significant delay.						
• In summary, the project improved to some extent the timeliness and quality of financial statements, their external scrutiny, and general oversight, but the rating remains low.						

Sources: Lee-Jones 2019; World Bank 2011, 2017b.
Note: The information included in the column "Actual Achieved after Project Closure" and in the "Complementary Data and Information" sections is based on evidence. "Actual Achieved after Project Closure" includes ratings according to the real achievements at the time of the PPAR and the evidence for those ratings. Except when mentioned, advancements planned or expected by the government but not achieved after completion and those financed by other donors are not included in this matrix. CSMS = Civil Service Management System; FY = fiscal year; GAC = General Auditing Commission; IFMIS = integrated financial management information system; IPSAS = International Public Sector Accounting Standards; MTEF = Medium-Term Expenditure Framework; n.a. = not applicable; PPAR = Project Performance Assessment Report.
a. The most relevant anticorruption institution is the Liberian Anti-Corruption Commission, which is a national autonomous commission with mandate to create awareness of, investigate, and prosecute acts of corruption involving public officials and resources, created by Act of Legislature in 2008. Anticorruption agencies experienced severe budget cuts in 2018. The Liberian Anti-Corruption Commission was also initially excluded from an investigation into the major scandal in Liberia, a financial scandal involving the disappearance of about Liberian $16 billion ($100 million) brought into the country by the Central Bank of Liberia, and was only invited to the investigative committee after public outcry. However, as of now, there are no specific results from this case. The commission lacks direct power to prosecute cases of corruption and must refer cases to the Ministry of Justice. The commission received 33 complaints of corruption cases during FY17–18, down from 38 in the previous reporting period. Of these, the commission investigated 13 cases, 3 of which were closed because of the lack of sufficient evidence to prosecute. The remaining cases were to be carried forward to the next reporting period (Lee-Jones 2019).

Table E.2. Intermediate Results Indicators

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Component 1: Enhancing Budget Planning Systems, Coverage, and Credibility						
Quarterly fiscal operations reports generated	Yes or no	No June 19, 2014	Yes June 30, 2017	Yes June 30, 2017	Yes June 30, 2017	Achieved Fiscal reports are published but with delays. Debt reports are published; there are delays in the publication of fiscal outturns report—reports are in drafts and have not been approved for publication; consolidated state-owned enterprise reports have also not been published within the past 12 months. Consolidated financial reports were published for the first three quarters of FY19/20; the FY19/20 annual consolidated report is being finalized for publication. However, many ministries and agencies did not submit their quarterly financial statements for consolidation in a timely manner.
Variance between ministries' and agencies' appropriations and actual expenditures	Percentage	10 June 19, 2014	5 June 30, 2017	5 June 30, 2017	6.4[a] June 30, 2017	Not achieved The variance has significantly increased FY18/19: 9 percent FY17/18: 11 percent (based on the original budget passed by the legislature)
Variance between revenue forecasts and actual collections	Percentage	5 June 19, 2014	3 June 30, 2017	3 June 30, 2017	8.2[b] June 30, 2017	Not achieved The variance has significantly increased FY18/19: 16.7 percent FY17/18: 20.9 percent (based on the original budget passed by the legislature)

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Component 2. Legal Framework, Budget Execution, Accounting, and Reporting						
Proportion of government balances in treasury single account	Percentage	0 June 19, 2014	95 June 30, 2017	95 June 30, 2017	0 June 30, 2017	Not achieved TSA has not been created because of political factors, despite some efforts. Inventory of bank account balances conducted; dormant accounts identified and closed, but 330 accounts remain open and active in commercial banks; policy circular on TSA implementation drafted; memorandum of understanding between the central bank and the Ministry of Finance and Development Planning on TSA implementation was drafted in 2015, but it has not been signed yet; Concept Paper on TSA implementation drafted.
Donor projects in Comptroller and Accountant General's Department–based IFMIS reports	Number	0 June 19, 2014	30 June 30, 2017	30 June 30, 2017	30 June 30, 2017	Achieved There has been no change since the 30 donor-financed projects were piloted on IFMIS in 2017. These projects have neither been included in the budget nor included in the government financial statements.
Ministries and agencies generating monthly expenditure reports through IFMIS	Number	2 June 19, 2014	40 June 30, 2017	40 June 30, 2017	50 June 30, 2017	Not achieved The target was achieved at completion, exceeding the target. However, this quickly deteriorated in the subsequent years. During the last three quarters of FY18/19, only 14 (13 percent) of the 106 budget-spending entities submitted quarterly financial reports. During the same period, only 7 (14 percent) of the 50 IFMIS-connected ministries and agencies reported.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Annual financial statements generated through IFMIS after fiscal year end	Number	6 June 19, 2014	3 June 30, 2017	3 June 30, 2017	7 June 30, 2017	Achieved. Consolidated financial statements are prepared with information from IFMIS, but the timeliness has not improved beyond six months. The FY18/19 first quarter consolidated financial statement was published in December 2018 and the second quarter in February 2019.

Complementary Data and Information

- The introduction of the TSA was envisioned in the 2009 Public Financial Management Act. During 2014–16, government bank accounts had been swept at the end of the day into US dollar and Liberian dollar accounts in the Central Bank of Liberia controlled by the comptroller and accountant general and then transferred back the next day. This practice stopped in 2016. The failure to establish a TSA, which would be a prerequisite for a robust cash management system, reduces the impact of increased staff capacity and an expanded IFMIS.
- However, according to the same central bank, the implementation of a pilot TSA at the central bank is only expected by June 2020, and the establishment of a complete TSA is planned by June 2022.
- IFMIS has been rolled out to 50 ministries and agencies, above the target of 40. Since then, the rollout has not been extended to additional spending units. There are 56 ministries and agencies (53 percent) not using IFMIS in 2019, but 91 percent of the budget is managed by the spending units where IFMIS has been rolled out.
- In addition, the government has established county treasuries, which are already operational in Bong, Grand Bassa, Margibi, and Nimba. At project completion, all 50 ministries and agencies connected to IFMIS were producing quarterly expenditure reports, including all of the big ministries: the Ministry of Health, the Ministry of Education, the Ministry of Agriculture, the Ministry of Public Works, and the Ministry of Finance and Development Planning. However, a significant part of payments is still initiated and recorded outside of IFMIS because 59 ministries and agencies do not yet use the system, but that was not planned under the project. The slower-than-expected implementation of the system could be partially attributed to suspension of the information technology contractor over sanctionable misconduct under the Integrated Public Financial Management Reform Project.
- Financial statements for the consolidated funds are due by October 31 (four months after the FY ends). For the past three years, the statements have been late by an average of two months. However, there has been some improvement in the reporting requirements of cash basis IPSAS, the government financial reporting framework.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Component 3: Revenue Mobilization and Administration						
Increase in customs revenue collections adjusted for inflation	Percentage	$23 million Dec. 31, 2011	40 Nov. 11, 2016	40 Nov. 11, 2016	40 June 30, 2017	Achieved The customs revenue increased by 50 percent from $118 million in FY10–11 to $177 million in FY18–19 (table A.4).[c]
Increase in internal revenues adjusted for inflation	Percentage	$263 million Dec. 31, 2011	50 Nov. 11, 2016	50 Nov. 11, 2016	50 June 30, 2017	Partially achieved The internal revenue increased by 30 percent from $227 million in FY10/11 to $295 million in FY18/19 (table A.4).
Complementary Data and Information						
• Revenue and customs management systems have been deployed and under the follow-up project, a new domestic revenue tax system (Integrated Tax Administration System) will be deployed to overcome the challenges faced by the current system (Standard Integrated Government Tax Administration System). The customs system (Automated System for Customs Data) will also be upgraded under the follow-up public financial management project.						
Component 4. Enhancing Transparency and Accountability						
Qualified procurement staff in ministries and agencies	Number	40 June 19, 2014 (per ICR)	60 June 30, 2017	60 June 30, 2017	112 June 30, 2017	Achieved The FMTP sponsored under the Integrated Public Financial Management Reform Project has closed, and the school has been transferred to the University of Liberia. A master of public administration program with an emphasis on procurement has been established at the university. The establishment is part of the transition plan of the FMTP to the University of Liberia, which sought to create a vertical path to graduates of the Intensive Procurement Training Program.

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
Complementary Data and Information • 132 people earned their master's in business administration, and 112 earned graduate diplomas in public procurement through the Intensive Procurement Training Program during 2006–17. After project closure, there were 18 master of business administration students and 30 procurement students. Some of the students in the program were existing civil servants, but given the lack of personnel when the project was initiated, many students were recruited from outside. • To ensure that graduates stayed on board, they were required to do several years of public service or reimburse tuition. A career management framework was not put in place in the CSA or the Ministry of Finance and Development Planning for public financial management staff, as envisioned under the subcomponent 5.2. Curriculum leading to the award of master's degree in procurement at the University of Liberia, and the PPCC has designed a Procurement Professionalization System in Liberia.						
Internal audit staff holding professional certifications qualifications	Number	0 June 19, 2014 (per ICR)	60 June 30, 2017	60 June 30, 2017	63 June 30, 2017	Achieved The Internal Audit Agency had after project closure 2 ACCAs and 61 certified fraud examiners. The agency remains deployed in more than 50 ministries and agencies. Most of these staff are certified fraud examiners. The project has registered more than 25 internal auditors for the Institute of Internal Auditors certification exam, which will be held in early 2020.
Benchmarks in budget information from the Ministry of Finance met out of nine as defined by Public Expenditure and Financial Accountability PI-6	Number	5 June 19, 2014 (per ICR)	7 June 30, 2017	7 June 30, 2017	6 June 30, 2017	Mostly achieved Six of the nine are, at the time of the Independent Evaluation Group mission (2019), being met with each submission of the budget to the national legislature. Additionally, the Department of Budget produces and distributes budget information documents, including the Citizens' Guide and brochures, and conducts nationwide awareness programs on the national budget. Under the Non-State Actors Secretariat, grants are also issued to civil society organizations to undertake awareness and sensitization programs on the national budget. This learning and awareness has served as a catalyst for multiple advocacy groups

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
						forming all over the country, particularly at the local level, demanding that local authorities account for the resources they receive for specific projects.
Qualified external audit staff in the GAC	Number	40 June 19, 2014 (per ICR)	165 June 30, 2017	165 June 30, 2017	150 June 30, 2017	Mostly achieved The Integrated Public Financial Management Reform Project initially funded the professional certification program during 2015 and 2016. Currently, 101 external auditors are enrolled in the ACCA program, and 3 have obtained the Certified Information Systems Auditor certification. These professional certification programs at the GAC are being funded by the European Union.
Complementary Data and Information • There are no data available on the Internal Audit staff holding professional certifications and qualifications. • According to the government, seven key budget information documents are produced annually: (i) the Citizens' Guide, (ii) a budget fact sheet, (iii) FAQs, (iv) budget information billboards, (v) posters, (vi) brochures, and (vii) the electronic billboard at the Ministry of Finance and Development Planning. These are in addition to the publication of the draft and approved budgets and the open budget outreach programs that are carried out in the counties. • At closure, there were 6 chartered auditors (3 certified public accountants, 1 chartered accountant, 1 ACCA, and 1 certified information systems auditor) and 51 certified fraud examiners. The certified fraud examiner was not classified as chartered in the project results chain but has been included in computing the results.						
Component 5: Program Governance and Project Management						
Annual PEFA Self-Assessments	Yes or no	Yes June 19, 2014 (per ICR)	Yes June 30, 2017	Yes June 30, 2017	Yes June 30, 2017	Achieved The next PEFA assessment is scheduled for 2020. The World Bank, together with other partners, is expected to lead the assessment. A concept note is being finalized. A team from the government side has also been established, led by the public financial management coordinator. The assessment is expected

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion	Actual Achieved after Project Closure
						to commence in early February 2020. However, the most recent (2017) PEFA was only partial, and is more based on statements than on evidence.
Complementary Data and Information						
According to the ICR, PEFA self-assessments were produced in 2014 and 2017 and two external full PEFA assessments in 2012 and 2016.						

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; World Bank 2011, 2017.
Note: There were some mistakes and inaccurate information in the results framework in Annex 1 in the ICR (for example, target and actual number of qualified procurement staff in ministries and agencies, actual percentage at completion for intermediate indicators for component 1, and several numbers in the column of "formally revised target"). The Independent Evaluation Group team corrected this results framework based on other available documents (Project Appraisal Document, main texts in ICR, the government's ICR, Implementation Status and Results Report, and Implementation Completion and Results Report Review). ACCA = Association of Certified Chartered Accountants; CSA = Civil Service Agency; FAQ = frequently asked question; FMTP = Financial Management Training Program; FY = fiscal year; GAC = General Auditing Commission; ICR = Implementation Completion and Results Report; IFMIS = integrated financial management information system; IPSAS = International Public Sector Accounting Standards; PEFA = Public Expenditure and Financial Accountability; PPAR = Project Performance Assessment Report; PPCC = Public Procurement and Concessions Commission; TSA = treasury single account.
a. The results framework in the project ICR indicates an actual achievement at completion of 12 percent, but para. 29 of the document mentions 6.4 percent. The ICR Review accepts the latter in its review.
b. The results framework in the project ICR indicates an actual achievement at completion of 9 percent, but para. 29 of the document mentions 8.2 percent. The ICR Review accepts the latter in its review.
c. The computation is based on the baseline of $118 million adjusted for information.

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Appendix F. Review of Three Results Indicators (PEFA Indicators 18, 20, and 25)

This Project Performance Assessment Report assesses progress on three Public Expenditure and Financial Accountability (PEFA) indicators, which were used as the results indicators: PEFA indicators 18, 20, and 25, according to the PEFA methodology in use at project appraisal.[1]

The 2016 PEFA is a complete assessment financed by the project and carried out in 2016 by an external consultant from AECOM, based on the former PEFA methodology. The 2016 PEFA is an evidence-based assessment, with exhaustive data and information.

The 2017 PEFA Self-Assessment is a partial assessment conducted in 2017 by the Project Financial Management Unit at the Ministry of Finance and Development Planning, based on the new PEFA framework. This self-assessment provides mostly general statements, without significant data to support the proposed ratings.

PEFA scores at Implementation Completion and Results Report (ICR) were updated by the ICR team based on the 2017 PEFA Self-Assessment and the available data at the ICR preparation in 2017. The ICR downgraded the three indicators from B+ to C+.

PEFA scores at the Project Performance Assessment Report were updated by the Independent Evaluation Group team based on the available data at the report preparation in 2019. The ICR downgraded indicator 18 from C+ to D+.

Table F.1. Review of Three PDO Indicators: Scores on PEFA Indicators 18, 20, and 25

Selected PEFA Indicators	2016 PEFA	2017 PEFA Government Self-Assessment	ICR in 2017	PPAR in 2020
Indicator 18 (23 since the 2017 PEFA)	C+	B+	C+	D+
Indicator 20 (25 since 2017 PEFA)	C+	B+	C+	C+
Indicator 25 (29 after the 2017 PEFA)	C+	B+	C+	C+

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; MFDP 2017, 2019; PEFA Secretariat 2016; World Bank 2017.
Note: ICR = Implementation Completion and Results Report; PDO = project development objective; PEFA = Public Expenditure and Financial Accountability; PPAR = Project Performance Assessment Report.

Table F.2. PEFA Indicator ID-23 (Formerly PI-18): Payroll Controls

Criteria for Rating	Score			Achievement at PPAR
	Government self-assessment 2017	ICR (self-assessment) 2017	Proposed in PPAR, 2020	
ID-23	B+	C+	D+	
PI-23.1: Approved staff list, personnel database, and payroll are directly linked to the CSMS to ensure budget control, data consistency, and monthly reconciliation	B		C	Performance worsened Performance has improved because of the introduction of the CSMS, which has electronically linked the personnel and payroll records of nonmilitary civil servants. However, the military payroll and database are not covered by the CSMS and are not linked. Also, since July 2019 the CSMS has been temporarily suspended because of the ongoing government payroll harmonization reform, which commenced in early 2019, thus limiting the overall score to C.
PI-23.2: Personnel records and payroll are updated at least quarterly and require a few retroactive adjustments	C		C	Performance unchanged In principle, changes to personnel records requested by ministries and agencies culminating in the issue of whether Personnel Action Notices by CSA should be processed by the next payroll. However, capacity constraints and slow bureaucratic processes cause the process to take up to three months.
PI-23.3: Authority and basis for changes to personnel records and the payroll are clear and adequate to ensure high integrity of data	C		D+	Performance worsened In theory, there are clear procedures for making changes to personnel records and payroll data. However, there have been instances of breach of these controls resulting in unauthorized users being able to access the system in 2015. A security policy was then prepared by consultants contracted by the Ministry of Finance and Development Planning and came into effect in September 2015. The next steps should be for CSA or Ministry of Finance and Development Planning (or both) to commission the preparation of a user manual for CSMS and an independent audit of the system,

Criteria for Rating	Score			Achievement at PPAR
	Government self-assessment 2017	ICR (self-assessment) 2017	Proposed in PPAR, 2020	
				but no such steps have been taken yet. The use of the payroll module was suspended in July 2019, and there is no clear date for its reestablishment.
PI-23.4: A payroll audit covering all central government entities has been conducted at least once in the last three completed fiscal years	C		D	Performance unchanged Comprehensive and systematic payroll audits of all of the public sector have not yet been conducted. However, some sector audits in important ministries in specific years (Health in 2015, Education in 2017, and Justice in 2018–19) have resulted in the identification of a significant number of ghost workers during these periods (500 in Health, 900 in Education). At the same time, a new biometric verification exercise represented the first stage. Supported by the World Bank and United States Agency for International Development, CSA contracted a company specializing in such technology (Biometric Neurological Technology) to conduct the exercise, covering all government employees. The exercise consists of fingerprinting staff, scanning and digitalizing the prints, and assigning a unique personnel action notice to each print. The exercise began in 2010, but the biometric tools have not been used since at least FY18–19, which is a step back in the control of payroll.

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; MFDP 2017, 2019; World Bank 2017.

Note: The payroll controls have deteriorated since the project closure because the IFMIS module for the payroll has not been used since July 2019, and in FY18–19 there was no biometric control. Certainly, two sector payroll audits have been done during the project, and there is a new plan for the Ministry of Justice in FY19–20. But there is no system of audits in the public sector, and the scope and timeliness of audits are insufficient. CSA = Civil Service Agency; CSMS = Civil Service Management System; ICR = Implementation Completion and Results Report; IFMIS = integrated financial management information system; PEFA = Public Expenditure and Financial Accountability; PPAR = Project Performance Assessment Report.

Table F.3. PEFA indicator ID-25 (Formerly PI-20): Effectiveness of Internal Controls for Nonsalary Expenditures

Criteria for Rating	Score			Achievement at PPAR
	Government self-assessment 2017	ICR in 2017	Proposed in PPAR, 2020	
ID-25	B+	C+	C+	
PI-25.1: Appropriate segregation of duties is prescribed throughout the expenditure process. Responsibilities are clearly laid down	B		B	Performance unchanged There are internal control procedures in place to prevent fraud and error or improper payments, but they have not been effective in some cases. Processing, custody, authorization, and approval functions in the payment chain have all been segregated among different units within the office of the comptroller general.
PI-25.2: Expenditure commitment controls are in place and effectively limit commitments to projected cash availability and approved budget allocations for most types of expenditure	A/B (The 2017 PEFA split this indicator in two without an explanation of this decision, giving rating A to the first part and B to the second part.)		C	Performance unchanged Effective commitment control measures exist through IFMISs, which are capable of limiting expenditure commitments to allotments (budget releases that provide ministries and agencies with the authority to spend up to the amount of the release). Nonetheless, some exceptions exist, for example, emergency-related expenditure. The advent of IFMIS should have strengthened the understanding of controls. Internal control laws, regulations, and the Financial Management Manual are comprehensive and simple to understand. Nevertheless, implementation of IFMIS has required extensive training, and high staff turnover has posed serious challenges to the internal control environment.
PI-25.3: Most payments are compliant with regular payment procedures. Most exceptions are properly authorized and justified	B		C	Performance unchanged After the advent of IFMIS, the level of compliance was expected to be improving. However, the procurement module of IFMIS was not used except during the Ebola outbreak, and it remains unused

				after project completion. Additionally, simplified procedures for major transaction processing may be used with particular reference to emergencies and exemptions on public procurement. Internal auditors indicated that single-source purchases are overused.

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; MFDP 2017, 2019; World Bank 2017.
Note: There is no significant improvement in the areas of this indicator. Excessive staff turnout complicates controls, the integrated financial management information system's procurement module remains unused, and there is an unjustified overuse of single-source purchases. FY = fiscal year; ICR = Implementation Completion and Results Report; IFMIS = integrated financial management information system; PEFA = Public Expenditure and Financial Accountability; PPAR = Project Performance Assessment Report.

Table F.4. PEFA indicator ID-29 (Formerly PI-25): Quality and Timeliness of Annual Financial Statements

Criteria for Rating	Score			Achievement at PPAR
	Government self-assessment 2017	ICR in 2017	Proposed in PPAR, 2020	
ID-29	B+	C +	C+	
PI-29.1: Financial reports for budgetary central government are prepared annually and are comparable with the approved budget. They contain information on at least revenue, expenditure, financial assets, financial liabilities, guarantees, and long-term obligations	B		C	Performance unchanged The consolidated financial statements for the last FY were prepared with adequate information on revenue, expenditure, and bank account balances. The financial statements of the consolidated account contain information on revenue, expenses, debt, and some assets. However, there is no complete information on noncurrent assets, and many ministries and agencies did not submit their quarterly financial statements for consolidation. In FY18–19, on average, only 13 percent of the 107 budget-spending entities reported during the three quarters of the year. Also, information on donor projects and end-of-year outstanding debt was not complete.
PI-29.2: Financial reports for budgetary central government are submitted for	A		B	Performance improved Annual financial statements are still prepared and presented to the General Auditing Commission

external audit within six months of the end of the fiscal year			within six months after the end of the fiscal year. The FY18/19 Consolidated Financial Statement was submitted to the General Auditing Commission on December 18, 2019. The FY17/18 Consolidated Financial Statement was submitted on December 4, 2018.
PI-29.3: Accounting standards applied to all financial reports are consistent with international standards	A	C	Performance unchanged The government adopted International Public Sector Accounting Standards Cash Basis in 2009, and most (but not all) ministries and agencies have been using it to prepare their annual financial statements. The mandatory disclosure of notes to the financial statements is still not met because externally funded projects and domestic payment arrears are not yet fully captured.

Sources: Data obtained during the Independent Evaluation Group field mission in 2019; MFDP 2017, 2019; World Bank 2017.
Note: There is no significant improvement. There is still some delay in the consolidated financial statements and, particularly, many ministries and agencies did not submit their quarterly financial statements for consolidation in a timely way. FY = fiscal year; ICR = Implementation Completion and Results Report; PEFA = Public Expenditure and Financial Accountability; PPAR = Project Performance Assessment Report.

References

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[1] The PEFA methodology and structure were modified in 2016, and the functions of these three indicators are to be indicators 23, 25, and 29 under the new structure.

Appendix G. Assessing the Capacity of the Government's Integrated Financial Management Information System

The assessment of the capacity of the government's integrated financial management information system (IFMIS) was conducted in November 2019 in Monrovia, based on interviews with government officials at the Ministry of Finance and Development Planning in charge of public financial management and IFMIS. The diagnostic tool and its methodology are described in Hashim and Piatti (2016), an Independent Evaluation Group working paper.

Table G.1. Summary Results of the Diagnostics

System Strength/Total Score	Maximum Score	Liberia Score 2016	Liberia Score 2019 (IEG Mission with MFDP)
Treasury single account status	10	2	0
IFMIS coverage	25	9	4
Core functionality of IFMIS	40	26	24
Noncore functionality	15	7	8
Technical aspects	10	8	6
System strength/total score	100	52	42

Sources: Data obtained during the IEG field mission in 2019 (last column), with the Ministry of Finance and Development Planning (last column), and Hashim and Piatti 2016 (second and third column).
Note: IEG = Independent Evaluation Group; IFMIS = integrated financial management information system; MFDP = Ministry of Finance and Development Planning.

The total score was 42 in 2019, a decline from 52 in the previous assessment conducted in May 2016 (table G.1). The deterioration in the treasury single account (TSA) status and the IFMIS coverage were the main factors for the decline. Liberia's capacity is much lower than that of other developing countries (table G.2).

TSA status. The 2016 assessment considered that there was a TSA to some extent because a consolidated fund was established (even before the project) consisting of a government central account at the central bank, where all expenditures were supposed to be transacted. However, the Implementation Completion and Results Report states, "The TSA was not implemented, and centralized payment process was not set up." The introduction of the TSA was envisioned in the 2009 Public Finance Management Act. During 2014–16, the government's bank accounts had been swept at the end of the day into US dollar and Liberian dollar accounts in the Central Bank of Liberia, controlled by the comptroller and accountant general, and then transferred back on the next day. This practice stopped in 2016. There is a mechanism of reconciliation of accounts, but the

fragmentation is enormous. According to the Ministry of Finance and Development Planning, there were 838 bank accounts in the public sector, 508 in the central bank, and 330 in commercial banks in 2019. Interviews during the Independent Evaluation Group mission indicated that there is consensus between the Implementation Completion and Results Report team, the ministry, the Central Bank of Liberia, and the International Monetary Fund that in Liberia, there is no TSA as of 2019, and the International Monetary Fund is supporting the establishment of a pilot TSA by 2022. Therefore, the score is zero in this section.

IFMIS coverage. The rollout and the deployment of IFMIS modules have not improved since 2016. The progress has deteriorated in some areas, notably the use of the payroll module. The number of ministries and agencies sending information through IFMIS declined. The score of the IFMIS coverage declined from 9 in 2016 to 4 in 2019, based on the latest IFMIS assessment (MFDP 2019).

Table G.2. Overall Assessment Compared with Other Developing Countries

	TSA Status	IFMIS Coverage	Core System Functionality	Noncore Functionality	Technical Aspects	Total
Maximum Score	10	25	40	15	10	100
Vietnam	8	23	34	3	8	76
Kazakhstan	9	25	29	4	8	75
Pakistan	7	15	26	9	9	66
Ghana	2	9	34	5	9	59
Zimbabwe	2	13	26	8	9	58
Mozambique	2	15	26	6	8	57
Nepal	7	19	18	5	6	55
Zambia	3	14	22	7	8	54
Sierra Leonne	2	9	24	5	7	47
Lao PDR	6	11	18	3	7	45
Liberia	0	4	24	8	6	42
Bangladesh	6	15	9	5	3	38
Malawi	2	11	16	4	5	38
Myanmar	9	2	8	1	3	24

Sources: Data from Liberia obtained during the Independent Evaluation Group field mission in 2019; Hashim and Piatti 2016; MFDP 2019.
Note: IFMIS = Integrated financial management information system; TSA = treasury single account.

References

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Appendix H. Capacity-Development Activities

The project supported substantial capacity development in public financial management (PFM) and procurement through training programs, despite continued challenges.[1] It had a subcomponent (subcomponent 5.2: Institutional and Capacity Building, budget at appraisal: $3.17 million) with the specific objective of building national capacity to enable new entrants into the civil service to perform their functions in PFM and public procurement.

The Public Financial Management Training Program (FMTP). The FMTP was established in 2006 by the government of Liberia under the World Bank–funded Low-Income Countries Under Stress Trust Fund as a training ground for graduates in PFM. The four partners of this program were the Ministry of Finance and Development Planning, the University of Liberia, the Civil Service Agency, and the Liberia Institute of Public Administration.

The establishment of FMTP resulted from the coordinated efforts of the main stakeholders interested in the improving procurement capacities in the public sector. This effort led to the design of training programs to address public administration needs and drew on the United Nations and World Bank Joint Needs Assessment for the Liberian public service (UN and World Bank 2004). The establishment of the World Bank–funded FMTP was the first effort at building and strengthening capacity in PFM and procurement in Liberia's public sector. The Governing Board, chaired by the Ministry of Finance and Development Planning, headed the management structure. The program's collaborative nature was borne out in the development of curriculums, recruitment of trainees, and monitoring.

The program provided intensive training to students recruited through a nationwide competitive entrance examination. The World Bank and the University of Liberia jointly developed the curriculum. The successful trainees were treated as civil servants on probation for the program's duration, and attendance was strictly controlled. Graduates signed a contract (bond) with the Ministry of Justice to serve the government for a minimum of four years.

Since its inception, this highly competitive program has trained 244 graduates: 132 in master of business administration (MBA; with a strong PFM orientation) and 112 in Public Procurement (MFDP Financial Management Training School 2017). Thirty students were in the Procurement Diploma program and 18 in the MBA program in December 2016. The FMTP was active until the project closed in June 2017. Although these achievements are important, the mission could not find evidence of a systematic process for determining organizational needs, aligning organizational and individual

incentives, and evaluating the training provided regarding reaction, learning, behavior, and results (Kirkpatrick and Kirkpatrick 2007).

The main issue at project closure was the training activities' sustainability after the program's successful implementation from 2006 to 2017. The World Bank supported the FMTP Governing Board's decision to transfer the program to the University of Liberia. The assessment included a comprehensive budget and cost analysis to enable the program's transition and continuation at the university.

An FMTP transition program was designed and took place from September 2017 to September 2019. During this period, 18 people were in training in the MBA program and 30 in procurement. The transition's effectiveness depends on the financing of the estimated cost (about $3.26 million), but the new World Bank–financed Public Financial Management Reforms for Institutional Strengthening Project provides only limited support ($300,000) to improve classrooms and other infrastructures for the activities at the University of Liberia.

The Liberia Institute of Public Administration Training in PFM and Procurement. The institute´s PFM and procurement training activities target the staff of public institutions. Since 2014, the institute has delivered a program of PFM and procurement courses to staff from ministries and agencies with support from the project and the United Nations Development Programme. In addition, it also delivered tailored courses at the request of ministries and agencies. After project closure, these activities remained in place and were financed with fees paid by attendees or by the government institutions (when courses were delivered at their request). The institute is initiating arrangements to establish an executive master's program, which covers PFM, procurement, and monitoring and evaluation issues. In addition, it established a regional unit and plans to establish four additional units to cover the entire country.

The Liberian Institute of Certified Public Accountants (LICPA) Training Activities. The LICPA provided training activities for public servants to obtain certification to become a public accountant. The project supported the LICPA's activities for staff of ministries, agencies, and state-owned enterprises. The number of professional members increased from 80 in 2014 to 96 in 2019. As of 2019, only 20 of its 96 individual members belong to the public sector, and only 2 are licensed to practice.

References

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[1] World Bank (2019a) examined Liberia's financial management capacity-building initiatives from the immediate aftermath of the civil war to recent years.

Appendix I. List of People Interviewed

World Bank	
Ohene Owusu Nyanin	Country manager
Ismaila B. Ceesay	Lead financial management specialist, task team leader (at appraisal)
Donald Herrings, Mphande	Lead financial management specialist, task team leader (at closure)
Smile Kwawukume	Senior public sector specialist
MacDonald Nyazvigo	Financial management specialist
Daniel Kwabena Boakye	Country economist
Khuram Farooq	Senior financial management specialist (IFMIS)
Maxwell Bruku Dapaah	Financial management specialist
Oleksii Balabushko	Senior public finance specialist, Implementation Completion and Results Report main contributor
Komana Lubinda	Procurement specialist
Moritz Piatti	Senior economist (IFMIS diagnostic)
Government Counterparts	
Samora P. Z. Wolokoli	Acting minister, deputy minister for fiscal affairs and chair of Public Financial Management (PFM) Technical Committee, Ministry of Finance and Development Planning (MFDP)
Amara Konneh	Former minister of planning and economic affairs and head of the Presidential Office of the Liberia Reconstruction and Development Committee; World Bank partnership adviser
Tanneh Geraldine Brunson	Deputy minister for budget and development planning, MFDP
Papin Daniels	Project Financial Management Unit director, MFDP
Bernard Wleh Jappah	Former head of PFM Reform Coordination Unit, MFDP; adviser to executive director, International Monetary Fund
Lawrence A. Taylor	Project manager, Project Management Unit (PMU), MFDP
Momo Lombeh	Deputy project manager; monitoring and evaluation officer, PMU, MFDP
Ben Fully	Head of unit, State-Owned Enterprises Financial Reporting Unit, MFDP
Mark Massaquoi	Project procurement officer, MFDP
Carolyn Zoduah	Coordinator, Non-State Actors Secretariat, MFDP
Joseph Fahnbulleh	Deputy coordinator, Reform Coordination Unit (RCU), MFDP
Vee M. Fofana	Coordinator, RCU, MFDP
Janga A. Kowo	Comptroller and accountant general, MFDP
Yusador Saadatu Gaye	Auditor general, General Auditing Commission (GAC)
Zoday G. Kiazolu	Deputy auditor general, GAC
John Lester Greaves II	Director of administration, GAC
William G. Jlopleh	Director for banking, Office of Coordination of Treasury Accounts, Central Bank of Liberia
Euphemia G. Swen-Monmia	Deputy director, Financial Markets Department, Central Bank of Liberia

Felix N. Musa	Senior analyst, Treasury Operations, Central Bank of Liberia
Julius Caesar	Head of the Legislative Budget Office
Michael Thomas	Head of the Public Accounts Committee
Dekontee King Sackie	Deputy commissioner general, Liberia Revenue Authority
Attorney Jargbe Roseline Nagbe Kowo	CEO, Public Procurement and Concessions Commission
Bill Jones	Senior technical adviser, Director-General's Office, Civil Service Agency
Anthony Manneh Teah	Deputy director-general, Liberia Institute of Public Administration (LIPA)
Esi K. Ogunkoya	Director of training, LIPA
County Treasuries	
Elijah Somah	Financial management officer, County Treasury Office, Margibi County
Leroy Andrews	Financial management officer, County Treasury Office, Bong County
Richard Kanneh	Financial management officer, County Treasury Office, Nimba County
Francis Moses	Financial management officer, County Treasury Office, Grand Bassa County
G. Ralph Jimmeh, Jr.	Head of secretariat, Open Government Partnership Secretariat, Ministry of Information, Cultural Affairs, and Tourism
Bilateral and Multilateral Donors	
Roosevelt Tule	Economic governance specialist, United States Agency for International Development (USAID)
Laura Garnett	USAID
Arto Immonen	Program specialist, Swedish International Development Cooperation Authority
Alex Nyenay	Senior fragility and resilience officer, African Development Bank
Geoffrey Oestreicher	Resident representative, International Monetary Fund
-	Adviser at MFDP, Department for International Development
Private Sector, Academia, Civil Society, and Other Development Partners	
James Stropher	President, the Liberia Business Association
Joseph Nyumah Kodah, Sr.	Economist adviser, the Liberia Business Association
Johnathan Taylor	Vice president for Graduate School, University of Liberia (Financial Management and Procurement Training Programs)
Geegbae A. Geegbae	Vice president for Institutional Development and Planning, University of Liberia
Jenkins Taylor	Office of the vice president for Graduate School, University of Liberia
Moses Kesselie	Executive director, Liberia Institute for Certified Public Accountants
Anderson Miamen	Executive director, Center for Transparency
Martins J. Sopp	Grassroots Democracy, Inc.