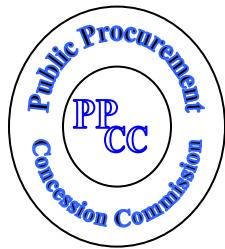




Republic of Liberia



# 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)  
Email: info@ppcc.gov.lr

**December 31, 2011**

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. #06-967873/02734000



February 3, 2012

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) highlighting major achievements of the Commission for the period January 1 to December 31, 2011.

The Amended and Restated Public Procurement & Concessions Act of 2010 gives the Commission oversight responsibilities for public procurement and concessions granting in Liberia. Accordingly, the PPCC ensures the economic and efficient use of public funds in the procurement of goods, works and services as well as the granting of concessions. This is achieved through processes that are competitive, transparent and non-discriminatory.

Honorable Ladies and Gentlemen, we thank you for your support to the works 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,

Professor Willie Belleh, Jr.  
**CHAIRMAN**

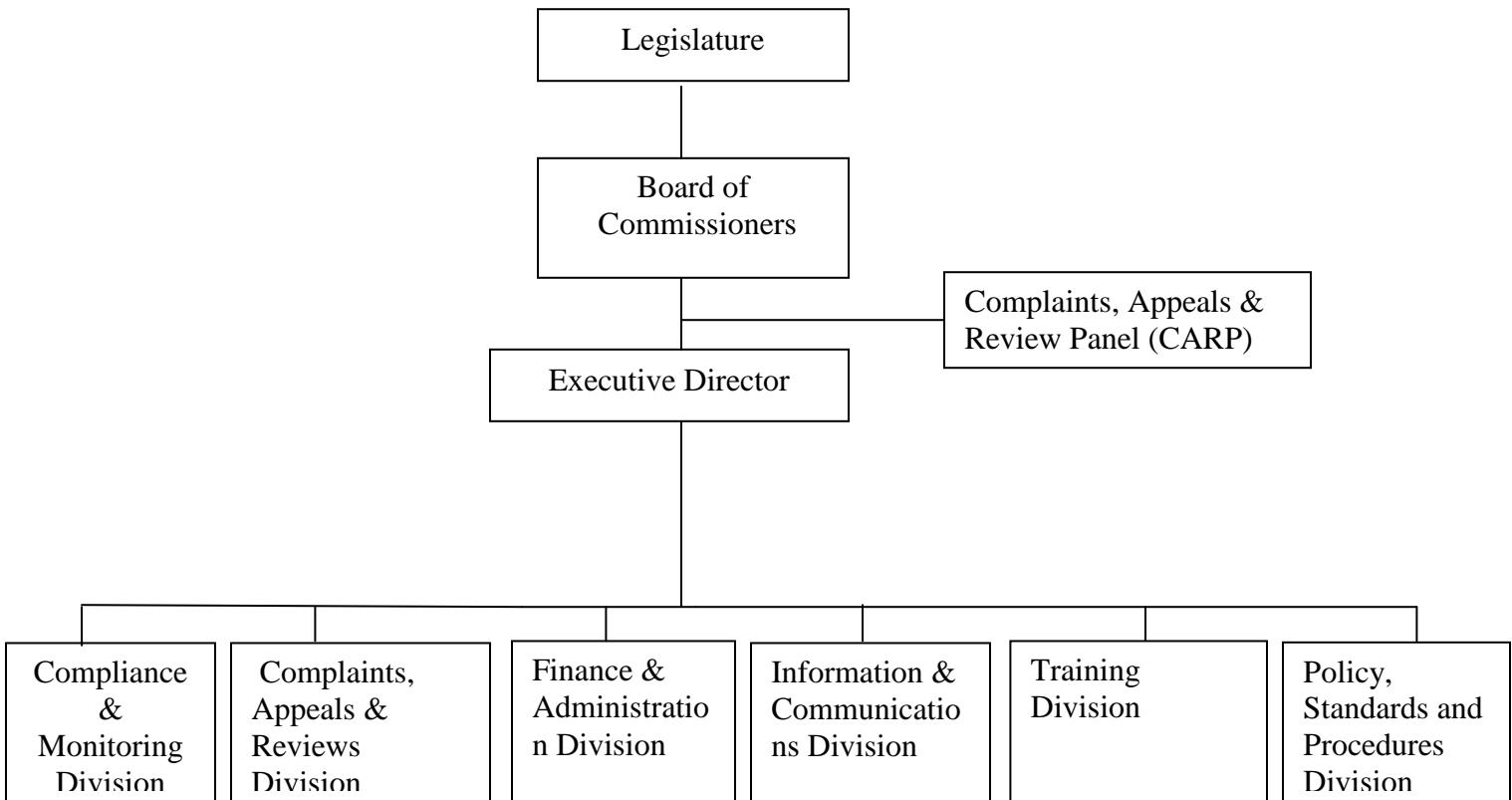
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Regulating and Monitoring Compliance with the Public Procurement  
And Concession Act of Liberia

## **ACRONYMNS**

CARP	Complaints, Appeals & Review Panel
CSA	Civil Service Agency
ECOWAS	Economic Community of West Africa States
EGIRP	Economic Governance & Institutional Reform Project
GAC	General Auditing Commission
GIZ	Deutsche Gesellschaft fur Internationale Zusammenarbeit German International Cooperation (English rendering)
GPPA	Ghana Public Procurement Authority
LAN	Local Area Network
LBS	Liberia Broadcasting System
LIPA	Liberia Institute for Public Administration
LRRRC	Liberia Refugee Repatriation & Resettlement Commission
LTC	Liberia Telecommunication Corporation
LWSC	Liberia Water & Sewage Corporation
MCSS	Monrovia Consolidated School System
MDG	Ministry of Gender & Development
MLME	Ministry of Lands, Mines & Energy
MOCI	Ministry of Commerce & Industry
MOE	Ministry of Education
MOF	Ministry of Finance
MOFA	Ministry of Foreign Affairs
MOPEA	Ministry of Planning & Economic Affairs
MPW	Ministry of Public Works
NEC	National Elections Commission
NEP	National Employment Policy
OSIWA	Open Society Initiative of West Africa
PPCA	Public Procurement & Concessions Act
PPCC	Public Procurement & Concessions Commission
SSS	Special Security Services
TAs	Technical Assistsances
TORs	Terms of References
UL	University of Liberia
WB	World Bank
WBI	World Bank Institute

## **PPCC'S ORGANIZATIONAL STRUCTURE**



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## **1.0 INTRODUCTION**

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The Public Procurement & Concessions Commission (PPCC) is an autonomous commission that was established by an Act of the National Legislature in 2005. The Commission's mandate as prescribed by the Act is to: (i) ensure the economic and efficient use of public funds in public procurement and (ii) ensure that public procurement & concessions granting processes are conducted in a fair, transparent and non-discriminatory manner.

The affairs of the Commission are administered by the Chairman, Prof. Willie Belleh, Jr., assisted by six commissioners, all of whom are appointed by the President. The mandate of the Commissioners is to give policy direction to the Commission. The other Commissioners include: Mrs. Esther W. Paegar, Vice-Chairperson, Mr. Charles E. Collins, Sr., Ambassador Timothy E. Thomas, Mr. Boakai Sirleaf, Mr. Kona Beysolow and Miss Adela Cooper as representative of the Ministry of Justice.

The Commission has a Complaints, Appeals & Review Panel which is charged primarily with hearing and deciding complaints filed with the Commission as prescribed by the PPC Act (Section 10) (1). The Panel is headed by Cllr. Beyan Howard as Chairman and he is assisted by Mr. Massaquoi Morlu Kamara, Vice Chairman, Martin Kollie, Eric Morlu and David Jallah, Member.

The Secretariat, headed by the Executive Director, Peggy Varfley Meres, who also serves as Secretary to the Board of Commissioners, runs the day to day affairs of the Commission. The senior management team that assist the Executive Director in the day-to-day administration include: Mr. Joseph S. Neufville, Advisor, Mr. Joseph S.D. Suah, Sr., Director, Finance and Administration, Mr. Nathan N. Bengu, Director, Information Dissemination & Communications, Mr. Lysander B. Wokpeh, Director, Compliance and Monitoring, Mrs. Evelyn Lah-Gongloe, Director, Training, Mr. Jacob N.W. Slewion, Sr., Director, Policy, Standards & Procedures, and Atty. Emmanuel Tulay, Director, Complaints, Appeals & Review.

As mandated in Part II, Section 5(h) of the restated PPC Act, the Commission has the statutory duty to provide information on its activities and achievements in the form of an Annual Report and submit same to the National Legislature. This report covers activities, achievement of the PPCC for 2011 relative to the implementation of the public procurement and concessions reform programs of Liberia. It provides information on the broad spectrum of its operations including finances, capacity building, awareness creation, and compliance levels with the PPC Act.

## **2.0 EXECUTIVE SUMMARY**

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As Liberia moves along its recovery path, the campaign to curtail waste, misappropriation, and increase efficiency in government remains a central piece of the national development strategy. The decision to institutionalize transparency and accountability-enhancing measures ensures value for money and improves management of public finances. Tasked with the responsibility of ensuring efficiency in public procurement management and ensuring long-term economic benefits in concessions granting, the Public Procurement and Concessions Commission has become an integral part of the Government's development and transformation agenda.

In the discharge of its responsibilities, the Commission promotes, supports, and develops the types of human resources needed to undertake the task of ensuring value for money in the procurement of goods, works and services in the public sector. It provides guidance and the requisite expertise to procuring entities in the public sector through organizing and conducting seminars, workshops, help-desk services and conferences. The Commission has begun to routinize sound procurement and concessions contracting practices consistent with the Procurement and Concessions Laws of Liberia.

This annual report covers progress made in achieving the objectives described above. It also covers domestic and foreign travels by members of the Commission to either obtain training or share experiences with other countries. The Commission has come a long way. Moreover, in recognition of its success in the implementation of procurement reform strategies, the GIZ, formerly, GTZ of West Germany invited the Executive Director of the Commission to deliver the keynote address on Liberia's experience in procurement reform and concessions, with the aim that the Liberian Procurement reform experience can be replicated in other regions of the World. Feedback received thus far indicates that the procurement system in Liberia is being used as a model in the West African Sub-Region.

This annual report also highlights the Commission's collaborative efforts with other government agencies and international organizations to continue improvements in public procurement, contracting and granting of concessions in Liberia. The commission, in collaboration with the Civil Service Agency (CSA), Liberia Institute of Public Administration (LIPA), World Bank (WB), and the Ghana Public Procurement Authority (GPPA) has initiated and completed the development of a standardized curriculum for advance procurement training at higher institutions of learning in Liberia. For example, the 1<sup>st</sup> batch of twenty five (25) trainees with college degrees is being recruited to start a one year Graduate Diploma in Public Procurement Management.

Also, an essential element of the Commission's success is to continue training and upgrading the skills and expertise of its staff in order to better prepare them to undertake the enormous task of providing oversight and monitoring to ensure compliance with the PPC Act.

To supplement their efforts, the Commission has recruited 14 (Fourteen) new, talented professionals to facilitate the work of the Commission.

In preparation and support of the Government's commitment to decentralize its activities throughout the political sub-divisions of the country, the Commission is working with its partners for a grant to establish three procurement hubs in the political sub-divisions of Liberia to handle all procurement related activities. Trained procurement professionals will be assigned to those offices with the responsibility to train procurement practitioners in the implementation of the Procurement law, standard procedures and processes. Moreover, the Commission has also received a grant from OSIWA to support public procurement decentralization through public awareness campaigns. The services of the print and electronic media will be engaged. To foster that effort, billboards will be erected around the country to create more awareness around the activities and mandate of the Commission.

The Commission is thankful to the Government of the Republic of Liberia and its international partners for the continuous support in enabling it to provide quality service to the Liberian people during this procurement reform process.

### **3.0 OFFICE OF THE EXECUTIVE DIRECTOR**

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The Executive Director Peggy Varfley Meres (Mrs.) serves as Head of the Secretariat and Chief Executive Officer of the Commission. She administers the day-to-day functions of the Commission in close coordination with one (1) Advisor and six (6) core directors including; Director for Policy, Standards & Procedures; Director for Training; Director for Compliance & Monitoring; Director for Information Dissemination & Communications; Director for Complaints, Appeals & Review; and Director for Finance & Administration.

The Advisor serves as a resource person on the Commission and provides technical support to the Executive Director in the day-to-day administration.

During the year under review, the Executive Director made the following representations:

- In July 2011, in fulfillment of the Commission’s role of monitoring public procurement processes in Liberia, the Executive Director along with a team of two staff from the Commission, joined the Ministry of Public Works and travelled to Lofa County to tour several Government funded projects with the aim of ascertaining whether Government and the people of Liberia are getting value for money for its scarce resources.
- As an indication of its enormous strides/efforts, the Commission was invited, and delivered the keynote address at a GIZ sponsored workshop held in Berlin, Germany under the theme, “Public Procurement Reform-Transparency and Accountability in Resource Contracting” in August 2011. The Commission’s Executive Director delivering the keynote address, outlined progress made in the implementation of Liberia’s public procurement reform and the challenges experienced. This provided a glorious opportunity to showcase Liberia’s efforts and strides in its public procurement reform agenda.
- On November 28, 2011, the Government of Ghana represented by the Ghana Public Procurement Authority (GPPA), donated a full set of procurement curriculum and training materials to the Commission geared towards supporting the public procurement function in Liberia through the one year diploma program. The donation was supported by the World Bank in furtherance of procurement reforms in the West African sub-region.
- The Commission engaged the Open Society Initiative of West Africa (OSIWA) through the Office of the Executive Director and highlighted the critical issue of developing an effective communication strategy in fulfillment of one of its core objectives of decentralization. These discussions culminated in the development of a project proposal and the subsequent receipt of a grant in the tune of US\$63,000.00 (Sixty-Three Thousand United States Dollars).

- The Commission, through the Office of the Executive Director, has initiated discussions with the World Bank regarding the opening of regional offices in an effort to fully decentralize public procurement activities in Liberia. These offices will monitor and regulate public procurement processes in the counties and will be staffed by trained procurement practitioners.

#### **Staff Turn over**

- On March 1, 2011, Mr. Jacob N.W. Slewion, Sr., was recruited as Director of Policy, Standards & Procedures replacing Mr. Alfred Twalla, who resigned his Post. Atty. Emmanuel Tulay was also recruited as Director of complaints, Appeals and Review, replacing Attorney Amos Y. Bartu, who resigned.
- Compliance and monitoring officer, Mr. Himmie E. Langford, was granted a study leave to undertake graduate studies in Australia and he is expected to return after completion to contribute meaningfully to the work and growth of the Commission.
- The Commission received two (2) interns. One from Harvard University, Mr. Walker Fullerton, and Mr. Titus Tikwa from AME University who were passed up to knowledge sharing under the guidance of MPEA.

## **4.0 DEPARTMENTAL REPORTS**

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### **4.1 DEPARTMENT OF POLICY, STANDARDS & PROCEDURES**

The Department of Policy, Standards & Procedures, headed by Mr. Jacob N.W. Slewion, Sr., is charged with the responsibility to:

- i. Develop rules, instructions, regulations and related documentation on public procurement and concessions, including formats in furtherance of the Act;
- ii. Formulate policy and prepare standards for procurement and concessions, including forms of contract;
- iii. Assess the operations of the public procurement and concession processes and make improvements where necessary;
- iv. Provide information to be published in the Public Procurement and Concessions Bulletin as required;
- v. Receive, review and edit information for the Public Procurement and Concessions Bulletin

During the reporting period under review, the department was fully engaged in various activities pertinent to the achievement of its mandate as follows:

#### **Achievements:**

- Drafted a priority Result Matrix for the Commission outlining its proposed interventions, baseline, data, target and milestone for the next five year to form a part of the Mid-Term Strategy which the Government of Liberia is developing.
- With support from the World bank (WB) under the Economic Governance & Institutional Reform Project geared towards strengthening public procurement oversight, the following were accomplished:
  - Developed Terms of References (TORs) for Technical Assistsances (TAs) to support the Commission's institutional capacity in the areas of Monitoring & Evaluation, and Training. These Consultants are expected to be hired within the first quarter of 2012.

- Facilitated the development of Specifications for a Local Area Network (LAN) along with specifications for the procurement of computers, printers and photocopiers to enhance the work of the Monitoring and Compliance Division.
  - Developed through collaboratively efforts led by the Commission, standard Forms and format for a Contractors' Database which will both serve as registry of all businesses in the country and a pre-qualification list for bidding on public procurement.
- Participated in a three-day Training workshop sponsored by ECOWAS involving ECOWAS Anglophone Member States in Accra Ghana under the theme, "Methods of Employment in Investment & Infrastructure Programs in West African Anglophone States". Knowledge acquired from this workshop is being applied adequately by the Commission as a member of the National Employment Technical Committee, charge with the responsibility of operationalizing the National Employment Policy (NEP).
- Represented the Commission at a procurement seminar, "Strengthening Procurement Systems in Small, Fragile & Conflict States" for five days in Nairobi, Kenya, from November 7<sup>th</sup> -11<sup>th</sup>, 2010. This seminar was sponsored by the World Bank Institute (WBI), and it brought together key stakeholders in the public procurement process – the government, civil society, and private sector as well as integrity institutions. Coordination and collaboration has been furthered strengthened between these major actors in the public procurement process as a result of this workshop.

### **Challenges:**

- Additional staff to support the work of the department and the growing demands on the limited resources of the Commission.
- Advanced training for staff in the areas of policy drafting/research and general administration.

## **4.2 DEPARTMENT OF TRAINING**

The Department of Training is headed by Mrs. Evelyn Lah- Gongloe and is charged with the responsibility to:

- i. Formulate and implement human resource development programs in furtherance of the aims of the Act;
- ii. Develop, promote and support professional development of personnel connected with the implementation of and functions of the Act
- iii. Organize capacity building programs at a reasonable fee for the local business community to enable them become more competitive and efficient in their dealings with the public sector
- iv. Provide information to be published in the Public Procurement and Concessions Bulletin as required.

### **Achievements:**

- The PPCC, in collaboration with the Ministry of Finance and General Auditing Commission, in May 2011 conducted a five-day sensitization workshop for Procurement Units on the Amended and Restated Act, 2010.
- A ten-day Public Financial Management Training Workshop was held in Monrovia to sensitize procurement practitioners to the roles of PPCC, MOF and MOJ in the procurement process.
- A two-week Regional Public Financial Management Training Workshop was held in collaboration with Ministry of Finance and Ministry of Internal Affairs to strengthen the capacity of county officials in procurement.
- Select in-house brush-up clinics for procurement staffs of various Ministries/Agencies (National Transit Authority, National Port Authority, Liberia Broadcasting Service, Special Security Service, Veteran Affairs, Ministry of Finance, and Ministry of Internal Affairs) were requested and conducted to ensure continued compliance with the PPC Act.

### **Challenges:**

- Additional staff needed to facilitate the work of the department, especially given the arbitrary removal and/or reassignment of Procurement Professionals which creates a vacuum and puts the Commission under pressure to deliver new training.
- Lack of adequate resources (PA system, A/V System) required for delivering state-of-the-art training on the Amended and Restated PPCA.

- Vehicle to facilitate travel to the leeward counties regularly to provide training and updates in fulfillment of our mandate of full decentralization.

## **4.3DEPARTMENT OF COMPLIANCE & MONITORING**

The Compliance & Monitoring Department is headed by Mr. Lysander B. Wokpeh and is charged with the responsibility to:

- i. Monitor compliance of procuring and concession entities with the procedures under the law and regulations established by the PPCC;
- ii. Review procurement and concession documents and/ or inspect records as necessary and prevent corruption of the process or any intended process;
- iii. Investigate public and private entities as necessary where there are allegations or suspicion that these entities have neglected their obligations under the law;
- iv. Maintain a list of bidders or entities that have been debarred from public procurement or concessions;
- v. Provide information to be published in the Public Procurement and Concessions Bulletin as required.

### **Achievements:**

- Conducted scheduled/unscheduled post-procurement monitoring of the following institutions with the goal of ascertaining compliance rate: GAC, LTC, MLME, MPW, LWSC, MOE, LRRRC, MCSS, LBS MGD NEC, and MCSS
- Hired additional staff to facilitate the work of the department and ensure improved performance.
- The Commission provided Helpdesk services to various entities as a way to increase its responsiveness to the execution of projects and general procurement issues.

### **Challenges:**

- Lack of adequate resources and training for staff in the areas of compliance audit and monitoring and evaluation.
- Electronic system (database) required to efficiently track department's progress in real-time, run compliance reports, and carry out our work.
- Vehicle to facilitate field work.
- Additional staff needed given the department's workload of monitoring eighty-two entities to ascertain compliance with the PPC Act.

#### **4.4 DEPARTMENT OF INFORMATION DISSEMINATION & COMMUNICATIONS**

The information Dissemination and Communications Department is headed by Mr. Nathan N. Bengu and is charged with the responsibility to:

- i. Be responsible for the development and publication of the quarterly Public Procurement and Concessions Bulletin Website;
- ii. Maintenance of technology based communications of the Commission as required;
- iii. Disseminate information related to the Act
- iv. Manage Public Relations on behalf of the Commission
- v. Publish the annual report of the Commission
- vi. Facilitate the implementation of the annual public procurement forum

#### **Achievements:**

- Published quarterly Newsletter highlighting the work of the Commission in areas of capacity building, compliance monitoring, and awareness creation.
- Successfully reengaged the public by creating more awareness on the procurement reform agenda of Liberia.
- Collaborated with member institutions of the National Integrity Forum to develop an integrity Barometer for Liberia.

#### **Challenges:**

- Additional staff needed to facilitate the work of the department, especially given the specialized skill set needed to update and maintain the Commission's website.
- Lack of adequate budget and resources required to support multimedia awareness campaign and capture and disseminate information to the public on the mandate and progress of the PPCC Act.

## **4.5 DEPARTMENT OF COMPLIANTS, APPEALS & REVIEW**

The Complaints, Appeals and Review Department is headed by Cllr. Emmanuel Tulay and is charged with the responsibility to:

- i. Receive and monitor all complaints, appeals or requests for review;
- ii. Request for a list of complaints and all information relating to their resolution by entities whenever it deems necessary;
- iii. Ensure that all parties comply with the complaints procedures under the Act;
- iv. Provide secretariat services for the Complaints, Appeals and Review Panel;
- v. Prepare documentation for all the Complaints, Appeals and Review Panel;
- vi. Provide information to be published in the Public Procurement and Concessions Bulletin as necessary.

### **Achievements:**

- Reviewed and responded to complaints being filed with the Commission in the timely and professional manner.
- Attended a senior level procurement course which is designed to facilitate hands-on knowledge around the procedures and practices in the public procurement reform of Liberia.

### **Challenges:**

- Legal assistant needed to provide admin/research support to the department.
- Lack of reference materials (codes/Laws of other institutions)to facilitate proper discharge of its duties

## **4.6 DEPARTMENT OF FINANCE & ADMINISTRATION**

The Department of Finance & Administration is headed by Mr. Joseph S.D. Suah, Sr. and is charged with the responsibility to:

- i. Responsible for maintaining the accounting and financial books and records of the PPCC;
- ii. Responsible for the administration of the office, personnel files, vehicles, general office support staff and travel;
- iii. Responsible for collation, formulation and monitoring of annual budget of the PPCC;
- iv. Responsible for ensuring annual audits are carried out;
- v. Responsible for procurement on behalf of the PPCC

### **Achievements**

- Adopted the International Public Sector Accounting Standard (IPSAS) for its accounting and reporting system.
- Successful renovation of PPCC's Head Office to facilitate new staff and additional conference room.
- Successfully recruited one (1) director, twelve (12) Junior Compliance Officers; one (1) Driver and one (1) Security Officer.

### **Challenges**

- Lack of accounting software for the Finance Department to process its transaction in a timely fashion.
- A Human Resource staff to focus on all personnel related matters.
- Inadequate budget to accommodate recruitment of Procurement professionals.

Please see financial statements attached (Annex 1-4).

## **5.0 CHALLENGES**

- Lack of Regional Hubs in the leeward counties in line with the objective of the PPC Act and decentralization policy of Liberia.
- Lack of trained procurement specialist at the Commission to facilitate continuous training of procurement professionals in Ministries and Agencies in addition to serving as focal resource persons at the Commission.
- The absence of training of the trainers' opportunities to ensure improved and quality training programs geared towards interpretation of the law to achieve full participation and compliance with the PPC Act
- Lack of IT infrastructure/local area Network (LAN) including accounting software to enhance the work of the Commission, while ensuring a high degree of accuracy.
- Lack of training for the Complaints, Appeals, and Review Panel (CARP) to facilitate proper discharge of its duties which is tied to restoring bidders confidence in the bidding process.
- Financial and technical assistance needed to develop Regulations and Step-by-Step Manual for the Amended and Restated Act of PPCC, 2010.
- Inadequate budget/funding to send staff for advance training in Procurement, hire additional staff, and identify a new office space to accommodate growing team.

## **6.0 CONCLUSION**

The Commission has exerted all efforts and has tapped every available resource to ensure that its mandate is achieved in an effective and efficient manner. Discussions and interventions with our donor partners like OSIWA and the World Bank under the EGIRP, as well as the United Nations Development Program (UNDP), were all centered on ensuring that there is additional facilitate some of the Commission's core program objectives.

Those objectives include creating a sustained communication strategy which will form the basis of the Commission's interactions with all stakeholders in the public procurement process, strengthening the monitoring and compliance division's ability to effectively monitor compliance with the Act; developing a robust training plan which will inform our training interventions with the public/private sectors regarding procurement and concessions issues; and enhancing the Commission's internal structure and systems.

Though the Commission has made some strides in the implementation of its core program objectives, much needs to be done in the areas of information technology and the establishment of regional hubs in the counties. The emphasis on IT falls in line with the Public Financial Management (PFM) Act of 2009, which identifies the PPCC as one of the major components of the PFM reform. As such, preparedness to be linked to the Integrated Financial Management Information System (IFMIS) of the Ministry of Finance and other large spending ministries such as Public Works, Education and Health & Welfare through the collection, compilation and sharing of timely, accurate and reliable financial and procurement related reports is paramount.

As decentralization is one of the key interventions of the Poverty Reduction Strategy-II (PRS), there is a dire need to create regional offices in the leeward counties that will fully decentralize procurement and address any procurement issues. Additionally, the administration of the county development funds has been characterized by alleged mismanagement and would benefit from increased oversight in the public procurement procedures, especially when staffed by knowledgeable procurement professionals who would work closely with county officials to ensure that their procurement is being carried out in compliance with the PPC Act.

As the Commission moves into another year, it is determined to be diligent in its efforts and hold government officials entrusted with public confidence accountable for ensuring government scarce resources are used for the purpose intended. The Amended and Restated PPC Act of 2010 requires that all ministries and agencies submit procurement plans for approval prior to execution. The Commission intends to enforce this to the letter as it will serve as the "check and balance" in transparency and accountability process. The Commission will further expand and uphold the collaborative alliances forged with relevant stakeholders in the public procurement process. In recognition of the critical part collaboration plays in the fight against corruption. It needs the support of the general public, the private sector, government integrity institutions as well as ministries and agencies if it is to be successful in the discharge of its mandate.

## **7.0 RECOMMENDATIONS**

The current staffing and logistics of the Commission are inadequate to meet the demands of ensuring that public procurement is carried out as prescribed by the Public Procurement and Concessions Law. The Commission is in dire need of more resources and logistics in the areas of its core program objectives – internal and external capacity building for the Commission and the public sector respectively and strengthening the monitoring and evaluation department.

Furthermore, bearing in mind that public procurement and its management, is, in itself, a profession and a relatively new phenomenon in Liberia, it is imperative that a significant attention be placed on building the capacity of the regulators and managers of the public procurement reform in Liberia to, in a more enhanced fashion, discharge their responsibilities effectively. It is a known fact that the Commission at the level of the Secretariat is staffed with fine minds experienced and professional in various disciplines, but there is not a professionally trained and certified public procurement specialist within the Commission. The activation of a coordinated and sustained professional training at the master levels in critical areas such as public procurement management, monitoring and evaluation, public procurement law, training and concessions management of the Commission's staff over time, will produce a cadre of professional functional specialists who will be in a more informed and enhanced position to manage and regulate the public procurement and Concessions processes in Liberia.

### **Narrative to Financial Statements**

Public Procurement and Concessions Commission (PPCC)  
Executive Mansion Grounds  
Capitol Hill  
Monrovia, Liberia

The Public Procurement and Concessions Commission's (PPCC) Financial Statements have been \

]prepared according to the Public Financial Management Act of 2009, which comply with the Cash Basis International Public Sector Accounting Standard (IPSAS) as adopted by the Government of Liberia. Cash Basis Accounting, as adopted by the PPCC, recognizes revenue when PPCC receives checks from the Ministry of Finance as subsidy for payment of salaries, honorarium or goods and services, whereas expenditure is recognized when PPCC employees' salaries are paid as well as payments made for goods and services. This report covers the period July 1, 2010 to June 30, 2011.

#### **Notes:**

2. PPCC's total receipt from the Government of Liberia for FY 2010/2011 amounted to L\$69,320,516 or US\$956,145.00 out of total Appropriation of L\$81,113,580.00 or US\$1,118,808.00, leaving a variance of L\$11,793,064.00 or US\$162,663.00.
3. During the reporting period, PPCC also received L\$5,082,974.00 or US\$70,110.00 from the United Nations Development Program (UNDP) to conduct three regional workshops for County Development Superintendents; Budget Officers, Accountants and Project Management Committee Members (PMC).
4. Total expenditure for PPCC Commissioners' honorarium, Secretariat salaries and allowances for the same period amounted to L\$43,119,871.00 or US\$594,757.00
5. Total goods and services expenditure amounted to L\$20,507.00 or US\$282,858.00 for the period under review.
6. Fixed Assets: The Commission purchased one (1) 15 seated Toyota Hiace Bus at the cost of L\$3,104,885.00 or US\$42,826.00
7. Opening Cash & Bank Balance  
Increase in cash            L\$2,972,500.00 or US\$35,704.00  
Cash balance                L\$5,917,759.00 or US\$89,663.00  
Closing Cash & Bank Balance L\$8,506.326.00 or US\$125,367.00



## Annex-2

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**Public Procurement and Concessions Commission  
Statement of Comparison of Budget And Actual  
For the Fiscal Year Ended June 30, 2011**

### **Subsidies and Expenditures Report**

	Original Budget		Final Budget		Actual Amount		Difference between Final Budget and Actual		Percentage Variance
	LD\$	US\$	LD\$	US\$	LD\$	US\$	LD\$	US\$	
<b>Cash Inflows:</b>									
Authorized Allocation/Appropriation	69,320,516	1,118,808	81,113,580	1,118,808	69,320,516	956,145	11,793,064	162,663	14%
<b>Total Receipts</b>	<b>69,320,516</b>	<b>1,118,808</b>	<b>81,113,580</b>	<b>1,118,808</b>	<b>69,320,516</b>	<b>956,145</b>	<b>11,793,064</b>	<b>162,663</b>	<b>14%</b>
Cash Outflows:									
Salaries, Allowances and Honorarium	50,481,750	696,300	50,481,750	696,300	43,119,871	594,757	7,361,879	101,543	14%
Goods and Services	27,659,330	381,508	27,659,330	381,508	20,507,193	282,858	7,152,137	98,650	27%
Capital Expenditure	2,972,500	41,000	2,972,500	41,000	3,104,885	42,826	(132,385)	(1,826)	1%
<b>Total Cash Outflows</b>	<b>81,113,580</b>	<b>1,118,808</b>	<b>81,113,580</b>	<b>1,118,808</b>	<b>66,731,949</b>	<b>920,441</b>	<b>14,381,631</b>	<b>198,367</b>	
<b>Net Cash Flows</b>					<b>2,588,567</b>	<b>35,704</b>	<b>(2,588,567)</b>	<b>(35,704)</b>	

**Subsidies and Expenditures Report [Annex 1](#)**

**Public Procurement and Concessions Commission  
Statement of Receipts and Payments  
For the Fiscal Year Ended June 30, 2011**

<b>Receipts</b>	<b>Notes</b>	<b>Receipts/Payment controlled by Entity</b>		<b>Payment by other GOL Entities</b>		<b>Payment by External Third party</b>	
( In thousand of currency Units)		LD\$	US\$	LD\$	US\$	LD\$	US\$
Authorized Allocation/Appropriations	<b>2</b>	69,320,516	956,145	-	-	-	-
Other Receipts		-	-	-	-	-	-
External Assistance:		-	-	-	-	-	-
Grants from Multilateral Agency	<b>3</b>	5,082,974	70,110	-	-	-	-
<b>Total Receipts</b>		<b>74,403,490</b>	<b>1,026,255</b>	-	-	-	-
Payments:		-	-	-	-	-	-
Operations		-	-	-	-	-	-
Salaries, Allowance and Honorarium	<b>4</b>	43,119,871	594,757	-	-	-	-
Goods and Services	<b>5</b>	25,590,167	352,968	-	-	-	-
Capital Expenditure:	<b>6</b>	3,104,885	42,826	-	-	-	-
<b>Total Payments</b>		<b>71,814,924</b>	<b>990,551</b>	-	-	-	-
Increase in Cash	<b>7</b>	2,588,567	35,704	-	-	-	-
Cash at the beginning of year		5,917,759	89,663	-	-	-	-
<b>Cash at the end of the year June 30, 2011</b>		<b>8,506,326</b>	<b>125,367</b>	-	-	-	-

**Public Procurement and Concessions Commission**  
**Statement of Financial Performance**  
**For the Fiscal Year Ended June 30, 2011**

**Subsidies and Expenditures Report Annex 3**

<b>Revenue</b>	<b>Notes</b>	<b>LD\$</b>	<b>US\$</b>
Authorized Allocation from GOL		69,320,516	956,145
Grants from Multilateral Agencies		5,082,974	70,110
<b>Total Revenue</b>		<b>74,403,490</b>	<b>1,026,255</b>
<b>Expenses</b>			
Compensation of Employees		43,119,871	594,757
Goods & Services		25,590,167	352,968
Capital Expenditure		3,104,885	42,826
<b>Total Expenses</b>		<b>71,814,923</b>	<b>990,551</b>
<b>Surplus</b>		<b>2,588,567</b>	<b>35,704</b>

**Public Procurement and Concessions Commission**  
**Statement of Financial Position**  
**As at June 30, 2011**

<b>Assets</b>	<b>LD\$</b>	<b>US\$</b>
Cash & Bank Balances	8,506,326	125,367
<b>Total Assets</b>	<b>8,506,326</b>	<b>125,367</b>
Liabilities		
Payables	-	-
<b>Net Worth</b>	<b>8,506,326</b>	<b>125,367</b>
Accumulated Fund	8,506,326	125,367