Management Letter

On the Closeout Financial Statement Audit of the Liberia Road Asset Management Project (LIBRAMP)

For the period January 1, 2024 to June 30, 2024

Promoting Accountability of Public Resources

P. Garswa Jackson. Sr., FCCA, CFIP, CFC
Auditor General, R. L.

Monrovia, Liberia
June 2025

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ACRONYMS

Abbreviation	Meaning
AfDB	African Development Bank
APA	Assistant Project Accountant
AG	Auditor General
AWPB	Annual Work Plan and Budget
BC	Box Culvert
CE	Contracting Entity
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
CHICO	China Henan International Cooperation
CICO	Chongqing International Construction Corporation
CS	Consultancy Services
FA	Financing Agreement
FAR	Fixed Assets Register
FCCA	Fellow Member of the Association of Chartered Certified Accountants
FPM	Financial Procedure Manual
GOL	Government of Liberia
GBP	Great Britain Pounds
IDA	International Development Association
IIU	Infrastructure Implementation Unit
LHS	Left Hand Side
LIBRAMP	Liberia Road Asset Management Project
LRTF	Liberia Reconstruction Trust Fund
MC	Monitoring Consultant
MOFDP	Ministry of Finance & Development Planning
MPW	Ministry of Public Works
OPRC	Output and Performance-Based Road Contract
PAD	Project Appraisal Document
PAPs	Property Affected Persons
PDO	Project Development Objectives
PFMU	Project Financial Management Unit

Abbreviation	Meaning
PIM	Project Implementation Manual
PIP	Project Implementation Plan
PIU	Project Implementation Unit
PSC	Project Steering Committee
RAP	Resettlement Action Plan
RHS	Right Hand Side
RPF	Resettlement Policy Framework
RoW	Right of Way
SBD	Sample Bidding Document
SDR	Special Drawing Rights
SIU	Special Implementation Unit
SOE	Statement of Expenditures
WB	World Bank

June 24, 2025

Hon. Roland Layfette Giddings
Minister
Ministry of Public Works
Lynch Street
Monrovia, Liberia

Dear Hon. Giddings:

RE: MANAGEMENT LETTER ON THE CLOSEOUT FINANCIAL STATEMENT AUDIT OF THE LIBERIA ROAD ASSET MANAGEMENT PROJECT (LIBRAMP) FOR THE FISCAL PERIOD JANUARY 1, 2024 TO JUNE 30, 2024.

The Financial Statements of the Liberia Road Asset Management Project (LIBRAMP) for the period January 1, 2024 to June 30, 2024 are subject to audit by the Auditor-General (AG) under the AG's Mandate as provided for in Section 2.1.3 of the GAC Act of 2014 as well as the Audit Engagement Terms of Reference (ToR).

INTRODUCTION

The audit of the Liberia Road Asset Management Project (LIBRAMP) financial statements for the fiscal period January 1, 2024 to June 30, 2024 has been completed; the purpose of this letter is to bring to your attention the findings that were revealed during the conduct of the audit.

SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the financial statements.
An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;

- Assessment of the accounting principles used and significant estimates made by management; and

- Evaluation of the overall financial statement presentation.

An audit also includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to our attention and are applicable to financial matters.

The matters mentioned in this letter are therefore those that were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Project Management. Our responsibility is to express our opinion on these financial statements.

The audit findings which were identified during the course of the audit are included below.

Appreciation
We would like to express our appreciation for the courtesy extended and assistance rendered by the staffers of the Liberia Road Asset Management Project (LIBRAMP) during the audit.

Thank you as we strive to promote accountability, transparency and good governance across the Government of Liberia.

P. Garswa Jackson, Sr. FCCA, CFIP, CFC
Auditor General, R. L.

GENERAL AUDITING COMMISSION OFFICE OF THE AUDITOR GENERAL REPUBLIC OF LIBERIA

Monrovia, Liberia
June 2025

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Governance

1.1.1 No Project Steering Committee Meeting Minutes

Criteria

1.1.1.1 Section 2, under Institutional Implementation Arrangements, paragraph (2.8.1 & 2.8.2) of the PFMU Financial Procedures Manual revised 2018 states that "Each project / program shall have an oversight body to provide overall project / program oversight and policy guidance. The infrastructure projects being implemented through the MPW have a Project Steering Committee for this purpose. The MOE has the Education Sector Development Committee (ESDC) for the L-PERP. The composition, role and terms of reference of these oversight bodies are as per the financing agreement of each grant. The PSC will meet quarterly to assess progress, identify weaknesses, prepare and apply remedial strategies as well as make short-term action plans and review progress reports."

Observation

1.1.1.2 During the audit, we observed no evidence of a functional project steering committee, evidenced by the absence of meeting minutes and activities reports. Also, we observed no evidence of quarterly sittings of project steering committee as recommended by the financial procedure manual.

Risk

1.1.1.3 The strategic oversight over the function of Project may be impaired. This may impair the achievement of the Project's objectives.

1.1.1.4 Management may override institutional policies and procedures that may adversely impact the operations of the project.

1.1.1.5 The absence of a regular Steering Committee meeting may impair the strategic oversight activities of the committee.

1.1.1.6 Management may implement activities on a discretionary basis.

Recommendation

1.1.1.7 Management should liaise with the relevant authorities of the Steering Committee to ensure that regular meetings are held.

1.1.1.8 The Steering Committee should be made functional evidence of the conduct of periodic meetings, approval of major strategic decisions of Management, deliberation on any matter involving the project and documentation of meeting minutes and periodic activities reports.

1.1.1.9 Evidence of minutes of meetings and periodic activities reports should be adequately documented and filed to facilitate future review.

Management's Response

1.1.1.10 *The recommendation is well noted. The IIU will establish contact with the members of the Project Steering Committee (PSC) with the intent of ensuring that the PSC carries out its advisory role, under the project activities involving GOL financing. The World Bank and LRTF support to LIBRAMP closed in June 2024.*

Auditor General's Position

1.1.1.11 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.2 Monitoring & Supervision of Road Safety Secretariat

Criteria

1.1.2.1 Regulation A.15 (1) of the PFM Act of 2009 as amended and restated 2019 states that "a head of government agency must exercise all reasonable care to prevent and detect unauthorized, irregular, fruitless, and wasteful expenditure, and must for this purpose implement clearly defined business processes, identify risk associated with these processes and institute effective internal controls to mitigate these risks.

Observation

1.1.2.2 During the audit, we observed no evidence that RSS/Ministry of Transport provided the required oversight to Road Safety for the full implementation of planned activities within approved timelines, evidenced by the absence of approved annual monitoring & evaluation plans and periodic activities reports.

Risk

1.1.2.3 In the absence of effective monitoring and evaluation, project deliverables may not be achieved up to approved specifications and within approved timelines.

1.1.2.4 Value for money may not be achieved and project resources may be subjected to misapplication and misappropriation.

1.1.2.5 Approved activities cataloged in the work plan may not be achieved or achieved up to approved specifications and timelines.

Recommendation

1.1.2.6 Management should facilitate the establishment of a functional Monitoring and Evaluation Committee (M&E), evidenced by the documentation of planned annual activities and periodic activities reports. Evidence of approved annual plans and periodic monitoring and evaluation activities reports should be adequately documented and filed to facilitate future review.

Management's Response

1.1.2.7 *The Ministry of Transport provided oversight role over the Road Safety Secretariat from the onset of its operation, from 2018 up to June 2022 when the Funding of Road Safety activities ended under LIBRAMP. However, management has taken note of the issue raised by the Auditor and proposes that this recommendation be implemented under future projects with funding provision for road safety activities are available.*

Auditor General's Position

1.1.2.8 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.3 The Use of Personal Email for Business Purpose

Criteria

1.1.3.1 Sections 6 of the National Policy on the Use of the Gov.Lr Domain Name of the Ministry of Posts and Telecommunications of the Republic of Liberia provides: (6) for the use of domain name such as .gov.lr by all Ministries, Agencies and Commissions (MACs). This assures citizens, residents, businesses, the international community and other stakeholders that they are accessing an official Government of Liberia site. The policy ensures domain name and integrity of domains within in the .gov.lr domain space as well as adherence to the .gov.lr domain space by all MACs of government through the Ministry of Posts and Telecommunications. All MACs under the Government of the Republic of Liberia shall operate within the .gov.lr domain space. • The .gov.lr and all third level domain name (MAC.gov.lr) shall be managed by the Ministry of Posts and Telecommunications through the Chief Information Office. • All gov.lr domain names must only be used for the official business of the MACs. • All third level domain name (MAC.gov.lr) must be used specifically and exclusively for the stated purpose.

1.1.3.2 Further, Regulation A.14 {(1), 2 a & c), (3a) and (4)} of the PFM Act of 2009 as amended and restated 2019 state: "(1) All public sector computerized electronic records and systems shall be consistent with an approved integrated financial management automated system consistent with the (IT) Security Policy issued by the Minister. (2a) Each user of a computerized accounting, records, inventories, assets, human resource management, payroll or any similar system must be given a user identification number (User ID) and a password or personal identification number (PIN) by the system administrator. (2c) The system must be configured such that all passwords are encrypted to prevent any other person seeing the words. (3a) All computerized systems referred to in sub-regulation shall be configured such that, the audit trails, among other things, shall: (a) Show clearly the user ID, the time, the type of entry made on the system. And, (4) Notwithstanding any provision in the Information Technology Policy of any government establishment, all system administrators shall ensure that users are limited to doing only assignments or tasks approved for them on the system".

Observation

1.1.3.3 During the audit, we observed no evidence that the Management of LIBRAMP Project facilitated the use an official email for the management and channeling of communications related to the project. We observed that key personnel such as the Project Accountant and Procurement Specialist used their personal emails to conduct official business of the project.

Risk

1.1.3.4 The use of personal email may lead to unauthorized access to sensitive or confidential information of the project thereby impairing data privacy and security.

1.1.3.5 The use of personal email for managing and channeling communication may lead to permanent loss of business-related communication/email as the retrieval of lost emails from personal email accounts may be impaired.

1.1.3.6 Failure to ensure the use of official email, business communication/email records may not be monitored and retained for audits or legal purposes.

1.1.3.7 Management may be non-compliant with the National Policy on the Use of the Gov.Lr Domain Name of the Ministry of Posts and Telecommunications of the Republic of Liberia.

Recommendation

1.1.3.8 Management should develop, approve and operationalize policies and procedures for the effective and efficient operations of the project's official site for the management and channeling of communication/emails. The policy should comprehensively catalog the requirements for establishing and managing the site consistent with the National Policy on the Use of the Gov.Lr Domain Name of the Ministry of Posts and Telecommunications of the Republic of Liberia as well as Regulation A.14 of the PFM Act of 2009 as amended and restated 2019.

1.1.3.9 Subsequently, Management should ensure that all email communications of the project are facilitated through official email platforms to ensure data security and privacy are optimized.

1.1.3.10 Evidence of the approved policy for the project's official site and the procedures for the management and channeling of the project's communication/emails should be adequately documented and filed to facilitate future review.

Management's Response

1.1.3.11 *IIU has issued to all staff members official email accounts to be used in the conduct of formal business. This recommendation is welcome and will be fully adopted, going forward.*

Auditor General's Position

1.1.3.12 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.2 Financial Issues

1.2.1 Variance in Schedule of Commitments

Criteria

1.2.1.1 Part 1.2.2 of the Revised Cash Basis IPSAS (2017) provides that "financial statements prepared under the cash basis should provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the financial statements is balances of cash and changes therein. Notes to the financial statements may provide additional information about liabilities, such as payables and borrowings, and some non-cash assets, such as receivables, investments and property, plant and equipment."

1.2.1.2 Paragraph 7.10 of the Project Implementation Manual (PIM) on financial reporting requires a schedule of commitments/contracts and disclosures of outstanding commitments and assets as memoranda to the financial statements.

Observation

1.2.1.3 During the audit, we observed that Management disclosed a schedule of commitments in the notes to the approved financial statement, "Annexure A," dated February 7, 2025, totaling US$2,111,125.56 as rehabilitation works provided by the contracting entity and consultant (CICO and IMC World Wide Consultant), respectively. However, we observed that US$1,389,715.38 was paid to CICO directly through World Bank Payment Advice but listed as a commitment on the schedule resulting in an overstatement of the commitment schedule in the amount of US$721,410.18. **See below Table 2A for details**.

Table 2A: Variance in Schedule of Commitment

Entity	Payment Date	Direct Payment Voucher No.	F/S Commitment at June 30, 2024 US$ (A)	Commitment Paid After June 30, 2024 US$ (B)	Variance in Commitment US$ C=(A-B)
CICO	15-Jul-24	WB-0047	1,389,715.38	1,389,715.38	-
CICO Claimed	N/A	N/A	547,179.12	-	547,179.12
IMC World Wide (DT Global)	N/A	N/A	174,231.06	-	174,231.06
Total			**2,111,125.56**	**1,389,715.38**	**721,410.18**

1.2.1.4 Further, we observed that in October 2024, a total of US$514,753.30 was paid directly to China CICO Operation (CICO) through World Bank Payment Advice for commitment that were not recorded in the Drilldown Ledger and a Schedule of Commitment**. See below Table 2B for details.**

Table 2B: Variance in Schedule of Commitments (Payment Not in Schedule of Commitment)

Entity	Payment Date	Direct Payment Voucher No.	Commitment at June 30, 2024 US$
CHINA CICO Operation	02-Oct-24	WB-0048	390,094.72
CHINA CICO Operation	04-Oct-24	WB-0037	124,658.58
Total			**514,753.30**

Risk

1.2.1.5 The completeness and accuracy of liabilities may not be assured; therefore, the financial statements may be misstated. Management may not account for all its liabilities of the project.

1.2.1.6 Fair presentation and full disclosure of the financial statements may be impaired.

1.2.1.7 Failure to include the accurate details of commitment schedules in the notes to the financial statements may deny users of the financial statement's information needed to make informed decisions.

Recommendation

1.2.1.8 Management should adjust the financial statements to include the details of commitment schedules in the notes to the financial statements. The adjusted financial statements should be submitted to the Office of the Auditor General as part of Management's response to this Management Letter.

1.2.1.9 Going forward, Management should facilitate full and adequate disclosure in the notes to the financial statements consistent with Paragraph 1.3.27 of the 2017 revised IPSAS Cash Basis.

Management's Response

1.2.1.10 *1.2.1A-Commitments for consultants and contractors are prepared to enable the project team keep track of the contracts that have been issued or consummated between the two parties. When it comes to project closure procedures, the project have to list all the contracts that have been signed and work has been completed on or before the close of the project and the project is given a four (4) months window period for the payment of these commitments. In this case, CICO balance contract amount, verified claims due to the contractor (CICO) during the project and IMC Worldwide/DT Global are those that were left to be paid by the project as of the close of the project and were paid during the disbursement window period (July 1, 2024 to October 31, 2024).*

1.2.1.11 *The two-amount stated as overstatement were payments made to the contractor and consultant during the window stated above. There were no overstatement of the commitment schedule but rather understated by US$666,186.56, but subsequently revised to reflect actual commitment paid.*

1.2.1.12 *Please see attached Exhibit Ia: Bank Statement highlighted with the total commitments paid during the disbursement window of US$872,843.44 (US$547,179.12 for CICO and US$325,664.32 for IMC Worldwide/DT Global). Also Please see attached Exhibit Ib: Commitment Schedule that captured the total commitment of US$2,777,312.12*

1.2.1.13 *1.2.1B: This amount has been included in the commitment value of US$2,777,312.12.*

Auditor General's Position

1.2.1.14 Management's assertions did not adequately address the issues raised. Management should have adjusted the financial statements and disclosed in the notes to the financial statements the current value of commitment as at the end of the fiscal year rather than the outstanding value of the total contract price for the life span of the project. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.2 Non-Compliance of GOL to Settle Obligations

Criteria

1.2.2.1 Section I, paragraph 5 of the Appendix for the Second Addition Financing (AF2) Agreement as Amended and Restated, revised July 25, 2017, requires that "Counterpart Funding" means the following minimum amounts hereby committed by the Recipient (GOL) to allocate in its budget for each year of Project implementation to finance activities under the Program and to make them timely available to ensure adequate Project implementation:

i. seven million, two hundred eighty thousand Dollars ($7,280,000), for the seventh year of Project implementation;

ii. twenty-eight million Dollars ($28,000,000) to be provided from the eighth to eleventh year of Project implementation, being a minimum of seven million Dollars per year;

iii. six million five hundred twenty thousand Dollars ($6,520,000), for the twelfth year of Project implementation; and

iv. Six million Dollars ($6,000,000), for the thirteenth year of Project implementation."

1.2.2.2 Paragraph (a) and (b)Sentence 1, of Management Letter of the Aide-Memoire of March 7-18, 2022, dated April 18,2022 provides that, "The mission confirmed that the counterpart funding obligations of the government under the OPRC contract can be reduced from US $ 47.8 million to about US $ 35 million. This is the minimum level of funding require to ensure 20 years lifespan of the road closure of the OPRC contracts. Given the rapid drawdown of IDA/LRTF funds, the Government needs to make the decision on the future of this contract and urgently initiate the contract changes if it foresees challenges in meeting its counterpart funding obligations. We look forward to receiving the Government's decision by April 30,2022. While LIBRAMP counterpart funding obligations are eligible under the NRF Act, this depends on regularizing NRF revenues and strategic planning of NRF expenditures."

1.2.2.3 Further, Paragraph 10 (Sentence 4) and Paragraph 32 (Sentence 2 & 4) of the Aide-Memoire of March 7-18, 2022, provides that "The least cost of these options is as follows: (i) on Lot 1, periodic maintenance is completed on 28 km of road, and routine maintenance continues to the contract completion date, and (ii) on Lot 2, periodic maintenance is completed on 3km and routine maintenance continues to the contract completion date. The proposed arrangement will require that the Government assume LIBRAMP OPRC periodic maintenance costs as well as the routine maintenance payments beginning in September of 2022. Based on the Bank Team's assessment during the mission, GOL will need to provide about $ 35 million for LIBRAMP costs arising over the period September 2022 to June of 2024."

Observation

1.2.2.4 During the audit, we observed that GOL approved initial contribution to LIBRAMP project was quoted at US$72.8 million, but subsequently adjusted to US$47.8 million and finally to US$35 million due to renegotiation and restructuring of the project. However, we observed no evidence that the Government had made payments towards the final approved GOL contribution of US$35 million up to the World Bank closure date of the project (June 30, 2024), and as of issuance of the draft Management Letter.

Risk

1.2.2.5 Non/untimely receipt of GOL contribution to the project may result in a significant shortfall of funding and may potentially lead to early termination of the project or certain component of the works. This may impair the achievement and deliverables of the project.

1.2.2.6 The violation of Second Addition Financing (AF2) Agreement by GoL to make payments as required may deny LIBRAMP of much needed funds for ongoing and future contracts.

Recommendation

1.2.2.7 Management should immediately liaise with the relevant authorities of the GOL to ensure that GOL's contribution to the counterpart financing arrangement of the project is made available in a timely manner consistent with approved payment terms.

1.2.2.8 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations.

1.2.2.9 Management should liaise with the Government of Liberia and facilitate periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes.

Management's Response

1.2.2.10 *The GoL has made appropriate arrangement to honor its obligation under this project by phasing out the remaining civil works activities over a three financial year period – 2024 to 2026. The new completion date of the project under this arrangement is expected to be December 31, 2026, provided GOL stipulated payment terms per financial year are honored. The contractors currently await payment for the Financial Years, 2024 and 2025.*

Auditor General's Position

1.2.2.11 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.3 Cash Management

1.3.1 Discrepancies Associated with Foreign Currency Translation

Criteria

1.3.1.1 Section 1.6.2 of the IPSAS Cash basis of 2017 states that, cash receipts and payments arising from transactions in a foreign currency shall be incorporated in the statement of receipts and payments in an entity's presentation currency by applying the spot rate to the foreign currency amount at the date of the receipt and payments.

1.3.1.2 Section 1.6.3 further indicates that, Cash balances held in a foreign currency shall be translated using the closing rate.

1.3.1.3 Section 1.6.5 also states that, "an entity shall disclose the amount of exchange differences included as reconciling items between opening and closing cash balances for the period".

Observation

1.3.1.4 During the audit, we observed that Management recorded payments amounting to US$255,444.41 to DT Global for consultancy services valued at GBP193,181.89. However, the rates used by Management were not consistent with the transaction daily rates as required resulting into an exchange difference of US$8,681.59. **See below Table 3 for details.**

Table 3: Discrepancies Associated with Foreign Currency Translation

Transaction Date	Code	Amount in GBP (A)	PFMU Rate (B)	Rate on external Source (Oando (C)	Amount Reported by PFMU US$ D=(A*B)	Recomputed Amount in US$ E=(A*C)	Variance in US$ F=(D-E)
14-Jun-24	2024/016	103,855.22	1.322	1.27736	137,327.76	132,660.50	4,667.25
14-Jun-24	2024/017	89,326.67	1.322	1.27736	118,116.66	114,102.32	4,014.34
Total		**193,181.89**			**255,444.41**	**246,762.82**	**8,681.59**

Risk

1.3.1.5 Failure to utilize the appropriate spot/transactional rate in the conversion of transactions, closing cash balance may be misstated. The completeness and accuracy of closing cash balance may not be assured.

1.3.1.6 If foreign currency transactions are material and translation rate(s) used is misstated, the financial statements may be misstated.

Recommendation

1.3.1.7 Management should provide substantive justification for not utilizing the appropriate daily transaction rates for the conversion of foreign currency transactions comprehensively catalogued in table 3 above.

1.3.1.8 Going forward, Management should utilize the spot/transactional rate in the conversion of foreign currency transactions and the closing rate at CBL for the conversion of foreign currency account balances during the re-computation of closing cash balances.

Management's Response

1.3.1.9 *When the transaction is initiated from the PFMU end, it is difficult to determine the transaction rate, since the request is submitted to the commercial bank to pay in the currency of the contract. The commercial bank will then proceed to convert the currency to the functional currency to pay. The transaction rate is determined by the bank when the transaction is being executed. Upon completion of the transaction, the converted value is made known. It is only at this point that the PFMU can determine the rate used by the commercial bank to convert the amount to the functional currency for payment.*

1.3.1.10 *In this instance, the client requested the project to make a payment of 103,855.22 and 89,326.67 in pounds. On the date of transaction, the converted values by the commercial bank were $137,327.76 and $118,116.66 as actual payment made relative to functional currency. However, this should have been captured in the notes to the financials. Management takes note and has disclosed this in the notes appropriately.*

1.3.1.11 *Please see attached Exhibit II: Revised Financial Statement with notes included.*

Auditor General's Position

1.3.1.12 We acknowledge Management's assertions and subsequent adjustment of the financial statements to disclose the daily rate at which transactions were paid. However, as disclosed in our findings the rate utilized by Management (as executed by the commercial bank) did not reconcile with the standard daily exchange rate published by CBL. Going forward, Management should analyze the reasonableness of the conversion rate executed by the commercial bank to the standard rate published by CBL and disclosed the associated exchange gains and losses where applicable. Management should also periodically update the Sun system with the appropriate spot and year end rates per the CBL to ensure that cash transactions are converted accurately.

1.4 Procurement Management

1.4.1 Lack of Supporting Documentation (Land Deed) for Purchase of Land

Criteria

1.4.1.1 Part B, Paragraph 21.1, Sentence (1) of the Lot 1 & 2 OPRC Contracts signed between the Government of Liberia and the contracting entities, (CICO and CHICO) for the design, rehabilitation and maintenance of Red Light-Gbarnga to Ganta-Guinea Border Road requires that "General Description: The Project Manager's office and housing accommodation shall be located on land purchased by the contractor on behalf of the Employer in a safe and secure area.

1.4.1.2 Additionally, Section A.3 of the PFM Regulations of 2009 as amended and restated in 2019 "(1) Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor General, the Comptroller General , the relevant internal auditor or any officers authorized by them, by the Minister."

Observation

1.4.1.3 During the audit, we observed that the two (2) deeds for the land bought by the contractors were not made available for audit purposes by Management despite repeated requests.

Risk

1.4.1.4 In the absence of land deeds, the legitimacy and ownership of the properties may not be assured. This may lead to misappropriation of the project's funds.

1.4.1.5 In instances of potential litigation, the requisite documentation to validate land ownership may not be available. This may lead to loss of project assets.

Recommendation

1.4.1.6 Management should submit to the Office of the Auditor General copies of land deeds not made available for audit purposes.

1.4.1.7 Management should ensure all purchases of land are supported by the relevant title deed, probated and archived consistent with documents retention laws of Liberia. Evidence of title deeds and all relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

1.4.1.8 *The purchase of land on behalf of the MPW was included in the civil works contract. Management will exert all efforts in obtaining the original deeds from the contractor, if available. Otherwise, it would be necessary to request re-survey of the parcel of land to obtain, register and probate the deed in the name of the MPW.*

Auditor General's Position

1.4.1.9 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.5 Fixed Assets Management

1.5.1 Irregularities Associated with Fixed Asset Management

Criteria

1.5.1.1 Regulations V.4 (2) of the PFM Act of 2009 as amended and restated in 2019 states that, "The master inventory shall record under each category of item:

- the date and other details of the voucher or other document on which the items were received or issued;
- their serial numbers where appropriate; and
- their distribution to individual locations and the total quantity held."

1.5.1.2 Further, Part B, Item 21 of the General Specifications for Road Works Contract Documents for OPRC Lot (1 & 2) requires that "project manager's Office, Housing accommodation and Vehicles, the facilities include the purchase of vehicles; four (4) diesel operated brand new, 4-wheel drive double cabin pickups as per the enclosed detailed specification shall be procured and maintained by the contractor for the exclusive use of the project manager. On completion of construction contract, these vehicles shall be handed over to the Employer in a condition acceptable to the Employer. Delivery time is 60 days from signing of the contract. The Contractor will provide three hired vehicles to the project manager from the date of commencement until delivery of the new vehicles is affected."

Observation

1.5.1.3 During the audit, we observed that two (2) of the eight (8) vehicles acquired for LIBRAMP projects to be used by the consultants were damaged and not restored to workable conditions for effective turn over to GOL as required.

1.5.1.4 Additionally, we observed the following irregularities associated with the entity's Fixed Assets Management System:

- The fixed assets register did not contain all the relevant columns.
- The fixed assets register was not regularly updated. We observed that the fixed assets located at the project camp sites were not included in the fixed asset register. **See Annexure 2 (A-D) for details.**
- Most fixed assets of the entity were not coded. **See table 5b for details.**
- Some fixed assets of the project were not made available for physical verification. **See table 5A for details.**
- There was no evidence of periodic physical verification of assets by Management
- There was no evidence of movement of assets form.
- There was no comprehensive listing of total assets including their current conditions to be turnover to GOL.

- Fixed assets within a given vicinity were not displayed as required by the PFM Act. **See table 5 for details.**

Table 5A: Irregularities Associated with Fixed Asset Management

No.	Asset Name	Code	Asset Description	Asset Location	QTY	Project	Asset Value	Comment
1.	Copier	IIU/LIBR/ARC/E-02	Canon Image Runner (2202)	Archive	1	LIBRAMP	N/A	Assets not verified
2.	Office Chair	IIU/LIBR/ARC/F-22	Office Chair with adjustable height	Archive	1	LIBRAMP	N/A	Assets not verified
3.	Conference Table	IIU/LIBR/CONFR/F-99	Conference Table	Conference Room	1	LIBRAMP	N/A	Assets not verified
4.	Router	IIU/LIBR/IT/E-78	D-link Switch	Information Technology	1	LIBRAMP	N/A	Assets not verified

Table 5b Irregularities Associated with Fixed Asset Management (Asset not coded per Project)

No.	Asset Name	Code	Asset Description	Asset Location	QTY	Project	Asset Value	Comment
1	Visitor Chair	N/A	Visitor Chair	PDM Office	2	N/A	N/A	Assets not coded
2	Fan	N/A	Standing Fan	PDM Office	1	N/A	N/A	Assets not coded
3	Office Chair	N/A	Executive Chair with adjustable height	PDM Office	1	N/A	N/A	Assets not coded
4	Shredder	N/A	Paper Shredder	PDM Office	1	N/A	N/A	Assets not coded
5	Cabinet	N/A	Metal Cabinet with two drawers	Evaluation Room	2	N/A	N/A	Assets not coded
6	Printer	N/A	HP Printer	Evaluation Room	1	N/A	N/A	Assets not coded
7	Fan	N/A	Standing Fan	Evaluation Room	1	N/A	N/A	Assets not coded
8	Shredder	N/A	Paper Shredder	Evaluation Room	1	N/A	N/A	Assets not coded
9	Fan	N/A	Standing Fan	PM Support Staff Office	1	N/A	N/A	Assets not coded
10	Visitor Chair	N/A	Visitor Chair	PM Support Staff Office	3	N/A	N/A	Assets not coded
11	Office	N/A	Office Desk	PM Support	1	N/A	N/A	Assets not coded

No.	Asset Name	Code	Asset Description	Asset Location	QTY	Project	Asset Value	Comment
	Desk			Staff Office				
12	Shredder	N/A	Paper Shredder	PM Support Staff Office	1	N/A	N/A	Assets not coded
13	Ice box	N/A	Ice box	PM Support Staff Office	1	N/A	N/A	Assets not coded

Risk

1.5.1.5 Fixed Assets may be misstated (Over/understated).

1.5.1.6 Fixed Assets may be damaged or impaired but their values are still on the books.

1.5.1.7 Fixed Assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.

1.5.1.8 The lack of asset movement log may make it difficult to keep track of assigned or transferred assets, which may lead to misuse, loss or theft of assets without being noticed.

1.5.1.9 Failure to properly account for fixed assets may lead to theft and misapplication of equipment/materials. This may result in the non-achievement of the entity's objectives.

1.5.1.10 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

Recommendation

1.5.1.11 Management should account for fixed assets not made available for audit purposes comprehensively catalogued in table 5A above.

1.5.1.12 Management should update the fixed assets register to include all fixed assets not recorded in the fixed asset register including fixed assets at project camp sites, update the conditions of the assets and prepare a comprehensive listing of asset to be turnover to GOL. The comprehensive listing of asset to be turnover to GOL should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter for validation.

1.5.1.13 Going forward, Management should ensure that the fixed assets register is updated to reflect the following; description, class, code, location, condition, cost, depreciation expense, accumulated depreciation and net book value of the asset.

1.5.1.14 Management should initiate/enforce a systematic fixed assets coding system to ensure all fixed assets are uniquely identified. This control will facilitate the efficient and effective periodic fixed asset verification exercises. Discrepancies in coding identified during verification should be updated in a timely manner.

1.5.1.15 Management should conduct periodic fixed assets count and /or verification to determine the current condition and location of the assets. Evidence of physical verification should be adequately documented and filed to facilitate future review.

1.5.1.16 The Fixed Assets Register should be updated periodically to reflect all the entity's assets.

1.5.1.17 Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.

1.5.1.18 A movement of Asset Form should be filled and authorized before assets are moved from one location to another. The Fixed Asset Register should be updated to reflect the change in location of assets.

Management's Response

1.5.1.19 *Fixed assets purchased under LIBRAMP were coded, prior to the closure of the Project in June 2024. The assets registry presented to the auditor during the audit period, indicated that the assets were appropriately coded. The cost to repair the damaged vehicles far exceeded the expected or potential operational efficiency of the vehicles.*

Auditor General's Position

1.5.1.20 Management's assertion did not adequately address the issues raised. Management did not account for fixed assets not made available for our physical verification, did not adjust the fixed assets register to include assets not initially recorded and did not prepare a comprehensive listing of fixed assets to be turned over to the GOL, as requested. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.6 Environmental Issue

1.6.1 No Evidence of Environmental Restoration and Rehabilitation

Criteria

1.6.1.1 The Objective of the contract between the Government of Liberia through Ministry of Public Works-Infrastructure Implementation Unit and Green Consultancy Inc. (the Consultant) dated June 18, 2024, requires that "The primary objective of the study is to develop a comprehensive Environmental Restoration Plan for the Palala Quarry site post the Monrovia-Gbarnga-Ganta Highway rehabilitation project. The plan aims to alleviate negative environmental impacts, ensure public safety, restore the ecosystem, and benefit local communities while aligning with the agreements made with local landowners and community expectations. Also, Task 5 of the scope of the works, states "Restoration and Rehabilitation Plan;

- Formulate a detailed restoration plan covering hazardous material disposal, soil replacement, vegetation replanting, wetland conservation, fencing installation, and community awareness campaigns.
- Develop an implementation timeline and estimated cost for each restoration activity."

1.6.1.2 Part D.3.2, Environmental Management Plan under Legal Environmental and Social Specifications of Lot-1 & 2 Contract Documents for the design, rehabilitation and maintenance of Red Light- Gbarnga, and Gbarnga to Ganta Guinea Border Road on Socio-Environmental, requires that "Impacts to Existing land use: Mitigation includes: Maintain and cleanup campsites, and respect the rights of local landowners. If located outside the ROW, written agreements with local landowners for temporary use of the property will be required and sites must be restored to a level acceptable to the owner within a predetermined time period."

Observation

1.6.1.3 During the audit, we observed no evidence of environmental restoration or rehabilitation activities of the following quarry site: Pallala, Gbatalla, Weala, and Caldwell Quarry Site. We observed that the time line provided in the Restoration Plan for relevant activity to be implemented before the project closure on June 30, 2024, by the contractor, and monitored and supervised by MPW/IIU, has expired without the places being restored to demonstrate compliance with environmental regulations or internal policies. The contractors did not undertake environmental restoration and rehabilitation measures to mitigate environmental impacts.

1.6.1.4 Additionally, we observed no evidence of removal of 60/70 bitumen, MC 3000 bitumen containers (drums), Overburden remains, Clean-up and dispose of soil contaminated with bitumen for Caldwell Quarry site in Montserrado County, Weala, Gbatala and Pallala Quarry Sites in Bong County. Also, we observed no evidence of fencing the quarry site by the contractor before the close of the project to mitigate environmental impacts. **See below Photo 1 and Annexure 2 (a & b) for details.**

Photo 1: No Evidence of Environmental Restoration and Rehabilitation

GAC Photo 1a Showing no evidence of fencing, removal of bitumen containers at Caldwell, Weala, Gbatala & Pallala Quarry Site

GAC Photo 1b: Showing Overburden remains, non-clean-up and dispose of soil contaminated with bitumen containers at Caldwell, Weala, Gbatala & Pallala

Risk

1.6.1.5 The lack of compliance with Environmental Restoration and Rehabilitation Plan may lead to the occurrence of environmental, health and safety hazards.

Recommendation

1.6.1.6 Management should ensure the contracting entity comply with the following: all remaining hazardous materials are disposed of, soils remediated where contamination has occurred, quarry lakes and overburden rehabilitated and made safe.

1.6.1.7 Management should ensure the contracting entity (CICO) restore Weala Camp Site and Gbartala Quarry Site to prior or equivalent potential uses.

1.6.1.8 Management should ensure that the contracting entity and monitoring consultant comply with environmental and social monitoring workplan to protect human health and safeguard the environment. The monitoring consultant should facilitate the establishment of an effective monitoring and evaluation mechanism by ensuring all environmental restoration and rehabilitation cases are followed-up and resolved in a timely manner.

Management's Response

1.6.1.9 *The contractor appropriately cleaned all waste under the LIBRAMP pre-closure requirements agreed with the World Bank. Final closure of quarries are pending the contractor's resumption of Routine and Periodic Maintenance activities under GoL financing.*

Auditor General's Position

1.6.1.10 Management's assertion was contrary to the results of our physical verification of Weala Camp Site and Gbartala Quarry Site. The quarry sites had not been restored to prior or equivalent potential uses. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.7 Field Verifications Issues

1.7.1 Non-Compliance: The Maintenance of Lot 1 and 2 Project Camps

Criteria

1.7.1.1 Part B, Paragraph 21.1, Sentence (1-5 & 10) of the Lot 1 Contract signed between the Government of Liberia and China Chongqing International Construction Corporation (CICO) for the design, rehabilitation and maintenance of Red Light- Gbarnga Road requires that "General Description: The Project Manager's office and housing accommodation shall be located on land purchased by the contractor on behalf of the Employer in a safe and secure area. The buildings shall be constructed in accordance with the specifications provided. Both office and residences shall be furnished and maintained for the entire duration of the contract. Upon completion of the contract, the entire accommodation complex (office and residences, including furnishing and equipment) shall become the property of the employer. The location and layout of the main camp will be subject to the approval of the Project Manager. Facilities including maintenance, fuel, oil and spare parts are the responsibility of the Contracting Entity."

1.7.1.2 Additionally, Part B, Paragraph 22.1, Sentence (2 & 7) of the Lot 1 & 2 Contract between the Government of Liberia and China Chongqing International Construction Corporation (CICO) and CHICO respectively for the design, rehabilitation and maintenance of Red Light- Gbarnga to Ganta-Guinea Border Road requires that "The entire accommodation shall be completed within 60 days of signing commencement of the works. The duties include providing water and electricity for 24 hours and attendance."

Observation

1.7.1.3 During the audit, we observed that the Camp (housing accommodations) located at Wealla in Margibi County were not maintained and restored as required by contract agreement for the closeout of the project. We observed various household items (chairs, beds, tables, freezers, floor tiling, materials, and cooking utensils) and structures (building) were damaged without any restoration as required by Part B, Paragraph 21.1 of Lot 1 & 2 Contract signed between the Government of Liberia and China Chongqing International Construction Corporation (CICO). **See below photo 2 for details.**

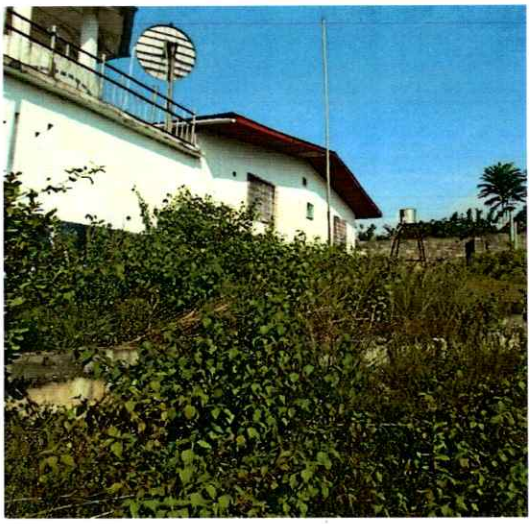
1.7.1.4 Additionally, we observed removal of some items from Lot 1 project camp site such as generator, refrigerators, beds, tables and the abandonment of the camp by the Management.

1.7.1.5 Further, we observed that Lot 2 Project Manager's office and living facility at the Pallala Consultant Camp Site in Bong County, was not well maintained. Most of the buildings had leakages and the air conditioners were not functioning.

Lot 1 Project Camp

GAC Photo3:**2 Showing abandoned office and residences of Lot 1Project Camp at Wealla**

Lot 1 Project Camp



GAC Photo 3a Showing removal of Generator from Lot 1 Project Camp at Weala

Lot 1 Project Camp

GAC Photo 3b Showing removal of Generator from Lot 1 Project Camp at Weala

Risk

1.7.1.6 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.

1.7.1.7 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.

1.7.1.8 Payments may be made for service not performed and value for money may be impaired.

1.7.1.9 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables.

Recommendation

1.7.1.10 Management should provide substantive justification why the project camp sites were not repaired and restored up to approved specifications with significant defects identified.

1.7.1.11 Management should account for the generator, refrigerators, beds, and tables removed from Lot 1 and 2 project camp sites, which were not physically verified during our physical verification exercise.

1.7.1.12 Management should immediately alert the contractor about the current defects associated with the abandoned project camp sites catalogued in our findings above and ensure that repairs and restoration of the project camp sites are facilitated in a timely manner to ensure that value for money and project objectives are achieved.

1.7.1.13 Going forward, Management should develop, approve and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverable and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts.

1.7.1.14 Management should facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a timely manner consistent with approved work plans and contracts.

1.7.1.15 Evidence of approved work plans, contracts and periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

Management's Response

1.7.1.16 *Upon the release of GOL stipulated payment and contractor's resumption of Routine and Periodic Maintenance activities, these outstanding requirements are to be prioritized.*

Auditor General's Position

1.7.1.17 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.7.2 Unrepaired Pavement Settlement/Depression, Pavement Cut, and Bleeding Asphalt

Criteria

1.7.2.1 Part A3, Paragraph 2.6.1 of the Lot 1 & 2 Contract Documents for OPRC states that in general terms, the Contractors must ensure that all drainage elements and structures are without any obstructions which may reduce their normal cross section and impede the free flow of water. The service level under item 4 of Paragraph 2.6.1 states that "For one-km section all culverts must be clean and free of obstacles and without structural damage and must be firmly contained by surrounding soil or material."

1.7.2.2 Part A3, Paragraph 2.2.2 of the Lot 1 & 2 Contracts for the design, rehabilitation and maintenance of Red Light- Gbarnga to Ganta-Guinea Boder Road requires that "the service level criteria for road user service and comfort on paved roads are defined as follows: 'Rutting'-for a one km section there shall not be ruts deeper than 20 mm. Rutting of more than ten (10)mm shall not be present in more than 5 percent of any of the road section defined in the contract; 'Ravelling for a one km section ravelled areas must not exist."

Observation

1.7.2.3 During the audit, we observed depression/settlement of pavements around the culvert or similar (sink on the paved road) catalogued in table 6 below were not repaired by the contracting entities in keeping with the contract specifications.

1.7.2.4 Additionally, we observed bleeding asphalt at 136+300 km and 162+800 km in the surface pavement which has not been repaired by the contractor in Lot 1 in keeping with the contract specifications. We further observed that the bleeding is shiny, black surface film of asphalt on the road surface. This causes upward movement of asphalt in the pavement surface.

1.7.2.5 Further, we observed few cuts on asphalt pavement on the Gbarnga to Ganta-Guinea border corridor in Lot 2 which were not repaired by the contractor in keeping with the contract specifications. **See below table 6 and Photos 4 (a & b) for details.**

Table 6: Unrepaired Pavement Settlement/Depression, Pavement Cut, and Bleeding Asphalt

Lot 1			
No	**Location (KM)**	**Observation**	**Comment**
1	71+000	Unrepaired and disconnected Bridge	Need monitoring and Repairing
2	79+000	Pavement Settlement/Depression around Culverts or Similar	√
3	154+500	Depression/Settlement were identified at these locations	√
4	166+700	@C-338 √ √	
5	136+300, 162+800	Bleeding Asphalt	√
6	*117+900	Bleeding Asphalt	√
7	127+200	Bleeding Asphalt	√
8	136+300	Bleeding Asphalt	√
9	147+200	Bleeding Asphalt	√
10	162+800	Bleeding Asphalt	√
Lot 2			
No	**Location (KM)**	**Observation**	**Comment**
1	189+300	Depression/Settlement were identified at these locations	Need monitoring and Repairing
2	191+100	√ √	√
3	204+900	√ √	√
4	205+300	√ √	√
5	206+500	√ √	Need monitoring and Repairing
6	209+530	√ √	√
7	210+440	√ √	√
8	214+650	Unrepaired Pavement Cut	Need monitoring and Repairing
9	205+300	Bleeding Asphalt	Need monitoring and Repairing
10	218+200	Bleeding Asphalt	√
11	206+500	Bleeding Asphalt	√

Unrepaired and disconnected Bridge


GAC Photos 4 Showing Unrepaired and disconnected Bridge at 71+000 km , Monrovia to Gbarnga corridor in Lot 1


GAC Photos 4 Showing Bleeding Asphalt on Pavement Surface, Monrovia to Gbarnga corridor in Lot 1

Unrepaired Crack

GAC Photo 5: Showing Unrepaired Crack on Asphalt along the Gbarnga to Ganta-Guinea Border Road Corridor in Lot 2

Risk

1.7.2.6 The lack of routine maintenance may impede the mobility, road accessibility and result into potential safety hazard for road users.

1.7.2.7 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.

1.7.2.8 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.

1.7.2.9 Payments may be made for service not performed and value for money may be impaired.

1.7.2.10 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables.

Recommendation

1.7.2.11 Management should provide substantive justification why the maintenance of the civil works was not completed up to approved specifications.

1.7.2.12 Management should immediately alert the contractor about the current defects associated with the road works and ensure that repairs are facilitated in a timely manner to ensure that value for money and project objectives are achieved.

1.7.2.13 Going forward, Management should develop, approve and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverable and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts.

1.7.2.14 Management should facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a timely manner consistent with approved work plans and contracts.

1.7.2.15 Evidence of approved work plans, contracts and periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

Management's Response

1.7.2.16 *Upon the release of GOL stipulated payment and contractor's resumption of Routine and Periodic Maintenance activities, these outstanding requirements are to be prioritized.*

Auditor General's Position

1.7.2.17 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.7.3 Non-Compliance of Routine Maintenance

Observation

1.7.3.1 Part A3, Paragraph 2.9 of the (Lot 1 & 2) OPRC Contracts for the design, rehabilitation and maintenance of Red Light- Gbarnga to Ganta Guinea Border Road requires that "the contractor is responsible for the maintenance of all embankment and cut slopes along the road sections included in the contract. In particular, he is responsible for ensuring they are stable without deformation and erosion."

1.7.3.2 Additionally, Part A3, Paragraph 2.5.1 of the (Lot 1 & 2) OPRC Contracts for the design, rehabilitation and maintenance of Red Light- Gbarnga to Ganta Guinea Border Road requires that "The contractor is responsible for ensuring that all horizontal and vertical signaling, as well as guardrails and other road safety devices comply fully with the Service Level requirements for signaling." The service level of guardrails under Paragraph 2.5.1 states that the guardrails "have to be present, clean, without any significant damage and corrosion."

1.7.3.3 Further, Part A3, Paragraph 2.2.2 under Road User Comfort, (Item 4) of the (Lot 1 & 2) Contracts for the design, rehabilitation and maintenance of Red Light- Gbarnga to Ganta Guinea Border Road requires that "Cleanliness of the pavement surface and shoulders, for a one-km section, to be measured in subsections of 50m each, for any 50m section of the pavement, the road surface must always be clean and free of soil, debris, trash and other objects. If cleanliness of the pavement surface and shoulders does not exist in more than one subsection, the one-km section does not comply."

1.7.3.4 Also, the service level of road user service and comfort measures for roadway embankments, under Paragraph 2.2.2 states that "Embankments must be without erosion and free of organic material, toxic waste, garbage along the Right of Way (ROW)."

Observation

1.7.3.5 During the audit, we observed few cuts on asphalt pavement on the Monrovia to Gbarnga corridor in Lot 1 which were not repaired by the contractor in keeping with the contract specifications.

1.7.3.6 Additionally, we observed encroachments (more than 638) of several unlawful buildings in the Right of Way along the road corridor in lot 1 & 2, particularly in 6.1km (Duport Road Junction), from 2-12km (Omega Market Junctions) and Ganta City on the sidewalk. We also noticed that these constructions from 2-12km are built in the flood basin.

1.7.3.7 Further, we observed the contracting entity (CICO) did not perform the following routine maintenance duties;

- Overhanging rubber trees were identified at several locations such as 31 km, 86+800 km and etc. where Resettlement Action Plan (RAP) compensation has been finalized.
- Rock mining in the ROW at 9+200km; we noticed damage to a section of asphalt in the carriageway at several different locations causing loss of fine (sand) aggregates from the surface. Moreover, we observed that an unauthorized access was washing gravel onto the road.
- Several locations along the road corridor in Lot 1 experienced landscaping/grassing;
- The guardrails' reflectors are damaged or missing;
- A damaged guardrail and no new signs or lines;
- Unrepaired cuts in the asphalt pavement;
- Cracks in the asphalt pavement;
- No cutting of vegetation, repairs of drains from blockades, replacement of signs or lines;
- Abandoned vehicles on the road shoulder;
- Several others (Erosion, sand/debris, garbage and etc) were found along the road corridor; **See detail below photos 7.**

Photo 7: Non-Compliance of Routine Maintenance

GAC Photo 7a: Showing Encroachment in Ganta City of the road Corridor (Lot 2)

GAC Photo 7b Showing Landscaping, Overhanging Trees at 155+400 km

GAC Photo 7c Showing Damage Guardrails and Guardrail with missing Reflector

Risk

1.7.3.8 The lack of routine maintenance may impede the mobility, road accessibility and result into potential safety hazard for road users.

1.7.3.9 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.

1.7.3.10 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.

1.7.3.11 Payments may be made for service not performed and value for money may be impaired.

1.7.3.12 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables.

Recommendation

1.7.3.13 Management should provide substantive justification why the maintenance of the civil works was not completed up to approved specifications.

1.7.3.14 Management should immediately alert the contractor about the current defects associated with the road works and ensure that repairs are facilitated in a timely manner to ensure that value for money and project objectives are achieved.

1.7.3.15 Going forward, Management should develop, approve and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverable and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts.

1.7.3.16 Management should facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a timely manner consistent with approved work plans and contracts.

1.7.3.17 Evidence of approved work plans, contracts and periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

Management's Response

1.7.3.18 *Upon the release of GOL stipulated payment and contractor's resumption of Routine and Periodic Maintenance activities, these outstanding requirements are to be prioritized and implemented.*

Auditor General's Position

1.7.3.19 We acknowledge Management's acceptance of our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

STATUS OF IMPLEMENTATION OF PRIOR YEARS' AUDIT RECOMMENDATION

Out of the 16 audit recommendations contained in the Management Letter on the Financial Statement Audit of Liberia Road Asset Management Project (LIBRAMP) Audit Report, 3 or (15%) percent were implemented, or 13 (75%) percent were not implemented at all. Details of not implemented recommendations are reiterated/discussed above of the report.

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
No Evidence of Liberia Revenue Authority Flag Receipts **Observation** 1.7.3.20 During the audit, we observed that Management withheld taxes for the total amount of US$26,210.43 as withholding taxes from vendors and contractors; however, evidence of original copies of flag receipts to substantiate remittance to LRA were not made available for audit purposes. **See Table 1 below for details:** **Recommendation**	**1.1.1**	**Management's Response** 1.7.3.24 *As the Auditor rightly stated, the US$ 26,210.43 was withheld from vendors and contractos and remitted to the LRA. However, PFMU has worked and continue to engage with the stakeholders on this GOL flag receipts (evidence of tax payments) issue for tax payment. The LRA indicated that the PFMU is not regarded as one of her Collectorates that can not issue flag receipt.* 1.7.3.25 *Notwithstanding, LRA has encouraged PFMU to ensure that tax*	**Not Implemented**	**Management's Response** 1.7.3.27 *As the Auditor rightly stated, the US$ 26,210.43 was withheld from vendors and contractos and remitted to the LRA. However, PFMU has worked and continue to engage with the stakeholders on this GOL flag receipts (evidence of tax payments) issue for tax payment. The LRA indicated that the PFMU is not regarded as one of her Collectorates that can not issue flag receipt.* 1.7.3.28 *Notwithstanding, LRA has encouraged PFMU to ensure*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
1.7.3.21 Management should provide substantive justification for not remitting withholding taxes to the LRA. 1.7.3.22 Management should facilitate full remittance of withholding taxes to the LRA in keeping with Sections 91 and 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011. **Auditor General's Position** 1.7.3.23 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*payments are made on behalf of consultants, vendors and contractors to the General Revenue account either via the LRA tax remittance forms or via the issuance of checks which will be evidenced / captured by their system and the consultant or vendor can later claim their tax credit from the LRA system. Again, no flag receipt is issue for these payments that are made to the LRA/GOL account by the PFMU.* 1.7.3.26 *Of the US$ 9,349.22, that the Audit team flagged, management was unable to remit taxes in the amount of US$5,443.95(2,843.95+2,600) due to low funds into the project account that could not cater to those amounts. However, they will be taken care off in the*		*that tax payments are made on behalf of consultants, vendors and contractors to the General Revenue account either via the LRA tax remittance forms or via the issuance of checks which will be evidenced / captured by their system and the consultant or vendor can later claim their tax credit from the LRA system. Again, no flag receipt is issue for these payments that are made to the LRA/GOL account by the PFMU.* 1.7.3.29 *Of the US$ 9,349.22, that the Audit team flagged, management was unable to remit taxes in the amount of US$5,443.95(2,843.95+2,600) due to low funds into the project account that could not cater to those amounts. However, they will be taken care off in the current year because the project account has been funded. Kindly also note that, three of the payment's taxes were remitted. We would like to let the audit note that two of these three vendor (United Office Supplies & Antila Business World)*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
		current year because the project account has been funded. Kindly also note that, three of the payment's taxes were remitted. We would like to let the audit note that two of these three vendor (United Office Supplies & Antila Business World) payment taxes were wrongly calculated and categorised in the service tax division instead of medium and small business tax division by the audit team. Their total taxes as per their proper categories are US$3,905.27 supported by the payment advices attached.		*payment taxes were wrongly calculated and categorised in the service tax division instead of medium and small business tax division by the audit team. Their total taxes as per their proper categories are US$3,905.27 supported by the payment advices attached.*
Non-disclosure of Schedule of Commitments **Observation** 1.7.3.30 During the audit, we observed that	**1.1.2**	**Management's Response** 1.7.3.33 *Please see attached Exhibit II: Revised Financial Statement.*	**Not Implemented**	**Management's Response** 1.7.3.34 *Please see attached Exhibit II: Revised Financial Statement.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Management did not disclose the schedule of commitments in the notes to the financial statements amounting to US$6,152,245.88 and LR$35,280,459.86 for routine maintenance services provided by contracting entities (CICO and CHICO) under the OPRC Road Asset Management Contracts from ELWA to Coca-Cola Factory to Gbarnga—Ganta Guinea Border road as of December 31, 2023. **See table 3 below for details.** **Recommendation** 1.7.3.31 Management should adjust the financial statements to include the details of commitment schedules in the notes to the financial statements. The adjusted financial statements should be				

Observations/ Recommendations	**Reference**	**Management's Action/Reply**	**Status (NI)**	**Reason for Partial or Non-Implementation**
submitted to the Office of the Auditor General as part of Management's response to this Management Letter. **Auditor General's Position** 1.7.3.32 We acknowledge Management's acceptance of our finding, recommendations and subsequent adjustment of the financial statements.				
Variances between the Trial Balance and Drilldown Ledger **Observation** 1.7.3.35 During the audit, we observed a variance of US$14,817.00 between the Trial Balance and Drilldown Ledger. **See table 4 below for details.** **Recommendation** 1.7.3.36 Management should adjust the financial statements by the significant variance	**1.1.3**	**Management's Response** 1.7.3.38 *These errors have been corrected which agrees with the trial balance and ledger drilldown respectively. Therefore, the closing balance cash has been adjusted from $556 USD debit balance to $1,150 USD credit balance, due to the correction of the posting errors identified.*	**Implemented**	**Management's Response** 1.7.3.39 *These errors have been corrected which agrees with the trial balance and ledger drilldown respectively. Therefore, the closing balance cash has been adjusted from $556 USD debit balance to $1,150 USD credit balance, due to the correction of the posting errors identified.*

Observations/ Recommendations	**Reference**	**Management's Action/Reply**	**Status (NI)**	**Reason for Partial or Non-Implementation**
observed between the financial statements and general ledger. The adjusted financial statements should be submitted to the Office of the Auditor General as part of Management's response to this Management Letter. **Auditor General's Position** 1.7.3.37 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements.				
Unauthorized Personnel Cost **Observation** 1.7.3.40 During the audit, we observed that Management disbursed personnel costs of $15,000.00 to a PFMU Staffer without evidence of justification and documentation:	**1.1.4**	**Management's Response** 1.7.3.44 *The pro-rated amount to be paid by LIBRAMP was US$16,852.64. However, during the period of the invoice submission, the project was undergoing restructuring. The only amount the PFMU/MFDP*	**Not Implemented**	**Management's Response** 1.7.3.45 *The pro-rated amount to be paid by LIBRAMP was US$16,852.64. However, during the period of the invoice submission, the project was undergoing restructuring. The only amount the PFMU/MFDP could access from the project account was US$15,000.00 leaving a*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
employment contract or service rendered report. **See table 5 below for details.** **Recommendation** 1.7.3.41 Management should provide substantive justification for disbursement of personal cost of US$15,000 without evidence of employment contract or service rendered report. 1.7.3.42 Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations. **Auditor General's Position** 1.7.3.43 Management's assertion did not adequately address the issues raised. Management did not provide evidence of justification and		*could access from the project account was US$15,000.00 leaving a balance of US$ 1,852.64 to be settled after the restructuring of the project. Please see attached Exhibit IV: PFMU Invoice.*		*balance of US$ 1,852.64 to be settled after the restructuring of the project. Please see attached Exhibit IV: PFMU Invoice.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
documentation: employment contract or service rendered report to validate the legitimacy of payment to the PFMU Staffer.				
Outstanding GOL Obligations **Observation** 1.7.3.46 During the audit, we observed that the Government of Liberia did not fulfill its commitment of US$17million to CICO, which was calculated using an interest rate. 1.7.3.47 Furthermore, we observed no evidence that the Government of Liberia had made the contributions specified in the approved payment schedule below. **See table 7 below for details.** **Recommendation** The Government of Liberia	**1.2.1**	**Management's Response** 1.7.3.51 *The Government of Liberia obligation or commitment to LIBRAMP initially was US$72.8 million. Due to financial constraints of the GOL, the World Bank Second Additional Financing of LIBRAMP included US$25 million thus reducing GOL obligation from US$72.8 million to US$47.8 million. A mitigating option at the cost of US$35 million was discussed and recorded in March 2022 Aide Memoire. In January 2023 GOL issued a letter of comfort allocating US$45 million over three budget years for the successful completion*	**Not Implemented**	**Management's Response** 1.7.3.53 *The Government of Liberia obligation or commitment to LIBRAMP initially was US$72.8 million. Due to financial constraints of the GOL, the World Bank Second Additional Financing of LIBRAMP included US$25 million thus reducing GOL obligation from US$72.8 million to US$47.8 million. A mitigating option at the cost of US$35 million was discussed and recorded in March 2022 Aide Memoire. In January 2023 GOL issued a letter of comfort allocating US$45 million over three budget years for the successful completion of activities and closure of LIBRAMP.* 1.7.3.54 *Due to the low cash flow attributed to the lack of GOL payment of its commitment of US$47.8 million, a suspension order*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.49 The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** 1.7.3.50 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*of activities and closure of LIBRAMP.* 1.7.3.52 *Due to the low cash flow attributed to the lack of GOL payment of its commitment of US$47.8 million, a suspension order was issued. In January 2023, GOL issued a letter of Comfort in the amount of US$45.0 million, payable over three budget years towards the resumption of maintenance activities and the successful completion of the LIBRAMP Project. To this commitment, this was not realised as of the end of the period under audit.*		*was issued. In January 2023, GOL issued a letter of Comfort in the amount of US$45.0 million, payable over three budget years towards the resumption of maintenance activities and the successful completion of the LIBRAMP Project. To this commitment, this was not realised as of the end of the period under audit.*
Non-Reversal of DSA	**1.1.5**	**Management's Response**	**Not Implemented**	**Management's Response**

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Observation 1.7.3.55 During the audit, we observed that Management recorded the amount of US$17,592.00 for DSA (three inter-ministerial steering committee and five road safety secretariat members to Rwanda and Kenya respectively) with PV#LIBRAMP-AF/2023/013 intended for eight (8) members; however, only six (6) members received the DSA and attended the meeting. 1.7.3.56 We confirmed that the two individuals listed below did not travel nor were Travel Expenditures disbursed. However, we observed no evidence that the amount of US$4,398.00 was reversed from Travel Expenditure and Cash and		1.7.3.60 *Please see attached Exhibit V: Ledgers.*		1.7.3.61 *Please see attached Exhibit V: Ledgers.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Bank Ledgers as required. **See Table 6 below for details:** **Recommendation** 1.7.3.57 Management should adjust the financial statements to reverse the travel expenditure cataloged in table 6 above. The adjusted financial statements should be submitted to the Office of the Auditor General as part of Management's response to this Management Letter. 1.7.3.58 Management should ensure that journal vouchers detailing the accounting entries for each reversal is created, referenced and approved for reconciliation and review purposes. Evidence of approved journal voucher should be				

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
adequately documented and filed to facilitate future review. **Auditor General's Position** 1.7.3.59 We acknowledge Management's subsequent submission of journal voucher cataloguing reversal of travel expenditure recommended in table 6 above. However, we observe no evidence that the financial statements were adjusted and subsequently submitted to Office of the Auditor General for validation as recommended.				
Non-Establishment of NASSCORP Contributions **Observation** 1.7.3.62 During the audit, we observed that Management had not established or applied the National Social Security and Welfare Scheme for its	**1.2.2**	**Management's Response** 1.7.3.66 *Project Staffers are consultants not employees. They are hired on performance-based contracts. All benefits are inclusive of remuneration. GAC's recommendation will be shared with the funding*	**Not Implemented**	**Management's Response** 1.7.3.67 *Project Staffers are consultants not employees. They are hired on performance-based contracts. All benefits are inclusive of remuneration. GAC's recommendation will be shared with the funding partner for review and consideration.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
staffers for the period under audit. **Recommendation** 1.7.3.63 Management should liaise with NASSCORP and institute the social security scheme for all qualified employees per the NASSCORP regulation. 1.7.3.64 A payment plan should be crafted and agreed between Management and NASSCORP Management for full settlement of all arrears. Management should budget for and ensure full compliance to the terms of the agreed payment plan. Management should also ensure that future employers' contributions are adequately provided for in the approved budget on an annual basis (where applicable). **Auditor General's**		*partner for review and consideration.*		

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Position 1.7.3.65 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.				
Transaction Without Supporting Documentation (Vouchers) **Observation** 1.7.3.68 During the audit, we observed that payment for petty cash amounting to US$2,000.00 were made without evidence of supporting documents. **See table 8 below for details.** **Recommendation** 1.7.3.69 Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations.	**1.2.3**	**Management's Response** 1.7.3.72 *Please see attached Exhibit VI*	**Implemented**	**Management's Response** 1.7.3.73 *Please see attached Exhibit VI*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
1.7.3.70 Documentation such as contracts, invoices, goods received notes, job completion certificates, purchase orders, payment vouchers etc. should be prepared and approved for the procurement of goods and services where applicable. **Auditor General's Position** We acknowledge Management's subsequent submission of petty cash liquidation report and other relevant supporting documents after our audit execution. However, Management's provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document management.				
Non-Compliance the Maintenance of Lot 1 & 2	**1.2.4**	**Management's Response**	**Not Implemented**	**Management's Response**

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Project Camp **Observation** 1.7.3.74 During the audit, we observed that the Lot 1 Project Manager's office and living facility located at the Weala Consultant Camp Site in Margibi County, was not maintained and had been abandoned due to the lack of GoL contribution to the project. 1.7.3.75 Additionally, we observed that the facility's generator and 24-hour water supply had been taken away by the contractor (CICO). **See photo 1(a & b)) below for detail**. **Recommendation** 1.7.3.76 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow		1.7.3.79 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 80 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out. The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026).*		3.82 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.83 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out. The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.84 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche. Upon receipt of this*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
account for contracting entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.77 The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** 1.7.3.78 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.81 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche. Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022. Please See attached Exhibit VII: Letters on Funding Commitment Issued by MFDP.*		*payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022. Please See attached Exhibit VII: Letters on Funding Commitment Issued by MFDP.*
No Meeting Minutes and attendance listing for Steering Committee	**1.2.5**	**Management's Response** 1.7.3.90 *There has been no meeting called for*	**Not Implemented**	**Management's Response** 1.7.3.91 *There has been no meeting called for by the head of the steering*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Observation 1.7.3.85 During the audit, we observed no evidence that the Steering Committee was functional as a policy making and oversight body of the Project. We obtained no evidence of the following: • Meeting minutes of the Committee. • Steering Committee approval for major decisions taken by Management • Steering Committee deliberation on any matter involving the project. **Recommendation** Management should liaise with the relevant authorities of the Steering Committee to ensure that the steering committee is made functional. 1.7.3.87 The Steering Committee should be made		*by the head of the steering committee. Management takes note of the audit recommendation.*		*committee. Management takes note of the audit recommendation.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
functional evidence of the conduct of periodic meetings, approval of major decisions of Management, deliberation on any matter involving the project and documentation of meeting minutes and periodic activities reports. 1.7.3.88 Evidence of minutes of meetings and periodic activities reports should be adequately documented and filed to facilitate future review. **Auditor General's Position** 89 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.				

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
Monitoring & Supervision **Observation** 1.7.3.92 During the audit, we observed no evidence that RSS/Ministry of Transport provide the required oversight to Road Safety for the full implementation of planned activities within approved timelines, evidenced by the absence of approved annual monitoring & evaluation plans and periodic activities reports. **Recommendation** 1.7.3.93 Management should facilitate effective coordination, monitoring and evaluation of all project activities and prepare periodic reports of monitoring and evaluation activities.	**1.2.6**	**Management's Response** 1.7.3.96 *The Road Safety Secretariat (RSS) did not initiate any monitoring and supervision activities during the period. Therefore, management has taken note of the Audit recommendation and will endeavor to follow up with the secretariat subsequently.*	**Not Implemented**	**Management's Response** 1.7.3.97 *The Road Safety Secretariat (RSS) did not initiate any monitoring and supervision activities during the period. Therefore, management has taken note of the Audit recommendation and will endeavor to follow up with the secretariat subsequently.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
1.7.3.94 Periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review. **Auditor General's Position** 1.7.3.95 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.				
Pavement Settlement/Depression around Culverts or Similar **Observation** 1.7.3.98 During the field inspection, we observed that the depression/settlement of pavements around the culvert or similar (sink on the paved road) in Lot 1,	**1.3.1**	**Management's Response** 1.7.3.103 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from*	**Not Implemented**	**Management's Response** 1.7.3.106 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 3.107 *Under GOL funding, continuation*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
located at 154+500 km was not repaired by the CICO in keeping with the contract specification due to the lack of GoL contribution to the project. **Recommendation** The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. 1.7.3.101 Management should ensure that proper coordination, monitoring and evaluation of service		*Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.104 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out. The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1. GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.105 *Upon*		*of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out. The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1. GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.108 *Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022. Please See attached Exhibit VII: Letters on Funding Commitment Issued by MFDP.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
contract are implemented periodically during the execution of the service contract. This will facilitate the performance of service contract in line with the required specifications. **Auditor General's Position** 1.7.3.102 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022. Please See attached Exhibit VII: Letters on Funding Commitment Issued by MFDP.*		
Non-Compliance with Routine Maintenance of Bleeding Asphalt **Observation** During the field inspection, we observed that the bleeding asphalt at 136+300 km and 162+800 km in the surface pavement has not been repaired by the	**1.3.2**	**Management's Response** 1.7.3.112 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart*	**Not Implemented**	**Management's Response** 1.7.3.117 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and*

Observations/ Recommendations	**Reference**	**Management's Action/Reply**	**Status (NI)**	**Reason for Partial or Non-Implementation**
contractor in keeping with the contract specifications due to the lack of GoL contribution to the project. We further observed that the bleeding is shiny, black surface film of asphalt on the road surface. This causes upward movement of asphalt in the pavement surface. **See detail below photos 3.** **Recommendation** 1.7.3.109 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.110 The Government of Liberia should ensure periodic review of the disbursement for contracting entity		*Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.113 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out.* 1.7.3.114 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.115 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being*		*LRTF) funding to LIBRAMP.* 1.7.3.118 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out.* 1.7.3.119 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.120 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.121 *Upon receipt of this payment, the contractor is expected*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** 1.7.3.111 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*disbursement of US$7million as first tranche.* 1.7.3.116 *Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*		*to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*
Non-Compliance of Routine Maintenance **Observation** During the audit, we observed few cuts on asphalt pavement on the Monrovia to Gbarnga corridor in Lot 1 which were not repaired by the contractor in keeping with the contract specifications due to the lack of GoL contribution to the project.	**1.3.3**	**Management's Response** 3.126 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to*	**Not Implemented**	**Management's Response** 1.7.3.131 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.132 *Under GOL funding, continuation of Routine Maintenance and the*

Observations/ Recommendations	**Reference**	**Management's Action/Reply**	**Status (NI)**	**Reason for Partial or Non-Implementation**
Recommendation 1.7.3.123 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** 1.7.3.125 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the		*LIBRAMP.* 1.7.3.127 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out.* 1.7.3.128 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 129 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.130 *Upon receipt of this*		*implementation of Periodic Maintenance are to be carried out.* 1.7.3.133 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.134 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.135 *Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
implementation of our recommendations during subsequent audit.		*payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*		
Pavement Settlement/Depression around Culverts or Similar **Observation** 1.7.3.136 During the audit, we observed that CHICO had not made the necessary repairs to the sink on the paved road in Lot 2 that was caused by the depression or settlement of the pavements around the culvert or something similar due to the lack of GoL contribution to the project (around kilometers 189+300, 191+100 km,	**1.4.1**	**Management's Response** 1.7.3.140 *This is the result of the suspension of maintenance activities in October 2022.* 1.7.3.141 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and*	**Not Implemented**	**Management's Response** 1.7.3.146 *This is the result of the suspension of maintenance activities in October 2022.* 1.7.3.147 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.148 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
etc.). **See photo 8 below.** **Recommendation** 1.7.3.137 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.138 The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the		*LRTF) funding to LIBRAMP.* 1.7.3.142 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out.* 1.7.3.143 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.144 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being*		*Maintenance are to be carried out.* 1.7.3.149 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.150 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 3.151 *Upon receipt of this this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
implementation of our recommendations during subsequent audit.		*disbursement of US$7million as first tranche.* 1.7.3.145 *Upon receipt of this this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*		
Bleeding Asphalt **Observation** 1.7.3.152 During the field inspection, we observed that the contractor had not repaired the bleeding asphalt in accordance with the contract specifications at 205+300 km and 206+500 km in the surface pavement due to the lack of GoL contribution to the project. We also saw that	**1.4.2**	**Management's Response** 1.7.3.156 *Due to the suspension of maintenance activities as at October 1, 2022 as a result of the nonpayment of GOL contribution of US$47.8 m to LIBRAMP, bleeding of asphalt in the pavement at this chainage was not repaired. Repair works will be carried out as part*	**Not Implemented**	**Management's Response** 1.7.3.157 *Due to the suspension of maintenance activities as at October 1, 2022 as a result of the nonpayment of GOL contribution of US$47.8 m to LIBRAMP, bleeding of asphalt in the pavement at this chainage was not repaired. Repair works will be carried out as part of maintenance works to be implemented under*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
the bleeding is a bright, dark asphalt surface film on the road. This causes upward movement of asphalt in the pavement surface. **See detail below photo 9)** **Recommendation** 1.7.3.153 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.154 The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position**		*of maintenance works to be implemented under the US45m funding allocation communicated by GOL in January 2023 towards LIBRAMP successful completion.*		*the US45m funding allocation communicated by GOL in January 2023 towards LIBRAMP successful completion.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
1.7.3.155 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.				
Non-Compliance of Routine Maintenance **Observation** 1.7.3.158 During the field inspection, we observed what appears to be erosion, sand/debris, garbage and several others defects that were not repaired by the CHICO on the Gbarnga to Ganta Guinea Border Road in keeping with the contract specification due to the lack of GoL contribution to the project. Further, we observed that the contracting entity, CHICO was not performing the following routine maintenance duties:	**1.4.3**	**Management's Response** 1.7.3.162 *Repair works will be carried out as part of maintenance works to be implemented under the US45m funding allocation communicated by GOL in January 2023 towards LIBRAMP successful completion.* 1.7.3.163 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from*	**Not Implemented**	**Management's Response** 1.7.3.168 *Repair works will be carried out as part of maintenance works to be implemented under the US45m funding allocation communicated by GOL in January 2023 towards LIBRAMP successful completion.* 1.7.3.169 *The LIBRAMP Rural Section, OPRC Lot 1 (Coca Cola Factory to Gbarnga Road section – 167.7km) was part of the December 2023 Project Restructuring which set apart Government of Liberia contribution from Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.170 *Under GOL funding, continuation of Routine Maintenance and the*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
A damaged guardrail and no new signs or lines; • Several locations along the road corridor in Lot 2 experiencing landscaping/grassing; • The guardrails' reflectors are damaged or missing; • Unrepaired cuts in the asphalt pavement; • Cracks in the asphalt pavement; • No cutting of vegetation, repairs of drains from blockades, replacement of signs or lines; • Abandoned vehicles on the road shoulder; • Several others (Erosion, sand/debris, garbage and etc) are found along the road corridor; **See detail below photos 10.** **Recommendation** 1.7.3.159 The Government of Liberia should adequately plan for, budget and dedicate funds in an escrow account for contracting		*Donors (World Bank and LRTF) funding to LIBRAMP.* 1.7.3.164 *Under GOL funding, continuation of Routine Maintenance and the implementation of Periodic Maintenance are to be carried out.* 1.7.3.165 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.166 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of*		*implementation of Periodic Maintenance are to be carried out.* 1.7.3.171 *The GOL in 2023 issued commitment of US$45million allocation to the Rural LIBRAMP Section routine and Periodic Maintenance, covering a three-year period (2024 to 2026). Of this amount, US$35 million is allocated to OPRC Lot 1.* 1.7.3.172 *GOL also stipulated the disbursement schedule for that amount, with June 2024 being disbursement of US$7million as first tranche.* 1.7.3.173 *Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*

Observations/ Recommendations	Reference	Management's Action/Reply	Status (NI)	Reason for Partial or Non-Implementation
entity's payments to facilitate the liquidation of outstanding obligations. 1.7.3.160 The Government of Liberia should ensure periodic review of the disbursement for contracting entity payments to ascertain that budgeted funds are used for the intended purposes. **Auditor General's Position** 1.7.3.161 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.		*US$7million as first tranche.* 1.7.3.167 *Upon receipt of this payment, the contractor is expected to resume activities on site (maintenance of facilities, Routine and Periodic Maintenance of the road) which were suspended since October 1, 2022.*		

ANNEXURE

ANNEXURE 1A: Irregularities Associated with Fixed Asset Management

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	2 House-5 No. (W-7)	Kitchen Chair	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Dining Chair	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Easy Chair (matching settee)	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	4 plastic chairs & table for garden	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Side Board	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Beds, single with inner spring mattress	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Pillows	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Bedside Reading Lights	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Side Table	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Dressing Table with mirror	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Dressing Table Stool	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Chest of drawers	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Bedroom Chairs	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Floor Rugs	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Air Conditioner-Split-Type 12000 BTU/h	3	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Microwave Oven min. 800w	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Water Filter	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Deep Freezer-min 0.40m3	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Door Mat	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Vacuum Cleaner (electric)	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Ceiling Fans	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Set of 8 pieces of crockery, cutlery and glass ware	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Set of kitchen utensils	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	set of pots and pans & oven dishes	1 set	Damaged

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	2 House-5 No. (W-7)	Waste Basket	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Beds Sheets	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Pillow Cases	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-7)	Blankets	8	Damaged

ANNEXURE 1B: Irregularities Associated with Fixed Asset Management

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	2 House-5 No. (W-3)	Kitchen Table (formica top)	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Kitchen Chair	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Easy Chair (matching settee)	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	4 plastic chairs & table for garden	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Side Board	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Living Room Standard Lamps	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Beds, single with inner spring mattress	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Pillows	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Bedside Reading Lights	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Side Tables	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Chest of drawers	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Bedroom Chairs	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Bath room cabinet with mirrow	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Floor Rugs	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Air Conditioner-Split-Type 12000 BTU/h	3	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Microwave Oven min. 800w	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Water Filter	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Deep Freezer-min 0.40m3	1	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Door Mats	1	Damaged

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	2 House-5 No. (W-3)	Ceiling Fans	2	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Set of 8 pieces of crockery, cutlery and glass ware	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Set of kitchen utensils	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	set of pots and pans & oven dishes	1 set	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Waste Basket	4	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Bed Sheets	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Pillow Cases	8	Damaged
Lot -1	Wealla	2 House-5 No. (W-3)	Blankets	8	Damaged

ANNEXURE 1C: Irregularities Associated with Fixed Asset Management

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	3 House-6 No. (W-12)	Settee for three persons	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	4 plastic chairs & table for garden	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Side Board	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Pillows	4	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Bedside Reading Lights	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Floor Rugs	4	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Gas or electric cooker with 4 burners, grill & oven	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Microwave oven min 800w	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Water Filter	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Deep Frrzer-min 0.40m3	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Door Mats	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Ceiling Fans	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Set of 8 pieces of crockery, cutlery and glass ware	1 set	Damaged

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	3 House-6 No. (W-12)	Set of kitchen utensils	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	set of pots and pans & oven dishes	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Waste Basket	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Electric Blender Liquidizer	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Bet Sheets	8	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Pillow Cases	8	Damaged
Lot -1	Wealla	3 House-6 No. (W-12)	Blankets	4	Damaged

ANNEXURE 1D: Irregularities Associated with Fixed Asset Management

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	3 House-6 No. (W-14)	Dining Table for 4 persons	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Dining Chair	4	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	4 plastic chairs & table for garden	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Side Board	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Living Room Standard Lamps	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Beds, single with inner spring mattress	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Pillows	4	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Bedside Reading Lights	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Side Tables	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Floor Rugs	4	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Microwave oven min 800w	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Water Filter	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Deep Frrzer-min 0.40m3	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Dust bin metal with lid (outdoor use)	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Door Mats	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Vacuum Cleaner (electric)	1	Damaged

Area	Camp Location	House Type	Description	No. required by the Contract Completion	Condition
Lot -1	Wealla	3 House-6 No. (W-14)	Ceiling Fans	2	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Set of kitchen utensils	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	set of pots and pans & oven dishes	1 set	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Electric Blender Liquidizer	1	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Bed Sheets	8	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Pillow Cases	8	Damaged
Lot -1	Wealla	3 House-6 No. (W-14)	Blankets	4	Damaged

ANNEXURE 2A: NO EVIDENCE OF ENVIRONMENTAL RESTORATION AND REHABILITATION

Activity	Timeline	Responsible Institution	Monitoring Institutions	Comments
Pallala				
De- watering Techniques				
Siphoning	1-2 months	CHICO Site Manager	IIU, EPA & WB	Not Implemented
Puming	1-3months	CHICO Operations Manager	IIU, EPA & WB	Not Implemented
Filtration and Treatment	2-4 months	CHICO Envirinmental Scientist, EPA- Certified Lab	IIU, EPA & WB	Not Implemented
Mitigation Measures				
Controlled pumping	Continuous during operations	CHICO Site Manager, Hydrologist, Environmental Scientist	IIU, EPA & WB	Not Implemented
Sediment Control	Until site stabilization	CHICO Site Engineer Environmental Scientist	IIU, EPA & WB	Not Implemented
Chemical management	Quarterly	CHICO Envirinmental Scientist, EPA- Certified Lab	IIU,EPA & WB	Not Implemented

Activity	Timeline	Responsible Institution	Monitoring Institutions	Comments
Habitat protection	Weekly during operations,prior to de-watering	CHICO Ecologist, Environmental Scientist	IIU,EPA & WB	Not Implemented
Post- De-watering Activities				
Soil Replacement	Adding clean, uncontaminated soil	CHICO, Civil Engineer	IIU,EPA & WB	Not Implemented
Land Grading	Once,post-de-watering	CHICO, Civil Engineer	IIU,EPA & WB	Not Implemented
Stabilization	Once,post-de-watering	CHICO Landscape Architect	IIU,EPA & WB	Not Implemented
Implementation Timeline				
Hazardous Material Deposal	1-3 Months	CHICO hired a Certified Hazardous Waste Management Firm	IIU& WB	Not Implemented
Blasted Rock Removal	2-4 Momths	CHICO	IIU& WB	Not Implemented
Soil Replacement and grading	3-6 Months	CHICO	EPA, IIU & WB	Not Implemented
Planting of Native Flora	6-12 Months	CHICO	IIU& WB	Not Implemented
Wetland Conservation	3-9 Months	CHICO	IIU& WB	Not Implemented
Permannent Fencing installation	2-4 Momths	CHICO	IIU& WB	Not Implemented
Awareness Campaigns	On going	CHICO Community Engagement Team, IIU	WB	Not Implemented
Hazard Signage	1-2 months	CHICO	IIU& WB	Not Implemented

Activity	Timeline	Responsible Institution	Monitoring Institutions	Comments
Regular Community Consultation	Quarterly	CHICO,IIU	WB	Not Implemented
Access Route Planning	1-3 Months	CHICO,IIU	WB	Not Implemented
EPA Compliance	On going	CHICO,IIU	EPA, WB	Not Implemented

ANNEXURE 2B: NO EVIDENCE OF ENVIRONMENTAL RESTORATION AND REHABILITATION

Major Activity	Timeline	Estimated cost	Responsible Institution	Monitoring Institutions	Comments
Caldwell Quarry					
Place signages and safety measures including restricting access to quarry site	Before July 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented
Estimate the cost of fencing the entire Quarry, Communicate estimated cost of fencing of the responsible party based on court opinion.	Before July 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented
Ensure the entire area of the quarry site is fenced	60 days after court opinion	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented
Prepare Restoration plan for Caldwell quarry. Prepared by IIU and cleared by the bank or meeting Bank requirements	August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	No evidence of Restoration Plan at the closed of the project on June 30,2024, Not Implemented
Complete restoration of the quarry site	August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	No evidence of Restoration Plan at the closed of the project on June 30,2024, Not

Major Activity	Timeline	Estimated cost	Responsible Institution	Monitoring Institutions	Comments
					Implemented
c (communicate to the contractor to prepare a hazardous waste disposal plan for the asphalt plan. Ensure the contractor recruits a service provider for the preparation of the disposal plan for the removal of hazardous waste and scrap on site. Prepare and submit for the Bank approval, the hazardous waste disposal plan)	By August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	No evidence of Restoration Plan at the closed of the project on June 30,2024, Not Implemented
Fence the entire area of the quarry site	By August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented
Weala quarry					
Finalize restoration plan for Weala Quarry, prepare by IIU and cleared by the Bank or meeting Bank requirements	August 15, 2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, tquarry site not restored or fenced
Complete restoration of the quarry site	August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, quarry site not restored or fenced

Major Activity	Timeline	Estimated cost	Responsible Institution	Monitoring Institutions	Comments
Acquire EPA permit for hazardous waste removal and disposal (communicate to the contractor to prepare a hazardous waste disposal plan for the asphalt plan. Ensure the contractor recruit a service provider for the preparation of the disposal plan for the removal of hazardous waste and scrap on site. Prepare and submit for Bank approval, the hazardous waste disposal plan)	August 30, 2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, No evidence of EPA permits for waste removal and disposal
Gbatala quarry					
No further action requires Request contractor to officially communicate to the GOL, the planned use of Gbatala quarry for phase -2 works	August 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	No evidence of Restoration Plan at the closed of the project on June 30,2024; Not Implemented
Acquire EPA permit for hazardous waste removal and disposal	August 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, No evidence of EPA permits for waste removal and disposal
Fence the entire area of the quarry site	August 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, No evidence of fencing
Acquire EPA permit for hazardous waste removal and disposal	Before August 30,2024	N/A	CICO & DT Global	IIU, EPA & WB	Not Implemented, No evidence of EPA permits for waste removal and disposal
Urban Section					

Major Activity	Timeline	Estimated cost	Responsible Institution	Monitoring Institutions	Comments
Finalize all cases of forced eviction related compensation payments by semi- Mobil, fully Mobil, and other traders within 6.1kms and redlight jurisdiction	One month after completion of compensation payments	N/A	GOL/IIU	GOL/IIU & WB	No Evidence of the list of affected persons and the businesses they were doing