



Republic of Liberia



# ANNUAL REPORT

OF THE

## PUBLIC PROCUREMENT & CONCESSIONS COMMISSION

Executive Mansion Grounds  
Capitol Hill, Monrovia, Liberia  
Website: [www.ppcc.gov.lr](http://www.ppcc.gov.lr)

## For the Year 2007

December 31, 2007

ENSURING ECONOMIC AND EFFICIENT USE OF PUBLIC FUNDS



Republic of Liberia  
**Public Procurement & Concessions Commission**

Executive Mansion Grounds  
Capitol Hill, Monrovia, Liberia



Website: [www.ppcc.gov.lr](http://www.ppcc.gov.lr)

Tel. # 06 510 510  
06 511 565

Ref: **PPCC/RL/AC/350/07**

December 31, 2007

The Honorable  
Members of the Legislature  
Capitol Building  
Monrovia, Liberia

Honorable Ladies and Gentlemen:

We have the pleasure to present our compliments and herewith submit to you the Annual Report of the Public Procurement and Concessions Commission (PPCC) for the period January 1 to December 31, 2007.

As you will recall, the Public Procurement and Concessions Act of 2005 created the Public Procurement & Concessions Commission (PPCC) to exercise oversight responsibilities of all procuring and concession entities in Liberia. The PPCC also ensures the economic and efficient use of public funds in the procurement of goods, works and services and the granting of concessions, while at the same time ensuring that the processes used are competitive, transparent and non-discriminatory.

Honorable Ladies and Gentlemen, we thank you for your support to the work of the Commission, which has enabled us to make tremendous progress in the implementation of the procurement and concessions reform program of Government.

We look forward to your continued support and a harmonious working relationship during the years ahead.

With sentiments of our highest consideration and esteem, we remain,

Respectfully yours,

Charles E. Collins, Sr.  
**ACTING CHAIRMAN**

---

Regulating and Monitoring Compliance with the Public Procurement  
And Concession Act of Liberia

## TABLE OF CONTENTS

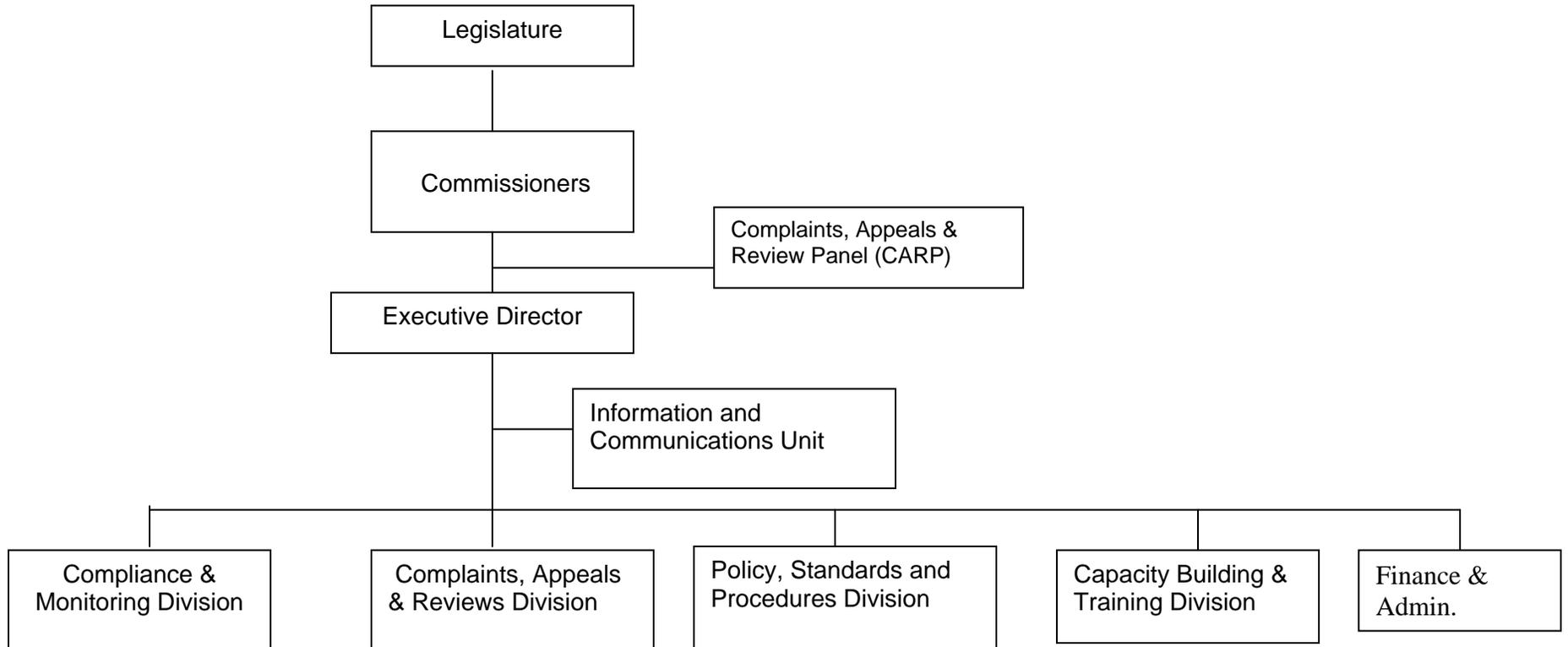
	<b>PAGES</b>
Structure of the PPCC.....	iii
Executive Summary.....	1
Introduction.....	4
PPCC mandate.....	4
1.0 Composition of the PPCC.....	4
1.2 Collaboration process.....	5
2.0 Secretariat.....	5
2.1 Progress of the Commission.....	5
2.1.1 Policy Standards and Procedures .....	5
2.1.2 Standard Administrative Procedures Manual	
2.1.3 The Margin of Preference (MOP) Document	
2.1.4 Interim Procedures for Issuance of Exploration Licenses (EL)	
2.1.5 Evaluation of Technical Proposals for consulting firm to develop Regulations and Procedural Step-by-Step Manual	
2.1.6 Harmonizing of the Mineral, Mining and Petroleum laws with the PPCA	
2.1.7 Instructions on Entities' Procurement Decision-Making	
3.0 Training and Capacity Building .....	7
4.0 Compliance and Monitoring .....	8
5.0 Complaints, Appeals and Review .....	10
6.0 Information and Communication .....	11
7.0 Contracts and Concessions Review.....	12
CCRC Process Matrix.....	13
8.0 Finance and Administration.....	14
8.1 Income	
8.1.2 World Bank's Support	

8.1.3	GOL’s Support	
8.2	Expenditure	
8.2.1	World Bank’s Support	
8.2.2	GOL’s Support	
8.3	Summary	
	Schedule 1	
	Schedule 2	
	Schedule 3	
	Composite Statement of Income & Expenditure	
8.4	Staff Turnover.....	18
9.0	Lessons Learned.....	18
10.0	Challenges.....	19
11.0	Recommendations/Way Forward.....	19
12.0	APPENDIXES:	
12.1	Appendix A – Matrix on PPCC’s “No Objections” granted.....	20-26
12.2	Appendix B – Matrix on Procuring Entities Monitored.....	27-28
12.3	Appendix C – Financial Audit Report for July 1, 2006 to June 30, 2007.....	29-37



## A. STRUCTURE OF THE PPCC

### Public Procurement and Concessions Commission Organization Structure



## EXECUTIVE SUMMARY

The Public Procurement & Concessions Commission (PPCC) has oversight responsibilities for all public sector procurement & concessions processes in Liberia. The Public Procurement & Concessions Act (PPCA), which was enacted in September 2005, and came into force following the inauguration of the Elected Government of Liberia on 16 January 2006, mandates the PPCC to implement provisions of the PPCA. This report sums up the activities of the PPCC during 2007.

### PROGRESS IN 2007

The President, Madam Ellen Johnson Sirleaf constituted the 7-member Commission in August when she appointed the final two (2) Commissioners, Messrs. Charles E. Collins, Sr., an Economist/Administrator and Clarence K. Momolu, Sr. a Procurement Professional/ Businessman. Mr. Collins was further appointed in September to serve as Acting Chairman of the Commission pending the return of Chairman Keith K. Jubah who requested and was granted four (4) months leave of absence as Chairman of the PPCC by the President.

During the year under review, the PPCC developed the following regulations and guidelines in collaboration with international partners to enhance the internal processes of the Commission and the implementation of the mandates of the PPC Act:

- a. *Standard Administrative Procedures Manual* for PPCC operations through contract with local consulting firm;
- b. *Regulation No. 001* on the *Margin of Preference (MOP)* for Liberian & Domestic Businesses. The Liberian Business Association and other stakeholders expressed reservations on some provisions of the MOP. Because of these reservations the President set up a Cabinet Sub-Committee headed by the NIC Chairman to review the document. The document is currently being revisited and finalized;
- c. *Regulation No. 002* on the *Interim Procedures for Issuance of Exploration Licenses (EL)*; This regulation was developed with the technical assistance from the European Commission (EC) in collaboration with the Ministry of Lands, Mines & Energy and approved by Government as a working document;
- d. Instructions for Entities' Decision Making on Procurement & Concessions Issues, (still in progress).

In addition, the Commission undertook the tasks listed below to enhance understanding and implementation of the mandates of the PPC Act:

- a. Evaluated *expression of interests* and technical proposals of consulting firms that is too develop the Public Procurement & Concessions Regulations and Public Procurement & Concessions Procedural Step-by step Manual of Liberia consistent with the PPC ACT and Standard Bidding Documents (SBD); and

- b. Developed *Terms of Reference (TOR)* for a Mineral Commodity Market Consultant who should also be a Lawyer to harmonize the Mineral, Mining and Petroleum Laws of Liberia with the PPCA.

During the 2007 reporting period, the PPCC, under the guidance of World Bank funded procurement specialists from Nigeria, Ghana and Liberia as facilitators, conducted twelve (12) Procurement Training and Sensitization Workshops for four hundred twenty-seven (427) participants as follows:

During the year under review, the PPCC conducted regular and systematic monitoring of sixty (60) of the eighty-two (82) active procuring entities in order to determine their compliance with the establishment of procurement structures (Committees and Units) development of procurement plans and following the procurement procedures as provided in the Act. The overall result of the monitoring exercises indicates that 82% of the entities have established functioning procurement committees and units that are. About 90% of the active entities developed and submitted to the PPCC their procurement plans; however exercises are underway to determine whether or not they are following the plans. The monitoring results also show that 48% of the procuring entities complied with the selection of the correct procurement methods, while 52% of them are still making efforts to comply with provisions of the Act.

The PPCC also constituted the Complaints, Appeals and Review Panel (CARP) comprising, Cllr. Beyan D. Howard, Mr. Massaquoi M. Kamara, Sr., Cllr. Pearl Brown-Bull, Atty. Eric B. Morlu, Mr. David M. Jallah, Mr. Martin S. Kollie and Commissioner Esther W. Peagar who represents the Commission. The Commission will have the Panel members inducted in January 2008 and trained to review procurement and concessions related cases. The Commission has also finalized the Ground Rules for use by the CARP.

During the year, the PPCC published and distributed the first PPCC Bulletin “the Alert”. It managed and posted procurement related issues on the PPCC website. Meanwhile, the PPCC continues to collaborate with media institutions in disseminating procurement related information.

In its 2006/2007 and 2007/2008 National Budget, the Government of Liberia (GOL) provided two hundred thousand United States Dollars (US\$200,000) and five hundred and seven thousand eight hundred eighty-nine United States dollars (US\$507,889) for the PPCC operations. Of these amounts, the PPCC received during the year three hundred eighty thousand eight hundred and seven United States Dollars (US\$387,807) from the Government of Liberia. Additionally, the World Bank disbursed to the Public Procurement and Concessions Commission a total of US\$300,000 from a grant of one million one hundred thousand United States Dollars (US\$1,100,000) for training, payment of procurement specialists and other services. The balance grant to be disbursed is US\$400,000.

During this reporting period, the Commission received 109 letters requesting for “no objections” from procuring entities. The Commission found the procurement methods and procedures used in sixty-two of the requests to be acceptable and therefore granted

the requests. For those that were found not to be in compliance, the entities were advised to follow the established procedures or processes to ensure compliance with the PPC Act.

The Contracts & Concessions Review Committee (CCRC) completed its work in December 2006. However, the Final Report and Addendum were submitted to Government in January and March 2007 respectively. Recommendations advanced were in three categories as follows: a) acceptance 52; b) renegotiation 16; and c) cancellation 27. The Government noted that the key entity of each sector of the agreement would form part of the team designated to implement recommendations of the CCRC. The Commission has received reports from some entities that they have taken steps towards implementing recommendations of the CCRC.

During this reporting period, the Commission had two separate meetings each with the Standing Committees on Autonomous Commissions of both Houses of the Legislature. The purpose of the meetings was to brief the Committee members on progress made by the PPCC in implementing the mandates of the PPC Act challenges and the way forward.

The Commission continues to attend meetings and collaborate with the Governance Economic Management Assistance Program-Technical Team (GEMAP-TT) and the Economic Governance Steering Committee (EGSC).

During the period under review, the Commission attended and participated in all of the scheduled meetings of these bodies and made Power-point Presentations on the progress made by the Commission in implementing its mandates. In addition, the Commission met with several international review missions working groups on procurement reform. Some of the missions the Commission met with included the World Bank Regular Review Missions, the IMF, the Country Procurement Assessment Review (CPAR) Mission, led by Mr. A. Tidiane Toure, Lead Procurement Specialist, World Bank, Ghana Hub, amongst others.

## **A. INTRODUCTION**

The Public Procurement & Concessions Commission (PPCC), which is mandated to implement the public procurement and concessions reform program of Liberia, is the successor to the Contract and Monopolies Commission (CMC). The Public Procurement and Concessions Act (PPCA) of 2005 created the PPCC. The PPCA came into force following the inauguration of the Elected Government of Liberia on 16<sup>th</sup> January 2006. This Report covers the activities of the PPCC in its second year of implementing the public procurement and concessions reform program of Liberia.

The establishment of the PPCC was the result of the findings of the 2003 public sector procurement needs assessment undertaken by the National Transitional Government of Liberia (NTGL) in conjunction with the United Nations and the World Bank. The results of the assessment indicated that Public Procurement Reform was critical to Liberia's post-conflict, social economic recovery and development and concessions processes. The assessment determined that Public officials were not held accountable for the use of public funds, and procurement and concessions records were not properly kept. As part of efforts to generate transparency in public procurement practices and the granting of concessions, the Government of Liberia (GOL) with the technical and financial support of its international partners prepared the Interim Public Procurement Policy and Procedures (IPPPP) and the Interim Guidelines for Concession Agreements in Liberia (IGCAL) which were used during the tenure of the NTGL. These procedures heralded the new public procurement and concessions regime in Liberia. While the IPPPP and the IGCAL were being implemented, the Public Procurement and Concessions Act of 2005 (Act or PPCA) was enacted to replace the IPPPP and the IGCAL.

### **PPCC MANDATE**

The mandate of the Commission includes:

- a. Decentralize public procurement to procuring entities;
- b. Eradicate monopolies and promote competitiveness in the concession procurement processes;
- c. Maximize economy and efficiency in procurement, and obtain best value for public expenditures;
- d. Achieve transparency in the procedures, processes and decisions relating to procurement and concession agreements;
- e. Promote integrity, fairness, accountability and public confidence in the procurement process, among others.

## **1.0 COMPOSITION OF THE PPCC**

### **1.1 Commissioners**

During the period under review, President Ellen Johnson Sirleaf fully constituted the 7-member commission in August when she appointed the final two (2) Commissioners in persons of Messrs Charles Collins, Sr., an

Economist/Administrator; and Clarence K Momolu, Sr., a Procurement Professional/Businessman. Mr. Collins was subsequently appointed in October to serve as Acting Chairman of the Commission pending the return of Chairman Keith K Jubah who requested and was granted four months leave of absence from the duty of Chairman of the PPCC by the President. Earlier, the President withdrew the membership of Dr Roosevelt G Jayjay as Commissioner of PPCC in April 2007.

## **1.2 Collaboration process**

The PPCC operates in collaboration with partners and relevant stakeholders involved with the institutional and staff capacity building processes in Liberia. The following collaborative processes were undertaken:

- 1.2.1 Commissioners held weekly meetings amongst themselves and with various international partners (including WB, EU, USG, and IMF) in the Conference Room of the PPCC to discuss and review issues of critical nature.
- 1.2.2 Attended and participated in the regular meetings of GEMAP-TT and EGSC to provide briefing and updates on the procurement and concessions reform programs in Liberia;

## **2.0 SECRETARIAT**

### **2.1 Progress of the Commission**

#### **2.1.1 POLICY, STANDARDS AND PROCEDURES**

During the year under review, the PPCC developed the following guidelines and regulations:

#### **2.1.2 Standard Administrative Procedures Manual**

The PPCC recruited a local firm, Wegee Consultancy to develop Standard Administrative Procedures (SAP) in 2006. The SAP was finalized in 2007. Upon approval by the Commissioners and World Bank, the SAP was accepted as the standard operating manual for the Commission. This manual delineates the functions of the Commissioners from those of the Secretariat in keeping with the Act and other standard procedures.

#### **2.1.3 Regulation on the Margin of Preference (MOP)**

During the year under review, the PPCC modified the draft Margin of Preference (MOP) document, under the supervision of a special committee of commissioners. The MOP represents the combined effort of PPCC, Government ministries and agencies, civil society organizations in Liberia, partners and other stakeholders. The MOP gives Liberian and Domestic Businesses a preference in the evaluation process and encourages local manufacturing. The Commission launched the modified edition of the MOP as Regulation No. 001 in a National

Forum attended by the President of Liberia and cabinet members in September 2007.

At the launching program, the Liberian Business Association registered reservations to some provisions of the MOP. Based on these reservations the President of Liberia, Madam Ellen Johnson Sirleaf, constituted a Cabinet Subcommittee to review and harmonize the MOP with other legal instruments of Liberia and best practices of other countries around the world. The National Investment Commission (NIC) heads the committee with the Ministries of Finance, Justice, Planning & Economic Affairs, Commerce & Industry, LDRC-Secretariat and the PPCC as members.

#### **2.1.4 Interim Procedures for Issuance of Exploration Licenses (EL)**

The European Commission (EC) contracted the services of Dr. J. Christian Ngot Kongolo, a Mineral Commodity Market Expert to prepare the Interim Procedure for the issuance of Exploration Licenses (EL). Dr. Kongolo performed this task from January to April 2007. PPCC in consultation with the Ministry of Lands, Mines and Energy (MLME), finalized the procedures, which were subsequently, launched along with the MOP in September 2007 and is currently in use by the MLME in granting exploration licenses. The introduction of this new procedure for the issuance of exploration licenses is necessary because it provides room for competition and transparency, and is an internationally accepted best practice in the extractive mineral industry.

#### **2.1.5 Evaluation of Technical Proposals for Consulting Firms to develop Regulations and Procedural Step-by-Step Manual**

The PPCC is currently evaluating technical proposals of consulting firms for the development of public procurement and concessions regulations and procedural step-by-step manual which will enhance implementation of the PPC Act.

#### **2.1.6 Harmonizing of the Mineral, Mining and Petroleum Laws with the PPCA**

The PPCC also drafted TOR for the recruitment of a Mineral and Mining Consultant who should also be a Lawyer to harmonize the Mineral, Mining and Petroleum Laws of Liberia with the PPCA. The harmonization of these laws will ensure a systemic approach that will provide competitiveness and transparency in public procurement and concessions processes and enhance the economic growth and development of Liberia.

#### **2.1.7 Instruction on Procuring Entities' Procurement Decision-Making**

The purpose of the Instruction on Entities' Procurement Decision-Making is to delineate the functions of the PPCC and procuring entities in order to expedite the implementation process of Liberia's procurement reform program. The primary objective of this Instruction is to remind key players in the procurement process of their respective roles and responsibilities; so as to remove all of the hurdles that are back-tracking the smooth application of the PPCA and achievement of the

objectives of the newly launched decentralized procurement reform process in Liberia.

### 3.0 TRAINING/CAPACITY BUILDING

In fulfilling its mandate of capacity building and training of all public procurement and concessions practitioners and administrators, the PPCC during 2007 reporting period, conducted twelve (12) Procurement Training and Sensitization Workshops for four hundred twenty-seven (427) participants. The participants came from the 82 listed procuring entities of Government, Local Government officials from the 15 counties and the private sector as watchdogs, whistle blowers and providers of goods, works and services. Table 1 below summarizes the procurement training workshops that PPCC conducted during 2007.

**Table 1 Workshops and Participants Listing**

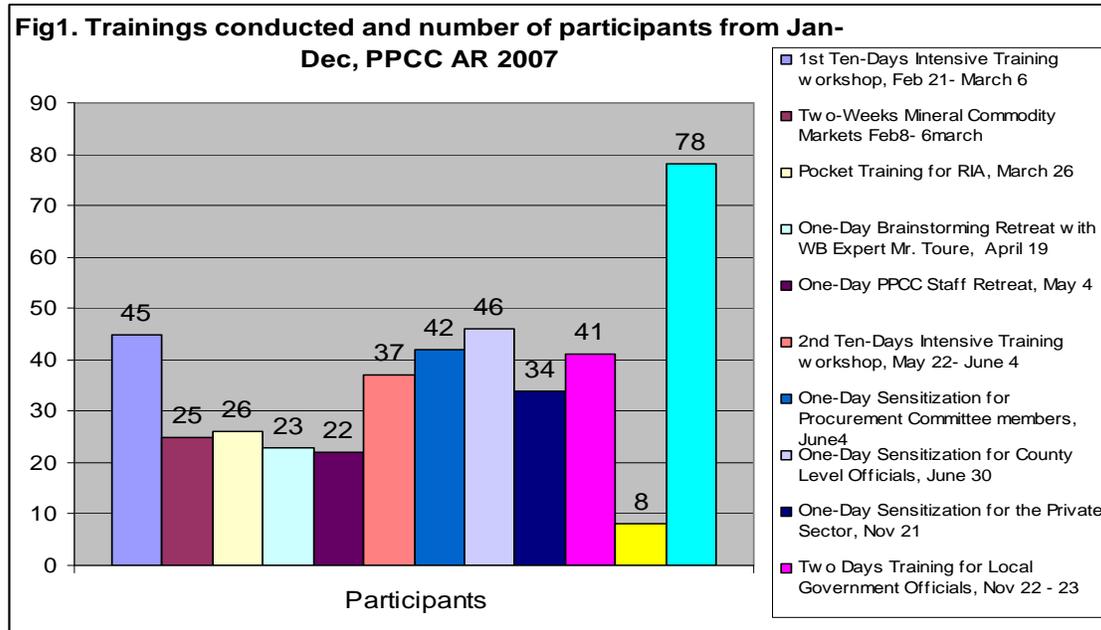
Table1. Number training workshops conducted in 2007, PPCCAR 2007				
No.	Details of Workshop	Location	Date	Attendants
1.	1 <sup>st</sup> Ten-Days Intensive Training for heads of Procurement Units	Catholic Retreat Monrovia	Feb 21 – Mar 6	45
2.	Two-Weeks Mineral Commodity Markets	Catholic Retreat Monrovia	Feb8- Mar 6	25 <sup>1</sup>
3.	Pocket Training for RIA	RIA		26
4.	One-Day Brainstorming Retreat with Mr. Toure	PPCC Office	April 19	23
5.	One-Day PPCC Staff Retreat	PPCC Office	May 4	22
6.	2 <sup>nd</sup> Ten-Days Intensive Training for remaining heads of Procurement Units	Corina Hotel, Monrovia	May 22 – June 4	37
6.	One-Day Sensitization for Procurement Committee Members	Corina Hotel Monrovia	June 4	42
8.	One-Day Sensitization for County Level Officials	Catholic Retreat Gbanga	June 30	46
9.	One-Day Sensitization for the Private Sector	Corina Hotel Monrovia	Nov. 21	34
10.	Two Days Training for Local Government Officials	Thinkers' Village, Robertsfield Highway	Nov. 22-23	41
11..	Training of Entities with Dry Season Deliverables	Corina Hotel, Monrovia	Dec. 6	8 <sup>2</sup>
12.	Two-Days Training for Procurement Committee members in Monrovia.	Monrovia City Hall, Monrovia	Dec. 12-13	78 <sup>3</sup>
<b>Total</b>				<b>427</b>

<sup>1</sup> The Mineral Commodity Markets Expert provided by EU facilitated the workshop. Participants were drawn from MLME, MOF, NIC, NOCAL, MPEA & PPCC

<sup>2</sup> Despite adequate notice to Ministers of seven ministries to attend in person along with the heads of finance and procurement of their entities, only junior staff from five entities attended.

<sup>3</sup> The heads of procuring entities along with their comptrollers and procurement directors were expected from each of the 82 reactivated entities.

The procurement training and sensitization workshops were aimed at ensuring that procurement practitioners and decision makers understand the methods and procedures of procurement and concessions processes; that they acquire the knowledge and skills needed to enhance the procurement & concessions reform program of Government. Further details of the training and sensitization activities are indicated below in fig. 1.



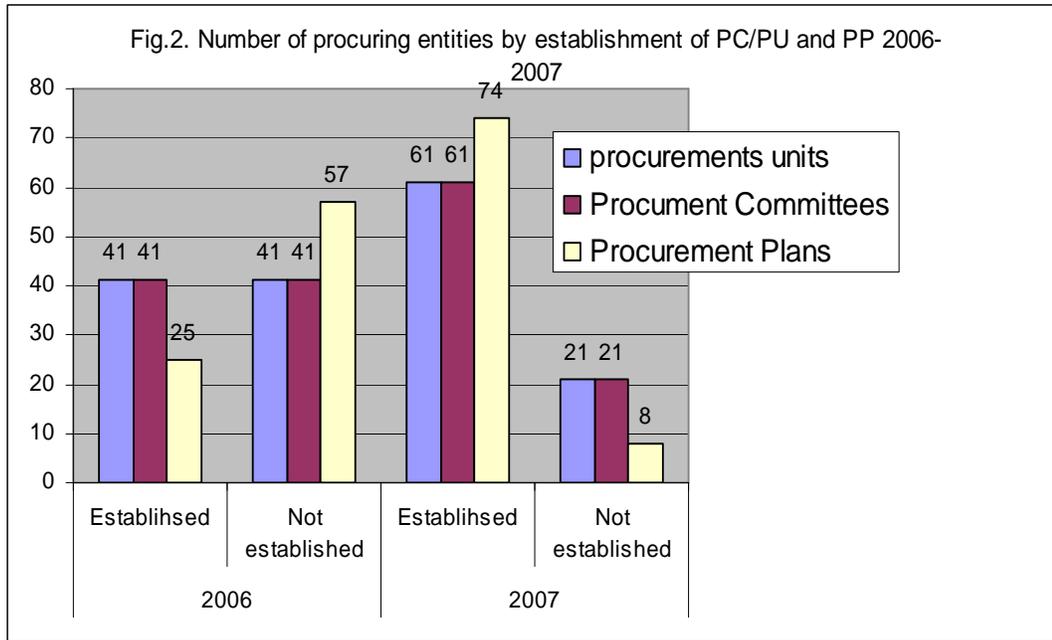
Prior to conducting these series of training workshops, the PPCC developed the Training Manual and modules consistent with the PPC Act and the Standard Bidding Documents. The trainings were conducted using power-point presentations and giving of handouts of the materials, which formed parts of participants' library and reference documents.

#### 4.0 COMPLIANCE AND MONITORING

In Compliance with the Public Procurement & Concessions Act of 2005, the Commission embarked on regular, scheduled and unscheduled monitoring activities at the procuring entities during the year 2007. The objectives and goals of these monitoring exercises were to ascertain the level of compliance by these entities through the selection of procurement methods in accordance to the Act. For the purpose of monitoring, the entities were grouped into categories of large, medium and small spenders (See table II below as Appendix B) based on the procurement budget in the 2007/2008 National Budget as follows:

1. Large Spenders ( \$500,001. and above
2. Medium spenders (\$201, 000.00 to \$500,000) and
3. Small spenders (\$200,000.00 and below).

During the year under review, the PPCC monitored 60 of the 82 active procuring entities in order to determine the level of compliance relative to the establishment of procurement structures (Committees and Units), development of procurement plans and whether or not they followed procedures as provided for in the Act. The overall result of the monitoring activities indicates that 82% (61) of active procuring entities have established procurement Committees and Units (see graph below). The monitoring result indicates that about 90% of the active procuring entities developed and submitted their procurement plans. (See graph in figure II)



The exercise indicates that the large spenders increased considerably (from 8 procuring entities in 2006 to 29 procuring entities during the period under review), while the medium spenders remain almost constant but the small spenders decreased by 17 (from 28 to 11) over the budget year.

The Commission further developed standard filing system for procuring entities to follow. Further, the Commission conducted various sensitization and capacity building and training for procurement practitioners on the individual basis through help-desk assistance and problem solving.

As indicated in table I, the total procurement conducted by the 60 procuring entities monitored, was \$24,441,238. Forty-eight percents (48%) of these procurements were conducted through competitive bidding methods (National and International competitive bidding methods). This means that the monitoring results further showed that 48% of the procuring entities complied with the selection of the correct procurement methods based on the threshold of the procurement they conducted, while 52% of total procurements were done through shopping and sole-source methods, which are considered to be non-compliance

based on their threshold. For example, eight of the twelve medium spenders (Liberia Water and Sewer Corporation, Truth and Reconciliation Commission, Ministry of National Security, Liberia Institute for Public Administration, LRRRC, National Fire Service Monrovia City Corporation and Bureau of Immigration and Naturalization) used only shopping methods for all of their procurements. In addition, only four of them including the National Drug Service, Bureau of Maritime Affairs, General Services Agency and the Environmental Protection Agency used a combination of other methods.

The table showing the 60 procuring entities monitored also indicates that 49% of the total procurements were done through shopping methods and only 3% represents sole-source method. There is a considerable improvement in the use of sole-source method over the last reporting period, 2006, which had more than 40% sole-source methods. The monitoring exercises also show that there are improvement in the number of procuring entities that have established procurement committees and units. As indicated in the graphs above, the number of procuring entities that established procurement Committees and Units has increased by 20 procuring entities (from 41 to 61 procuring entities). On the other hand as indicated in the graph above, the monitoring exercise revealed that the number of procuring entities who prepared and submitted r procurement plans also increased by 49 procuring entities (from 25 procuring entities with procurement plans in 2006 to 74 procuring entities in 2007). The monitoring results further showed that 19% and 28% of the procurement were conducted through International and National competitive bidding methods respectively.

The monitoring report also indicates that while there is considerable improvement in the procurement structures, it is interesting to note that several procuring entities did not use the correct methods of procurement based on the thresholds. For example, almost all of the small spenders did all of their procurement through shopping methods without regard to the threshold and their procurement plans. Some of these procuring entities included The Liberian Senate, Ministry of Lands, Mines and Energy, Ministry of Post and Telecommunications, Ministry of Justice-Central, Ministry of Labor, Agriculture, Defense, Transport, and Governance Commission among others.

## **5.0 COMPLAINTS, APPEALS AND REVIEW**

During the period under review, the PPCC constituted the Complaints, Appeals and Review Panel (CARP). This panel drawn from the diverse backgrounds of the private sector will review complaints filed to the Commission by suppliers of goods, works and services who are aggrieved by a procurement or concession process in which they have participated or intend to participate. According to the Act, decision of the panel is final and can only be appealed in a court of competent jurisdiction. Neither the Commission nor any agency of government shall interfere with its functions.

The Panel is composed of seven eminent personalities selected through a competitive process. They are: Cllr. Beyan Howard elected as chair and Mr. Massaquoi M. Kamara, Sr. co-chair. Others are Atty. Eric B. Morlu, Martin S. Kollie, David M. Jallah, and Cllr. Pearl Brown Bull. Mrs. Esther W. Paegar is a member of the Panel as the representative of the Commission.

The Ground Rules that set the procedures for the complaints and review process and the two stages, at which complaints would be lodged, were finalized in collaboration with the World Bank.

## **6.0 INFORMATION AND COMMUNICATION**

The Commission published and distributed the PPCC Bulletin “the Alert” to all procuring entities and bidders. The Commission distributed the Alert to bilateral and multi-lateral partners who worked with government in the implementation of the new procurement and concessions reform program. The publication of the bulletin is to sensitize the public about the activities of the PPCC. Bidding and contract awards featured prominently in the bulletin.

Other key issues in the 1<sup>st</sup> and 2<sup>nd</sup> quarter of the “the Alert”, included:

1. The President’s remark on Procurement Reform;
2. What is the PPCC? An overview;
3. Question and answers about the PPCC;
4. Procurement procedures/open competitive bidding;
5. PPCC training activities in pictorial;
6. The review process- A synopsis

The Commission disseminated procurement and concessions related information through the PPCC Website, the print and electronic media during training workshops conducted in 2007.

As part of its enhanced dissemination process on the new public procurement reform in Liberia, the Commission conducted talk shows as prelude to workshops held in 2007. The objective of the talk shows was to provide adequate information on the purpose of the trainings in relation to the implementation of the mandate of the PPC Act. The talk shows were helpful in explaining the themes and objectives of the training and sensitization workshops.

The Commission monitored publication of bids, expression of interest (EOIs), job vacancies and other procurement related articles in local newspapers to ensure compliance with the various procurement methods. In the case of deviations, the Commission interacted with government agencies for appropriate actions to ensure compliance with the Act.

## **7.0 CONTRACTS AND CONCESSIONS REVIEW**

The Contracts & Concessions Review Committee (CCRC) submitted its Final Report and Addendum to Government in January and March 2007 respectively. Recommendations were in three categories as follows: a) acceptance 52; b) renegotiation 16; and c) cancellation 27. The Commission has received reports from some entities that they have taken steps towards implementing recommendations of the CCRC process as indicated in Table III below:

### CCRC PROCESS MATRIX

**Table III**

<b>No.</b>	<b>Category of Agreement</b>	<b>Total</b>	<b>Recommendations<sup>4</sup></b>			<b>Implementation Status<sup>5</sup></b>		
			<b>Accept</b>	<b>Renegotiate</b>	<b>Reject</b>	<b>Completed</b>	<b>On-going<sup>6</sup></b>	<b>Pending</b>
1.	Agriculture Sector	3	0	3	0	1	1	1
2.	Construction	5	0	1	4	0	1	4
3.	Investment Incentives	26	12	3	11	0	0	26
4.	Mining/ Mineral Sectors <sup>7</sup>	43	37	2	4	1	0	42
5.	Oil Sector <sup>8</sup>	8	3	5	0	3	5	0
6.	Scrap Iron Purchase	4	0	0	4	0	0	4
7.	Service Agreement	<u>6</u>	<u>0</u>	<u>2</u>	<u>4</u>	<u>0</u>	<u>1</u>	<u>5</u>
	<b>Total</b>	<b><u>95</u></b>	<b><u>52</u></b>	<b><u>16</u></b>	<b><u>27</u></b>	<b><u>5</u></b>	<b><u>8</u></b>	<b><u>82</u></b>

<sup>4</sup> Actions on agreements recommended for cancellation require judicial processes. The Sector Entities informed the Commission that this exercise would be undertaken on a case-by-case basis after receiving the signal to go ahead from the Executive.

<sup>6</sup> Processes are on going to renegotiate five (5) of the Oil Sector Agreements. In addition, one (1) of the Agriculture Sector (Firestone), one (1) Construction (Pioneer) and 1 Service (BIVAC) Agreements are on going.

<sup>7</sup> While one each from the Mining Sector and Agriculture Sector were successfully renegotiated and commissioned to operate by Government.

<sup>8</sup> Three of the Oil Sector Agreements recommended for acceptance were concluded and the Companies (Broadway and Oranto) were commissioned and certificated to begin exploitation works.

## **8.0 FINANCE AND ADMINISTRATION**

The Government of Liberia received a grant from the World Bank in the amount of one million one hundred thousand United States Dollars (US\$1,100,000) to implement the Public Procurement and Concessions ACT from July 1, 2006 to June 30, 2008.

### **8.1 Income**

#### **8.1.2 World Bank's Support**

During the reporting period the World Bank disbursed to the Public Procurement and Concessions Commission additional three hundred thousand United States dollars (US\$300,000) from a grant of one million one hundred thousand United States Dollars (US\$1,100,000). Besides, the unspent balance of the first tranche in the amount of one hundred ninety-nine thousand sixty-three United States Dollars (US\$199,463) was brought forward into this period under review. The total fund from the World Bank available to the PPCC during the period under review was four hundred ninety-nine thousand four hundred sixty-three United States Dollars (US\$499,463).

#### **8.1.3 GOL's Support**

The Government of Liberia provided two hundred thousand United States Dollars (US\$200,000) in the 2006/2007 and US\$507,889 in 2007/2008 budgets for the PPCC operations. However, from this allocation the PPCC received and disbursed US\$516,652. during the period under review. Additionally, the balance fund of thirty thousand eight hundred ninety four United States Dollars (US\$30,894) was brought forward during this reporting period, thereby making a total amount available to the Commission to four hundred sixty thousand ninety seven United States Dollars (US\$460,097).

### **8.2 Expenditure**

#### **8.2.1 World Bank's Support**

Under the World Bank Fund the Public Procurement and Concessions Commission expended a total of four hundred thirty two thousand two United States Dollars (US\$432,002) during the reporting period. The breakdown per expenditure categories of operating cost and capacity building is contained in the statement of Income and Expenditure attached as schedule 1.

#### **8.2.2 GOL's Support**

Under the Government of Liberia Fund the PPCC expended a total of three hundred twenty three thousand sixty nine United States Dollars (US\$323,069). The breakdown of this expenditure is attached as schedule 2.

### **8.3 Summary**

The summary of the PPCC World Bank and PPCC GOL Funds are contained in the composite statement of income and expenditure attached as schedule 3.

### 8.3.1 Schedules

1. PPCC World Bank Fund Income and Expenditure Report
2. PPCC GOL Fund Income and Expenditure Report
3. Composite Income and Expenditure Report

The report of the FAD is summarized into schedules as follows: Schedule 1 comprised Statement of Income and Expenditure/World Bank fund; schedule 2 is PPCC GOL fund Statement of Income and Expenditure, while schedule 3 is the composite Statement of Income and Expenditure for the two Accounts for the Period January 1, 2007 to December 31, 2007.

#### **Schedule 1. Statement of Income and Expenditure For the period January 1 to December 31, 2007 (WB)**

Sources of Fund:	
Grant Received from World Bank	499,463
Total Sources of Fund:	499,463
Less Operating cost:	
Program staff support	106,290
Stationery & supplies	2,891
Printer & photocopier ink	4,734
Generator fuel & lubricant	18,295
Fuel Administration	16,499
Vehicle insurance	2,429
Vehicles repair/maintenance	2,534
Generator repair & maintenance	2,036
Office equipment& furniture R & M	759
Refreshment for meeting	772
Communication/internet services	2,100
Communication/scratch cards	4,000
Annual Report	525
Administration	1,120
Bank charges	2,655
Website maintenance	896
Office maintenance	726
Contingency	300
LICUS Grant/Refund to PPCC	3,000
Office equipment & furniture	<u>3,911</u>
<b>Total Operating Cost</b>	<b>176,472</b>
<b>Capacity Building</b>	
Consultancy fees	205,903
Publicity IEC, workshop, bulletin, etc.	<u>49,627</u>
<b>Total Capacity Building</b>	<b>255,530</b>
<b>Total Application of Fund</b>	<b>432,002</b>
<b>Balance</b>	<b><u><u>67,461</u></u></b>

Schedule 2.

**Statement of Income and Expenditure**  
**For the Period Ended January 1, 2007 to December 31, 2007**

**Sources of Fund:**

<b>Income/ GOL- Subsidy</b>	380,807
<b>World Bank Support</b>	<u>79,290</u>
<b>Total Sources of Fund:</b>	<b>460,097</b>

**Application of Fund:**

**Operating Cost:**

Personnel cost	253,825
Stationery & supplies	2,533
Fuel & lubricant/generators	13,114
Fuel & gasoline	30,693
Vehicles insurance	1,272
Vehicles repair & maintenance	9,120
Generators repair & maintenance	3,740
Office equipment & furniture Repair & maintenance	451
Communication scratch cards	10,100
Communication Internet service	2,450
Administration	9,209
Bank charges	204
printer & photocopier ink	120
CCRC support	1,210
Incidental allowance	920
Income tax expenses	41,079
Social Security contributions	2,228
ICARP	10,800
Maintenance of premises	990
<b>Total operating cost</b>	<b>314,764</b>
<b>Capacity Building</b>	
Publicity, workshop/PR activities	<u>8,305</u>

<b>Total Capacity Building Cost</b>	<u>8,305</u>
<b>Total Application of Fund:</b>	323,069
<b>Balance Fund</b>	<b><u><u>57,737</u></u></b>

Schedule 3

**Composite Statement of Income & Expenditure  
for the Period January 1, 2007 to December 31, 2007**

	PPCC Word Bank Fund		GOL/PPCC		Total
<b>Sources of Funds</b>		499,463		380,807	880,270
<b>Total Sources of Fund:</b>		499,463		380,807	880,270
<b>Application of Fund:</b>					
<b>Operating Cost:</b>					
Program Staff Support	106,290				106,290
Personnel Cost			183,518		183,518
Stationery & supplies	2,891		2,533		5,424
Printer & copier ink	4,734		120		4,854
Generator fuel & lubricant	18,295		13,114		31,409
Fuel Administration	16,499		30,423		46,922
Vehicles insurance	2,429		1,272		3,701
Vehicles repair & maintenance	2,534		9,120		11,654
Generators repair & maintenance	2,036		3,740		5,776
Office equipment & furniture maintenance	759		451		1,210
Communication/scratch cards	4,000		1,116		5,116
Communication/internet	2,100		2,450		4,550
Administration	1,120		9,477		10,597
Annual Report	525				525
Refreshment for meetings	772				772
CCRC support			1,210		1,210
Incidental allowance			920		920
Bank charges	2,655		204		2,859
Website maintenance	896				896
Office maintenance	726		990		1,716
Office equipment & furniture	3,911				3,911
LICUS Grant/Refund to PCC	3,000				3,000
Income tax expense			41,079		41,079
Social Security contribution			2,228		2,228
ICARP			10,800		10,800
Contingency	300				300
<b>Total operating cost</b>	<b>176,472</b>	176,472	<b>314,764</b>	314,764	<b>491,236</b>
<b>Capacity Building:</b>					-
Consultancy fees	205,903				
Publicity, IEC, workshop, etc	49,627		8,305		
<b>Total Capacity Building</b>		255,530		8,305	
<b>Total application of fund:</b>		<b>432,002</b>		<b>323,069</b>	<b>755,071</b>
<b>Balance fund:</b>		<b>67,461</b>		<b>57,737</b>	<b>125,198</b>

#### **8.4 Staff Turnover**

In June 2007, the Commission was constrained to terminate the services of Barrister Umolo J. Ugwah for continuous absence from duty. In addition, Mr. A. Trokon Tarr, Director of Information and Communication resigned his post in October 2007 for personal reasons.

#### **9.0 LESSONS LEARNED**

- 9.1 Liberia's procurement reform is new and requires capacity building and adequate resourcing of procurement practitioners to sustain the type of sound public procurement system that is envisaged by the Commission. Although the process is still encountering a number of challenges due to seeming resistance to change, it continues to provide numerous windows of opportunities for procurement practitioners and private sector to understand the relevance of procurement and concessions reform during the past two years of the PPCA.
- 9.2 The unrelenting implementation of the PPCA and its gradual understanding by stakeholders has opened new avenues for participation in a competitive procurement process.
- 9.3 The PPCA is promoting competition and transparency in procurement and concessions activities and gradually generating the confidence of both national and international investors. It also stimulates chances for investment, which the Commission is striving to achieve.
- 9.4 In spite of the improvement of 2007 reporting period (in the implementation of the procurement reform) over that of 2006, there is still a need to ensure comprehensive capacity-building through monitoring of compliance, training, development of policies and procedures and awareness creation on the complaints appeals and review process in the years ahead.
- 9.5 Notwithstanding the immense progress made in sensitizing and training procurement practitioners, the unnecessary replacement of trained persons has negative implications for the implementation of the procurement reform process. It needs to be stopped. The dismissal /turnover of trained procurement practitioners during the reporting period 2007 was negligible.

## **10.0 Challenges**

- 10.1 Though progress has been made over the two years of implementation of the Procurement Reform, what seems to be resistance to change remains paramount.
- 10.2 The inadequacy of Monitoring Officers due to budgetary constraints to effectively conduct comprehensive monitoring of all procuring entities need to be addressed;
- 10.3 There is insufficiency of logistics to carry out holistic monitoring activities in order to meet the expectations of the Government of Liberia, donors and our partners; and
- 10.4 The constant removal of procurement practitioners who have been trained by the Commission and replaced by individuals who have no prior knowledge of Procurement is of serious concern.

## **11.0 RECOMMENDATIONS/WAY FORWARD**

Based upon the activities of the 2007 reporting period, the following recommendations are made to ensure the smooth implementation of the new procurement reform program in Liberia. These recommendations include the following:

- 11.1 After two years of implementing the procurement reform, there is a need to revisit the Act to clearly redefine issues that have been raised with the Commission.
- 11.2 World Bank's support to the commission will end in June, 2008. Therefore, GOL's continued support to strengthen the financial and human capacities of the PPCC in order to enhance its efforts of promoting the new public procurement and concessions reform process is needed.
- 11.3 There is a need to place procurement experts in key selected entities;

## APPENDIX A

### Republic of Liberia Public Procurement and Concessions Commission Matrix on Requests for No Objection and Actions Taken

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
1.	Jan. 3	MOF	Maintenance of software system contract extension	US\$48,000.00	Granted	Treated under proprietary
2.	Jan. 8	MOJ/Justice	Request for no objection to purchase an 88 KVA Generator	US\$18,500.00	Granted	Restricted tender
3.	Jan. 8	LIPA	Evaluation Report for Vehicles	US\$89,948.00	Granted	Open tender
4.	Jan. 17	MGD	Sole Source Market Survey	Amt not indicated	Clarification sought	No response
5.	Jan. 19	MOH	Request to sign MOU with Universal Hospital Project	No budget indicated	Not granted. Entity advised to do due diligence	Information too shallow
6.	Jan 27	MOH	Evaluation Report For Vehicles	US\$353,050.00	Granted	Open tender
7.	Jan. 29	MOC	Process payment for Vehicle	US\$28,300	Granted	Open tender
8.	Jan. 30	LPRC	Renewal of Retainer Consultancy Contract	US\$30,000.00	Granted	Extension to an existing specialized consultancy contract
9.	Jan. 31	LPRC	Recruitment of personnel for Janitorial Services	No budget indicated	Not granted	Advised to observe the thresholds
10.	Feb. 7	MPEA	Purchase of vehicle	US\$98,200.00	Granted	Open tender
11.	Feb. 7	MOH	Single source Medical College	US\$91,985.00	Granted	Force Account
12.	Feb. 9	MOF/Justice	Retain Lawyers		Granted	For continuity
13.	Feb. 19	MOL	Exemption from choosing least cost jeep	Budget not indicated	Advised	To comply with the provisions of the Act
14.	Feb. 20	MOS	Phoenix Communication Management & Marketing Consultant	Not indicated	Granted	Confidentiality nature of the assignment
15.	Feb. 27	MOH	Legal Services of Cllr Gerald Padmore	Budget tied to settlement	Granted	Continuity
16.	Feb. 27	MOP&T	Request for no objection for payment to FMT on renovation work	US\$75,000.00	Sought clarification	Response received
17.	Feb. 28	MOH	Evaluation Report for purchase of Vehicles	US\$353,050	Granted	Open tender
18.	March 6	MCSS	Evaluation report to complete school project	US\$110, 105, 11	Granted	Open tender
19.	Mar. 8	MOF	Purchase of 8 computers	No budget indicated	Not granted	Advised to solicit at least 3 quotations

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
20.	Mar. 14	MOP&T	Rrenovation of postal facilities in the counties	US\$170,875.58	Not granted	Advised to observe the threshold
21	Mar. 16	MOA	Request for waiver for purchase of used vehicle		Not granted	PPCC/GSA has not developed modalities for procurement of used vehicles
22	Mar. 19	Rep.	Request for waiver to carry out emergency procurement	US\$245,000.00	Not granted	Advised to prepare specifications and shortlist at least 3 or more reputable vendors.
23.	Mar. 20	MPW	Sole source equipment rental for road maintenance works	No budget indicated	Not granted	Advised to observe the appropriate provision of the Act
24.	Mar. 22	MGD	Second instalment payment for vehicles	Amt was not indicated	Sought Clarification	Details were not attached
25.	Mar. 23	MGD	Second instalment payment for vehicles	US\$	Granted	Open tender but partial delivery arrangement agreed
26.	Mar. 27	NEC	Constraction of NEC local office	US\$41,407.00	Granted	Local community participation/Analysis of at least 3 quotations.
27.	Mar. 28	MOF	Settlement of outstanding debt	US\$27,225.00	Granted	Legitimate bill settlement
28.	Mar. 28	MPW	Supply 300 metric ton of Asphalt Road Mix	US\$177,000.00	Granted	Open tender
29.	Mar. 28	MPW	Road rehabilitation using own labor force	US\$92,932.00	Granted	In line with Force Account
30.	Mar. 31	Sen.	Request for no objection to procure office equipment using selective procedures	US\$55,000.00	Granted	PPCC advised to issued written standard RFQ to the three shortlisted firms to submit quotation on specified date and time which should be opened publicly
31.	Apr. 3	MPW	Sole source Keita Brothers Contruction company to carry on road rehabilitation on Fishtown Harper and later to Pleebo	US\$79,500.00	Granted	Contractor already on sight with all equipment
32.	Apr. 4	MOY&S	Evaluation report for the Purchase of vehicle	US\$28,800.00	Granted	Requested Quotations
33.	Apr. 11	MPW	Process voucher #101-4-4-07v to carry on rehabilitation work on Monrovia streets	US\$80,879.00	Granted	Force Account

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
34.	Apr. 17	MOE	Clearance to conduct bidding	Budget not indicated	Advised to observe the provisions of the Act	Advised
35.	April 20	MOF	Request for no objection to renovation/2nd floor	US\$65,000.00	Granted	Shopping Method used.
36.	Apr. 20	MLM&E	Special service payment to CELLCOM	US\$12,828.00	Granted	Proprietary
37.	April 23	FDA	Review of post qualification evaluation procedures	No budget attached	Reviewed	Suggestions made in line with the Act
38.	Apr. 27	LCAA/RIA	Invitation for Bids for the Provision of ground handling activities/services at RIA	No budget attached	Assisted in preparing the Advertisement	Received help-desk
39.	May 2	Sen.	Request no objection for GOL counterpart contribution to Capitol Building Renovation	US\$150,000.00	Granted	The commission has reviewed their request and documents and has given no objection in line with section 55 (l) c of the PPCC Act
40.	May 3	MPW	Request for no objection on voucher #R101-4-12-07V on road rehabilitation on the Monrovia streets	US\$260,000.00	Not granted	Advised
41.	May 4	MOJ/Justice	Purchase of furniture	Budget no indicated	Not granted	Clarification sought.
42.	May 7	MCSS	Construction of Fence Wall through request for quotations	US\$29,920.35	Granted	Restricted tender.
43.	May 7	SSS	Request to use the single sourcing method to purchase two 15 seater buses	US\$52,500.00	Granted	PPCC advised that the SSS adhere to the relevant provisions of the PPC Act
44.	May 8	LIPA	Purchase of fifteen Acre land	US\$52,500.00	Granted	Proprietary
45.	May 8	MPW	Process of voucher #r101-4-12-07V on road rehabilitation on the Monrovia Streets	US\$256,000.00	Granted	Force Account
46.	May 9	MOC	Process payment for Consultancy Service Contract	US\$10,000.00	Granted	Continuous service
47.	May 10	MOD	Renovate of EBK Barrack	US\$288,394	Granted	Force Account
48.	May 11	NPA	Approval of land least policy	No budget	Not granted	Advised
49.	May 17	NPA	Purchase of Pilot Launch procurement	US\$150,000.00	Granted	Emergency to salvage the Port
50.	May 18	NIC	Renovation of Hotel at S.K.D Stadium.	US\$6.0million	Granted	BOT basis
51.	May 18	MOE	Request for no objection to retain ACE Planning Consultancy Services	US\$70.00		Advised to amend existing agreement between the Ministry and ACE Planning
52.	May 21	MPW	Purchase of vehicles	US\$165,907.00	Not granted	Advised
53.	May 23	NPA	Request for no objection to renegotiate safe bond equipment lease agreement	Budget not indicated	Granted	Pending the conduct of open tender

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
54.	May 23	JFK	Request for no objection to carry out renovation work on the upper and lower roof of the John F. Kennedy Hospital	US\$150,000.00	Granted	PPCC advice that it should not exceed the amount within the budget
55.	May 28	MOJ	Request to solicit quotation	US\$143,470.00		Advised to prepare the relevant document for ICB
56.	May 29	MOF	To Process payment for vehicle purchased	US\$28,985.00	Granted	Complied
57.	May 30	MIA	Evaluation report for the Purchase of 15 jeeps for county Superintendents.	US\$442,500.00	Granted	Open tender
58.	June 5	MPW	Request for no objection to purchase additional vehicles	US\$165,907.00	Not granted in entirety	Advised to purchase the 6 cylinder for the minister
59	June 5	MPW	Request for no objection for renovation and rehabilitation of a Three Storey Building	US\$187,645.00	Not granted	Advised to prepare the relevant document for ICB
60.	June 6	GSA	To Sole Source Consultant service	Value not indicated	Not granted	Advised to use appropriate method
61.	June 6	MOY&S	Construction of Community Youth Recreation and Resource Centers	US\$	Granted	Community participation
62.	June 6	FDA	Evaluation Report for the purchase of vehicles	US\$265,600.00	Granted	Open tender
63.	Jun. 7	BOB	Renovation of BOB Annex	US\$45,000.00	Granted	Restricted tender
64.	June 12	MOI	To vary renovation works	US\$26,455.00	Granted	Within allowable limit
65.	June 12	MLM&E	Request to construct a fence	US\$74,699.00	Withold no objection	Advised to follow procurement process
66.	June 13	MOT	MOU for manufacture of vehicle license paltes	US\$96,000.00	Not granted	Pending final determination of the legal status of the Mr. John Youboty's contract with MOF
67.	June 14	MOD	Sole source Military Uniform	US\$189,550.00	Not granted	Advised to observe the provisions of the Act
68.	Jun. 15	MOE	Request for additionally vehicles		Not granted	Advised to go through competitive bidding
69.	Jun. 26	MOF	Request to purchase vehicles	US\$216,967.00	Not granted	Advised to follow the PPC Act
70.	June 26	MPW	Request fo no objection to process oayment of voucher #R101-6-8-070V for the rehabilitation of roads in the Monrovia area	US\$63,000.00	Granted	

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
71.	June 27	MOJ	Request for waiver to settle obligation for spare parts on Nissan vehicles	US\$41,581.08	Not attended to	
72.	June 27	MOS	Request to sole source the procurement of one 152 KVA 220/10V generator	US\$28,000.00	Granted	In pursuant to Section 55 (1) (d)
73.	June 27	LNP	Request for waiver for payment for vehicle spare parts	US\$41,581.00	Granted	Based on the accompanying
74.	June 27	Rep.	Request for waiver to carry out emergency procurement	US\$35,000.00	Granted	After clarification was provided, PPCC advised that the amount should not exceed that which is on the LPO#1027
75.	Jun. 28	MOF	Request for no objection to purchase vehicle for the Legislature/Senate	US\$70.00	Granted	Issued pursuant to section 50 (b) of the PPC Act
76.	Jun. 28	MOF	Request for no objection to purchase three vehicles	US\$75,000.00	Granted	
77.	June 29	MOI	Request for no objection for professional service	US\$15,000.00	Granted	
78.	June 29	LWSC	Request to use the single source method to purchase pick-up	US\$82,500.00	Granted	PPCC advised that since it qualifies the corporation under section 55 (d) of the PPC Act the vendor must be cleared of tax obligation to GOL and NASSCORP
79.	July 9	MOH	Contract for computerized Birth and Death certificate between MDMC and Ministry of Health		Not granted	Advised that MOH request a legal opinion and guidance
80.	July 10	UL	Request to purchase 4 buses and renting of additional 15 buses	US\$235,000.00	Granted	PPCC advised that it should not exceed the amount requested and for renting of buses the entity should request at least three quotations from three reputable vehicle rental firms
81.	July 11	NPA	Legal status of equipment lease agreement between NPA and SALL	No value indicated	Advised to make good the contract	Pending the conduct of open tender
82.	July 31	MPW	Request for no objection to award renovation contract three storeyed SSS office building	US\$209,500.00	Granted	
83.	Aug. 13	UL	Request to sole source two buses	US\$74,000.00	Granted	Advised not exceed the amount requested
84.	Aug. 16	NHA	Purchasing of several items	US\$101,881.00	Not granted	Advised to observe the provisions of the Act.
85.	August 23	MPW	Pavement of Jallah Town critical Road segment	US\$500,000.	Granted	

NO	DATE/ 2007	ENTITY	BASIS FOR REQUEST	AMOUNT	PPCC ACTION	COMMENTS
86.	Aug. 29	MNS	Request for no objection to purchase used vehicles	US\$25,000.00	Not attended to	
87.	Aug. 30	Rep.	Request for payment for petroleum products supplied	US\$224,887.60	Granted	PPCC advised that due to the circumstances that gave rise to the House crediting the petroleum products this no objection was given in pursuant to Section 55(1)(d) of the PPC Act
88.	Sept. 5	MOC	Request for waiver to process consulting contract for balance payment	US\$6,000.00	Granted	Poses no objection
89.	Sept. 6	CNDRA	Request for waiver to purchase used vehicles	US\$35,000.00	Not granted	Ask to yeild to to PPCCs advice on procurement of used vehicles
90.	Sept. 10	MOF	Requast for the extension of BIVAC contract		Granted	
91.	Sept. 11	MOI	Request for no objection to settle financial obligation for petroleum product	US\$37,449.00	Granted	
92.	Sept 11	BIN	Request for a bid waiver for vehicles	No amount indicated	Not granted	PPCC advice that the Procurement Director explores the appropriate procisions of the Act
93.	Sept 12	V.P. Office	Request for waiver to allow vendor to complete construction	US\$12,000.00	Granted	PPCC advised that the amount should not exceed the amount requested.
94.	Sept. 17	SSS	Request for no objection to settle repairs bill for SSS vehicles	US\$29,385.00	Granted	Advised that procuring entities makes their respective procurement decision through their head in keeping with the PPC Act
95.	Sept. 18	MOC	Request for waiver for payment of two Consulting Services	US\$3,900.00 & US\$1,400.00	Not granted	
96.	Sept 28	MOL	Request for 150KVA generator			Advised to adopt a competitive and transparent procurement process
97.	Oct. 3	MOD	To complete housing facilities in Schiefflin	US\$505.000	PPCC interposes no objection	PPCC reiterate that procurement decisions are made by the procurement committee
98.	Oct. 7	Water & Sewer	Purchase of 3 Double cabin Pick-ups 4x4 Diesel Engine Manual trans	Budget not indicated	Not granted	Advised to observe the provisions of the Act

<b>NO</b>	<b>DATE/ 2007</b>	<b>ENTITY</b>	<b>BASIS FOR REQUEST</b>	<b>AMOUNT</b>	<b>PPCC ACTION</b>	<b>COMMENTS</b>
99.	Oct. 8	MOJ/Fire	To process payment for Fire Truck	US\$300,000.00	Granted	Open tender.
100.	Oct. 9	MOS	Request for no objection to purchase stationery and office equipment		Not granted	Call attention to Schedule Threshold s on pages 88 abd 89 of the Act
101.	Oct 17	NPA	Request to purchase a Tugboat Defender	US\$1,450.00	Granted	Due to the emergency situation
102.	Oct. 26	GSA	Request for exemption			The Commission reiterated that the procurement decision are the prerogative of their entity
103.	Nov. 2	LPRC	Request for no objection to continue with the services of Messrs William G. Matthews and Associates Limited		Granted	PPCC interposes no objection and advised that it be line with section 55(2) of the PPC Act
104.	Nov 5	LNP	Request for wavier to purchase vehicles	No amount indicated	Not granted	PPCC advised that LNP indicate the amount and number of vehicles being procured and that it uses the restricted Bidding
105.	Nov. 7	RIA	Request to sole source procurement of specialized equipment	No amount indicated		
106.	Nov. 12	MPW	Request to procure vehicles and Heavy Equipment	US\$1,630,635.00	Granted	Advised to use ICB method in future m
107.	Nov. 12	GAC	Procurement of Goods and Services	No value indicated	Not granted	Request for statement on selection of consultants and Actuarial Scientist, for goods PPCC asked that they make use of the RFQ
108.	Nov. 29	MOS	Procurement of vehicles	US\$433,000.	Granted	The decision was based on he outcome of an open competitive bidding
109.	Dec. 19	LRRRC	For evaluation report consultants services	US\$245,000.00	Granted	Open tender

## APPENDIX B

A table showing procurement executed during January1,-December 31,2007

by procuring entities that were monitored

No.	PROCURING ENTITY	No. OF P'MENT	CONTRACT VALUE	PROCUREMENT METHODS							
				ICB		NCB		SHP		S/S	
				QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
	<b>Large Spender</b>										
1	Ministry of State	3	1083630	2	949135	1	134495	0	0	0	0
2	Office of the Vice President	4	79283	0	0	1	42644	3	36639	0	0
3	House of Representatives	8	1,040,069	0	0	2	376,500	6	663,569	0	0
4	Liberian Senate	3	340,000	0	0	0	0	3	340,000	0	0
5	Ministry of Public Works	5	853,379	3	693,000	2	160,379	0	0	0	0
6	Ministry of Education	198	3,706,031.00	0	0	2	1,741,206	196	1,964,825	0	0
7	Ministry of Health & S/Welfare	73	2,186,122	12	694,000.00	20	1,121,730	41	370,392	0	0
8	Ministry of Lands Mines & Energy	62	1,064,754	0	0	0	0	62	1,064,754	0	0
9	Ministry of Finance	12	1,175,099.00	5	584,378	5	584,377	2	6,344.00	0	0
10	Ministry of Posts & Telecommunication	7	73,376	0	0	0	0	0	0	7	73,376
11	Temple of Justice/Judiciary	68	267,940	0	0	0	0	0	0	68	267,940
12	Ministry of Information	7	9,708	0	0	0	0	7	9,708.00	0	0
13	Ministry of Youth & Sports	15	163,939	0	0	13	28,515	2	135,424	0	0
14	Liberia Petroleum Refining Company	3	435,500	1	145,500	1	147,000	0	0	1	143,000
15	Liberia National Fire Service	7	36,345.00	0	0	0	0	7	36,345.00	0	0
16	National Elections Commission	30	87,421.00	0	0	4	7794	26	79,627.00	0	0
17	National Port Authority	100	1,362,113.00	6	241,565	12	679,910.00	82	440,638.00	0	0
18	Forestry Development Authority	6	627,239	0	0	4	320,000	2	307,239	0	0
19	Ministry of Justice Central	8	67,336	0	0	0	0	8	67,336	0	0
20	Ministry of Internal Affairs	13	227,817.00	0	0	4	75,939	9	151,878.00	0	0
21	Ministry of Labor	10	115,566	0	0	0	0	8	78,566	2	37000
22	Min. of Commerce	5	193,667	0	0	2	101,729	2	76,615	1	15323
23	Min. of Agriculture	3	98,530	0	0	0	0	3	98,530	0	0
24	Min. of Gender	12	515,500	0	0	7	385,500	5	130,000	0	0
25	Min. of Defense	2	477,948	0	0	0	0	2	477,948	0	0
26	Min. of Transport	9	65,600	0	0	0	0	9	65,600	0	0
27	Governance Commission	4	54,830	0	0	0	0	4	54,830	0	0
28	Civic Service Agency	14	131,525	0	0	0	0	14	131,525	0	0
29	Ministry of Planning	3	19,965	0	0	0	0	3	19,965	0	0
30	Ministry of Foreign Affairs	8	161,074	0	0	2	74,000	6	87,074	0	0

No.	PROCURING ENTITY	P'MENT	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
31	J. F. Kennedy Med. Center	12	133,678	0	0	2	26,736	10	106,942	0	0
32	Bureau of the Budget	4	31,002	0	0	0	0	4	31,002	0	0
33	Mon Cons. School Sys.	14	1,090,467	1	138000	1	30,000	12	922,467	0	0
34	General Auditing Commission	6	151,566	0	0	3	109,000	3	42,566	0	0
35	Liberia Nat. Police	12	236,862	0	0	5	194362	7	42,500	0	0
	<b>Medium Spender</b>										
36	Liberia Water & Sewer Corporation	21	21,750	0	0	0	0	0	0	21	21,750
37	Truth & Reconciliation Commission	17	19693	0	0	0	0	0	0	17	19,693
38	National Drug Service	3	3,776,120	2	1,274,000	0	0	1	2,502,120	0	0
39	Min. of Nat. Security	2	48,332	0	0	0	0	2	48,332	0	0
40	Lib. Inst. For Pub. Administration	2	142,000	0	0	0	0	2	142,000	0	0
41	LRRRC	18	9,830.00	0	0	0	0	18	9,830.00	0	0
42	Bureau of Martine Affairs	6	138,500	0	0	1	59,600	5	79,700	0	0
43	National Fire Service	8	20,514	0	0	0	0	8	20,514	0	0
44	Monrovia City Corp.	4	104,500	0	0	0	0	4	104,500	0	0
45	General Services Agency	8	596,779	0	0	3	13,302	4	579,138	1	4,339
46	Environmental Protection Agency	11	268,334			10	233,334	0	0	1	35,000
47	Bureau of Immigration	6	35,861	0	0	0	0	6	35,861	0	0
	<b>Small Spender</b>										
48	Lib Domestic Airport Agency (LDAA)	30	58,074	0	0	0	0	0	0	30	58,074
49	Lib. Inst. For Static's & Geo-Inf. Svs.	2	23,550.00	0	0	0	0	2	23550	0	0.00
5	National Police Training Academy	19	280,706	0	0	2	140,000	17	140,706	0	0
51	Center Nat. Doc. & Record	3	12,000	0	0	0	0	3	12,000	0	0
52	Group of 77	6	133,510	0	0	1	25,160	5	108,350	0	0
53	Special Security Service	3	174,525	0	0	1	13,500	2	161,025	0	0
54	Mon. Transit Authority	3	18,500	0	0	0	0	3	18,500	0	0
55	National Oil Company	12	92,000	0	0	0	0	11	66,500	1	25,500
56	Cooperative Dev. Agency	1	2,100	0	0	0	0	1	2,100	0	0
57	Liberian Copy Right Office	1	2,500	0	0	0	0	1	2,500	0	0
58	Bureau of State Enterprises	7	7,197.00	0	0	0	0	0	0	7	7,197.00
59	National Investment Commission	45	85,082.00	0	0	8	29,362.00	37	55,720.	0	0
60	National Bureau of Investigation	3	4,400.00	0	0	0	0	3	4,400	0	0
	<b>TOTAL</b>	<b>991</b>	<b>24,441,238</b>	<b>32</b>	<b>4,719,578</b>	<b>119</b>	<b>6,856,074</b>	<b>683</b>	<b>12,049,844</b>	<b>157</b>	<b>708,192</b>

**Financial Audit Report  
For the Period  
July 1, 2006 to June 30, 2007**

**PKF**

**PUBLIC PROCUREMENT & CONCESSIONS COMMISSION  
FOR  
PUBLIC PROCUREMENT REFORM IN LIBERIA  
STATEMENT OF RECEIPTS,  
EXPENDITURES & UNSPENT FUND BALANCE  
FOR THE TWELVE (12) MONTHS ENDED  
JUNE 30, 2007**

**CONTENTS:**

**Page:**

1. Independent Auditor's Report
2. Statement of Receipts, Expenditures & Unspent Fund Balance
4. Schedule of Budget Comparative Statement of Expenses by Donors
6. Notes to the Statement of Receipts, Expenditures & Unspent Fund Balance



Accountants &  
business advisors

Independent Auditor's Report  
To the Project Sponsors and Steering Committee

We have audited the accompanying statement of Receipts, Expenditures and Unspent Fund Balance of the Public Procurement & Concessions Commission (PPCC) for Public Procurement Reform Project in Liberia funded by the World Bank, Government of Liberia (GOL), the European Commission (EC) for the twelve (12) months ended June 30, 2007. The statement is the responsibility of the management of the Public Procurement & Concessions Commission. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Except for the matter discussed below, we believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of Receipts, Expenditures and Unspent Fund Balance has been prepared on cash basis, where revenue is recognized only when cash and donations are received and expenditures recognized only when paid or issued. Cash basis accounting, though suitable for project reporting purposes, does not conform to USGAAP.

In our opinion, except for the matter discussed in the preceding paragraph, the Statement of Receipts, Expenditures and Unspent Fund Balance referred to above present fairly in all other material respects, the operating results of the Public Procurement Reform Project in Liberia as reported by the Public Procurement & Concessions Commission for the twelve (12) months ended June 30, 2007.

Monrovia

January 18, 2008

PKF  
Accountants and  
Business Advisors

**PUBLIC PROCUREMENT & CONCESSIONS COMMISSION**  
Statement of Receipts, Expenditures & Unspent Fund Balance  
For the twelve months ended June 30, 2007

	NOTES	US\$
<b>Income:</b>		
Fund Balance, July 1, 2006		773
Grant Income received in 2006	4	<u>666,881</u>
<b>Total Income</b>		<u>667,654</u>
<b>LESS: Expenditures</b>		
Office equipment & furniture		20,355
Support to PPCC		93,720
Commissioners honorarium		95,823
Support Staff		94,394
Compliance & monitoring advisor fees		35,000
Subsistence allowance		10,213
Travel & other costs		2,062
Training advisor fees		29,750
Publicity, IEC & PR activities		28,458
Venue cost		2,725
Training materials		4,363
Procurement advisor fees		37,500
Salary - Executive Director		21,000
Accounting services		39,000
Audit Services		375
International lawyer fees		16,800
Subsistence allowance - Lawyers		3,420
Air ticket & other costs - Lawyers		1,380
Local transport/communication - Lawyers		1,330
SME/Natural rubber expert fees		10,859
Subsistence allowance - Natural rubber expert		1,605
Air ticket & other costs - Natural rubber expert		5,371
COEN consultant fees		4,955
Stationery & supplies		11,180
Printer & copier ink		3,664
Generator fuel & lubricant		21,604
Fuel - Administration		16,457
Water		405
Vehicle insurance		3,327
Vehicle repairs & maintenance		6,113
Generator repairs & maintenance		2,923
Repairs & maintenance - Office equip. & Furn.		611
Refreshment for meeting		2,667
Publication & bulletin		4,380
Networking		3,350
Office maintenance - Commission Premises		785
Commission internet service		<u>2,925</u>
Subtotal carried forward		<u>640,848</u>

The notes on pages 7 to 8 form an integral part of the Statement of Receipts, Expenditure and Unspent Fund Balance

**PUBLIC PROCUREMENT & CONCESSIONS COMMISSION**  
 Statement of Receipts, Expenditures & Unspent Fund Balance  
 For the twelve months ended June 30, 2007

	<b>NOTES</b>	<b>US\$</b>
Subtotal brought forward		640,848
Communications / scratch cards		4,200
Annual report		525
Administration (local travel, toiletries, etc)		1,500
CCRC Support		4,270
Bank charges		3,998
Office rehabilitation		3,990
Contingency		<u>2,350</u>
Total Expenditures		<u>661,680</u>
<b>Unspent Fund Balance, June 30, 2007</b>		<b><u>5,974</u></b>
Comprise:		
Unspent Fund Balance, World Bank, June 30, 2007		<u>1,630</u>
Unspent Fund Balance, GOL, June 30, 2007		<u>4,344</u>

  
 Mr. Joseph S. Neufville  
 Executive Director

The notes on pages 7 to 8 form an integral part of the Statement of Receipts, Expenditure and Unspent Fund Balance

**PUBLIC PROCUREMENT & CONCESSIONS COMMISSION**  
 Schedule of Budget Comparative Statement of Expenses by Donor  
 For the twelve months ended June 30, 2007

Accounts Details	World Bank		Government of Liberia		European Commission		Combined Total	
	Budgeted Expenses USD	Actual Expenses	Budgeted Expenses USD	Actual Expenses	Budgeted Expenses USD	Actual Expenses USD	Budgeted Expenses USD	Actual Expenses USD
Office equipment & furniture	14,400	3,650	-	2,580	15,440	14,125	29,840	20,355
Support to PPCC	140,580	93,720	-	-	-	-	140,580	93,720
Commissioners honorarium	-	-	126,000	95,823	-	-	126,000	95,823
Support Staff	-	-	60,600	94,394	-	-	60,600	94,394
Compliance & monitoring advisor fees	50,000	35,000	-	-	-	-	50,000	35,000
Subsistence allowance	15,000	10,213	-	-	-	-	15,000	10,213
Travel & other costs	24,000	2,062	-	-	-	-	24,000	2,062
Training advisor fees	35,000	29,750	-	-	-	-	35,000	29,750
Publicity, IEC & PR activities	15,000	24,053	-	-	16,450	4,405	31,450	28,458
Venue cost	7,500	2,725	-	-	-	-	7,500	2,725
Training facilities	5,000	-	-	-	-	-	5,000	-
Training materials	7,500	4,363	-	-	-	-	7,500	4,363
Study tour	10,000	-	-	-	-	-	10,000	-
Procurement advisor fees	50,000	37,500	-	-	-	-	50,000	37,500
Salary - Executive Director	36,000	21,000	-	-	-	-	36,000	21,000
Accounting services	36,000	30,500	-	8,500	-	-	36,000	39,000
Audit Services	5,000	-	-	375	-	-	5,000	375
International lawyer fees	41,300	16,800	-	-	-	-	41,300	16,800
Subsistence allowance - Lawyers	8,820	3,420	-	-	-	-	8,820	3,420
Air ticket & other costs - Lawyers	3,880	1,380	-	-	-	-	3,880	1,380
Local transport/communication - Lawyers	3,430	1,330	-	-	-	-	3,430	1,330
SME/Natural rubber expert fees	22,500	10,859	-	-	-	-	22,500	10,859
Subsistence allowance - Natural rubber expert	5,400	1,605	-	-	-	-	5,400	1,605
Air ticket & other costs - Natural rubber expert	2,500	5,371	-	-	-	-	2,500	5,371
Real estate & air transport / Nationals	7,500	-	-	-	-	-	7,500	-
COEN consultant fees	5,000	4,955	-	-	-	-	5,000	4,955
Review panel	23,100	-	-	-	-	-	23,100	-
Subtotal carried forward	574,410	340,256	186,600	201,672	31,890	18,530	792,900	560,458

**PUBLIC PROCUREMENT & CONCESSIONS COMMISSION**Schedule of Budget Comparative Statement of Expenses by Donor  
For the twelve months ended June 30, 2007

Accounts Details	World Bank		Government of Liberia		European Commission		Combined Total	
	Budgeted Expenses USD	Actual Expenses	Budgeted Expenses USD	Actual Expenses	Budgeted Expenses USD	Actual Expenses USD	Budget Expenses USD	Actual Expenses USD
Subtotal brought forward	574,410	340,256	186,600	201,672	31,890	18,530	792,900	560,458
Stationery & supplies	4,000	2,114	2,000	1,600	7,555	7,466	13,555	11,180
Printer & copier ink	6,000	2,934	-	730	-	-	6,000	3,664
Generator fuel & lubricant	18,360	15,595	-	2,857	11,475	3,153	29,835	21,604
Fuel - Administration	12,240	12,238	7,880	4,219	-	-	20,120	16,457
Water	-	-	720	405	300	-	1,020	405
Vehicle insurance	2,500	2,429	1,000	898	-	-	3,500	3,327
Vehicle repairs & maintenance	1,800	1,794	1,800	4,320	-	-	3,600	6,113
Generator repairs & maintenance	3,000	1,066	-	1,857	1,200	-	4,200	2,923
Repairs & maintenance - Office equip. & Furn.	1,200	-	-	611	1,500	-	2,700	611
Annual forum	3,500	-	-	-	-	-	3,500	-
County tour	5,000	-	-	-	-	-	5,000	-
Refreshment for meeting	2,000	634	-	2,033	-	-	2,000	2,667
Publication & bulletin	6,000	2,650	-	1,730	-	-	6,000	4,380
Website maintenance	1,000	-	-	-	-	-	1,000	-
Networking	-	-	-	-	3,350	3,350	3,350	3,350
Office maintenance - Commission Premises	-	-	-	785	900	-	900	785
Commission internet service	4,200	2,925	-	-	2,100	-	6,300	2,925
Communications / scratch cards	4,800	4,000	-	100	600	100	5,400	4,200
Annual report	5,000	525	-	-	-	-	5,000	525
Administration (local travel, toiletries, etc)	2,160	974	-	526	-	-	2,160	1,500
CCRC Support	-	-	-	4,270	-	-	-	4,270
Bank charges	5,565	3,590	-	408	-	-	5,565	3,998
Office rehabilitation	30,000	3,990	-	-	-	-	30,000	3,990
Contingency	9,435	1,430	-	920	-	-	9,435	2,350
	<b>702,170</b>	<b>399,143</b>	<b>200,000</b>	<b>229,939</b>	<b>60,870</b>	<b>32,599</b>	<b>953,040</b>	<b>661,580</b>

## **1.0 Public Procurement and Concessions Commission for Public Procurement Reform in Liberia**

### **1.1 General background of project**

- 1.1.1 As a consequence of nearly fifteen (15) years of destructive wars in Liberia, the basic core of society and systems of good governance at all fronts was virtually overturned and became inoperable in a number of cases and inefficient in others. Among the areas of complete degeneration are the procurement policies and practices in the Public Sector. Sound public procurement policies and practices are essential for the efficient management of public funds as well as the overall governing processes.
- 1.1.2 An efficient system for purchases of goods and services provides assurances that value received commensurate with expenditures made. It also enhances waste reduction and allocates responsibility and accountability. A poorly functioning public procurement system undermines economic development and efficiency. It also gives rise to procurement-related fraud and other forms of irregularities.
- 1.1.3 In consideration of the above, the World Bank offered Liberia a platform by which it could reform its public procurement policies and procedures. That decision gave rise to the establishment of the Public Procurement Reform in Liberia with the signing of an agreement by the then Minister of Finance on September 14, 2004. The project became operational in December 2004, and was expected to have been terminated within fifteen (15) months. Actual disbursements on the project commenced in January 2005. The final closing date of the project was August 31, 2006 representing twenty (20) months of activities. In furtherance of the project, the World Bank committed an additional One Million One Hundred Thousand United States Dollars (US\$1, 100,000.00) for the operation of the PPCC for two commencing July 1, 2006 to June 30, 2008.

### **1.2 Project sponsorship**

- 1.2.1 The total budget for this period indicated, amounted to Nine Hundred Sixty Three Thousand Forty Dollars (US\$963,040). This budget is funded 73% by the World Bank under its Economic Management and Capacity Building Program for Liberia and the funds provided under the **LICUS TF Grant # TF056754 Ref no. 39**. The amount of US\$400,000 (Four Hundred Thousand United States Dollars) was disbursed to the Public Procurement & Concessions Commission (PPCC) during 2006/07 budget year. The Government of Liberia (GOL) is committed to provide support equivalent to 21% while the European Commission (EC) supported 6% of the program budget in kind.

**1.3 Primary objective**

1.3.1 The objective of the project is to make public procurement in Liberia modern and consistent with international best practice. It is also designed to be responsive to the needs of the country in order to ensure value received for money spent and enhance accountability and transparency in the use of public funds.

**2.0 Administration of the project**

2.1 The Public Procurement Reform project was initially administered by the Project Coordinating Unit (PCU) whose mandate ended with the enactment of the Public Procurement Reform Act. The PCU has since been transformed into the PPCC with the responsibility to administer the conduct of the project in the aftermath of the enactment. PPCC comprises a seven (7) person commission; three from the public sector, three from private sector, and a chairperson.

**3.0 Evaluation of Systems of Accounting and Internal Controls**

**3.1 Systems evaluation**

3.1.1 We examined the accounting records which underlie the financial reports of the PPCC for the period July 1, 2006 to June 30, 2007 to determine their adequacy for the operations of the project and to test for compliance therewith as well as with other specific guidelines provided in the project document. We confirm that:

- a. The system in place for the project implementation was generally adequate;
- b. Compliance test were also satisfactory in all material respects.
- c. No exceptions were noted.

3.1.2 We however recommend that the account titles for expenditures in the report which is consistent with the budget format, be revisited for the purpose of a more professional arrangement. For example, personnel expenses should be placed first consistent with conventional presentations, while capital items such as furniture and equipment come after recurrent expenses.

**4.0 Grant Income**

**\$666,881**

4.1	World Bank	\$400,000
	Government of Liberia (GOL)	234,282
	European Commission (EC)	32,599



Accountants &  
business advisers

DAS/gsl(PPCC – mclearance wpd)/082---0708

February 01, 2008

Mr. Joseph S. Neufville  
EXECUTIVE DIRECTOR  
**Public Procurement & Concessions Commission (PPCC)**  
Executive Mansion Grounds  
Capitol Hill,  
Monrovia, Liberia

Dear Neufville:

**Management Letter Clearance**

In connection with our audit of the statement of receipts, expenditures and unspent fund balances of the “**Public Procurement & Concessions Commission (PPCC)**” for the twelve (12) months ended June 30, 2007, we confirm that there were no matters considered by us to be significant enough such as to warrant the issuance of a management letter.

A handwritten signature in black ink that reads 'PKF Liberia'. The signature is written in a cursive style.

PKF  
Accountants &  
business advisers