



Management Letter

On The Audit of the Liberia Land Administration Project (LLAP) Financial Statements

For the Period July 1, 2020 to June 30, 2021



Promoting Accountability of Public Resources

**Hon. P. Garswa Jackson ACCA, CFIP, CFC
Auditor General, R. L.**

Monrovia, Liberia
December 2021

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Acronyms/Abbreviations/Symbols

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
AG	Auditor General
LLAP	Liberia Land Administration Project
LLA	Liberia Land Authority
PIU	Project Implementation Unit
PFMU	Project Financial Management Unit
CPA	Certified Public Accountant
ACCA	Association of Chartered Certified Accountants
CFIP	Certified Forensic Investigation Professional
CFC	Certified Financial Consultant
FY	Fiscal Year
GAC	General Auditing Commission
GOL	Government of Liberia
ISSAIs	International Standards of Supreme Audit Institutions
FS	Financial Statement
PFM Act	Public Finance Management Act
US\$	United States Dollar

Management Letter



December 30, 2021

Atty. J. Adams Manobah, Sr.
Chairman
Liberia Land Authority (LLA)
Mamba Point
Monrovia, Liberia

Dear Atty. Manobah:

The financial statements of the Liberia Land Administration Project (LLAP) for period July 1, 2020 to June 30, 2021 are subject to audit by the Auditor General consistent with the Auditor General's mandate as provided for under Section 2.1.3 of the GAC Act of 2014 as well as the engagement Terms of Reference.

Introduction

The Audit of the LLAP Management for the period July 1, 2020 to June 30, 2021 has been completed and the purpose of this letter is to bring to your attention the findings that were revealed during 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 annual 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.

The audit will also include 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.

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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 Accounting Officer. Our responsibility is to express our opinion on these financial statements.

Appreciation

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of LLAP Management during the audit.

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



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

Monrovia, Liberia
December 2021

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Compliance Issues

1.1.1 Uncompleted Project Deliverables

Observation

1.1.1.1 Section I (b) of the Project Financing Agreement states that “The PIU shall be responsible for: (i) ensuring compliance with environmental and social safeguards; (ii) preparing the proposed annual work plans and budgets; (iii) preparing a monthly monitoring table and quarterly progress reports; (iv) monitoring and evaluation of Project activities including the preparation of the baseline studies, social assessment and thematic assessment studies; (v) providing training to the LLA staff; and (vi) such other administrative, financial, technical and organizational arrangements and procedures as may be required for the Project.”

1.1.1.2 Additionally, Section 3.1 (iii) of the Project Implementation Manual requires the Project Implementation Unit (PIU) to facilitate “effective coordination and implementation of the work plan through regular review meetings with relevant LLA departments. The Project Coordinator will report regularly to the LLA Project Director – a staff member appointed by the LLA before the effectiveness of the project, to provide overall coordination of all externally financed projects of the LLA.”

1.1.1.3 We noted during the conduct of the audit that key deliverables on components of the LLA Project such as the drafting of policies, laws, regulations and administrative procedures relating to land administration in Liberia were not implemented.

1.1.1.4 We also noted that the National Geodetic Network and Preparation of Land Survey Standards, consultancy services to pilot the development of land use plans in rural customary communities and the conduct of a baseline survey and land sector reform component were not completed.

1.1.1.5 Additionally, there was no evidence that the PIU implemented the renovation of the Liberia Land Authority local offices in line with the project work plan. Refer Appendix 1 for details.

Risk

1.1.1.6 Project objectives may not be achieved in the absence of effective project implementation and coordination.

1.1.1.7 The absence of effective monitoring and evaluation of project deliverables may deny the achievement of value for money during the execution of the project.

Recommendation

1.1.1.1 Management should ensure that the project deliverables are implemented in line with the project work plan.

- 1.1.1.2 Management should ensure that proper coordination, monitoring and evaluation of the project are implemented periodically during the execution of the project.

Management's Response

- 1.1.1.3 *Noted that the consultancy services for critical regulations, guidelines, and procedures were not completed within the fiscal year of audit. LLA, however, notes that this consultancy is in the latter stage of implementation (completion of regulations) with expected completion by end of April, 2022. The delay in implementation was attributed to conflict between the customary land governance regulations earlier developed by the former USAID-Land Governance Support Activity (LGSA) and the draft regulations developed by the World Bank-hired consultants. Additionally, the review process of the draft took a protracted period of time among LLA, Consultants and the World Bank thereby leading to delay in completion of the consultancy. Another cause for delay was the resurgence of the COVID-19 Delta Variance.*
- 1.1.1.4 *Noted that the consultancy services for Administrative Procedures were not completed within the fiscal year of audit. LLA, however, notes that these consultancies are currently ongoing with completion of all of the procedures by end of March 2022. Implementation of these consultancies were also hampered by the resurgence of the COVID-19 Delta Variance.*
- 1.1.1.5 *Noted that there are considerable delays in the implementation of the National Geodetic Network and Preparation of Land Survey Standards. The delays in these two activities were attributed to the delay in their predecessor activities (the Primary Geodetic Network and Continuously Operating Reference Stations -CORS) network. The Primary Geodetic Network is in its advanced stage of implementation while the CORS network has been completed at Fendell Station in Fendell. The completion of these activities paved the way for the implementation of the National Geodetic Network and Preparation of Land Survey Standards, which have already been advertised. These two consultancies are expected to be completed by end of April, 2022. Implementation of the two predecessor activities were hampered by COVID-19 Delta Variance and extended rainy season.*
- 1.1.1.6 *Noted that there were considerable delays in the implementation of the renovation of the Liberia Land Authority local offices. LLA is making effort to complete this activity in the next fiscal year. The delays were attributed mainly to COVID-19 Delta Variance and the extended rainy season. LLA has completed the procurement process and contractors have been selected for implementation. The County Land Offices (CLOs) renovation will commence in January, 2022 and will be completed by end of April, 2022.*

Auditor General's Position

- 1.1.1.7 We acknowledge Management's assertion that ". LLA is making effort to complete this activity in the next fiscal year. The delays were attributed mainly to COVID-19 Delta

Variance and the extended rainy season.” we will make follow-up on deliverables during subsequent audit.

1.1.1.8 However, we maintain our findings and recommendations.

Annexure 1: Schedule of Prior-year's Matters not implemented

No.	Finding	Observation	Recommendation	Status of Implementation
1	Project Implementation	1.1.1 We noted during the conduct of the audit that key deliverables on components of the LLA Project such as the drafting of policies, laws, regulations and administrative procedures relating to land administration in Liberia were not implemented.	1.1.1.7 The LLAP Management should provide justification why project work plan was not adequately implemented.	Not Implemented
2.	Construction of Monuments	1.1.2 In terms of the work plan of the Liberia Land Administration Project (LLAP), the construction of six Geodetic monuments/reference points were undertaken in Bomi, Bong, Nimba, and River Gee Counties	1.1.2.4 Management should provide justification why Geodetic monument constructed in Tubmanburg and Yekepa in Bomi and Nimba Counties could not be seen.	Implemented

APPENDIX

Appendix 1: Non-completion of Project Deliverables

Component 1: Support to Liberia Land Authority														
Subcomponent/Activity	Responsibility	2020July	2020Aug	2020Sept	2020Oct	2020Nov	2020Dec	2021Jan	2021Feb	2021Mar	2021Apr	2021May	2021June	Activity Budget (US\$)
Business plans for land service delivery and processes *ToR approved by Bank)														21,544
Implementation	Consultant													
Consultancy Services – implementation of key recommended actions and activities in the Organization and Management Report														60,000
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultants													
General on-board training program (*ToR Approved by Bank)														30,251
Implementation	Consultant													
Training activities and programs based on the 5-year training plan.														141,125
Submit request for training (continuously) as needed	LLA													
Bank approval	Bank													
Implementation	LLA Staff													
Study Tours and Conferences														35,000
Submit request for Study Tours and Conference as needed	LLA													
Bank approval	Bank													
Implementation	LLA Staff													

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Renovation of the LLA's New Headquarter														229,092
Tendering, evaluation and contracting	LLA													
Implementation	Contractor													
Supervision Consultant for Renovation of the LLA's New Headquarter														11,000
Tendering, evaluation and contracting	LLA													
Implementation	Consultant													
Acquisition of office supplies, furniture and equipment														75,000
Submit draft request for approval	LLA													
Submit draft bidding documents for review	LLA, PIU													
Bank approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
Training phase of public awareness campaign on the LLA and LRA														136,000
Tendering, evaluation and contracting	PIU/LLA													
Implementation	PIU/LLA													
Rollout Phase of the awareness in selected locations in the fifteen counties														375,236
Implementation	PIU/LLA													
SUB-TOTAL														1,114,248
Component 2: Piloting of Systematic Registration of Customary Land (To be finalized)														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020 Sept	2020 Oct	2020 Nov	2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)



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Consultancy to Develop Operational Field Manual, Updating the Safeguards and Technical Assistance													60,000	
Submit draft ToR for review	LLA													
Submit draft concept documents for review	LLA, PIU													
Bank approval	Bank													
Implementation	Consultant													
SUB-TOTAL													60,000	

Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Procurement and Installation of CORS for greater Monrovia														86,601
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Establishment of Primary Geodetic Control														70,000
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Procurement of Survey grade GNSS Equipment														15,000
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
National Geodetic Network and Preparation of Land Survey Standards														100,000
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													



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Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Development of Concept and Standards for Base Mapping in Liberia														80,000
Submit draft bidding documents for review	LLA, PIU													
Bank approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Conduct field assessment for the decentralization of LLA counties' offices														18,000
Implementation	LLA													
Consultancy for a Pilot study to provide baseline data on land prices for the development of land markets in target urban areas and growth corridors														25,000
Submit draft ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Consultancy services to pilot the development of land use plans in rural customary communities														75,000
Submit draft ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Support the piloting of the land inventory exercises in selected urban, peri-urban and rural areas														80,000



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Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Submit draft ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Digital Land Record Management (Consultancy)														33,150
Submit draft ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Purchase of equipment and accessories for registration and survey - scanners, servers, monitors, etc.														271,175
Submit draft Specification / ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
Renovation of 5 County Offices (Works)														100,000
Submit draft Specification / ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Contractor													
Support to County Land Offices (Office Equipment and Supplies)														60,000



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Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Submit draft Specification /ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
Preparation of ESMP for 5 County Office Renovation														20,000
Submit draft Specification /ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
Supervision of Renovation Work for 5 County Office														20,000
Submit draft Specification /ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
System/Network Administration Consultancy														25,000
Submit draft ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
SUB-TOTAL														1,078,926



Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)

Component 4: Project Coordination, Monitoring and Evaluation														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Project Coordination, Monitoring and Evaluation (LLAP Operational Budget)														336,553
PIU operations (office & vehicle operations, salaries, tendering, etc.)	LLA, PIU													
Hiring of International Procurement Consultant														105,600
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Baseline survey on public awareness of LLA and land sector reforms														30,000
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Consultant													
Mid-Term Review														20,000
Submit draft Specification /ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
External Audit (General Auditing Commission)														10,000



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Component 3: Development of a Land Administration System														
Subcomponent/Activity	Responsibility	2020 July	2020 Aug	2020Sept	2020 Oct.	2020 Nov	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar	2021 Apr	2021 May	2021 June	Activity Budget (US\$)
Submit draft Specification /ToR for review	LLA													
Bank Approval	Bank													
Tendering, evaluation and contracting	LLA, PIU													
Implementation	Vendor													
Grievance Redress Mechanism														20,000
Rolling out other set-up of GRM Structure in pilot counties	LLA, PIU													
Bank approval	Bank													
Implementation	LLA, PIU													
SUB-TOTAL												529,569		
TOTAL												2,775,309		

