



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**On the Financial Statements Audit of
Smallholder Agriculture Transformation and
Agribusiness Revitalization Project (STAR-P)**

**for the Period July 1 2021-December 31,
2022, IDA Credit No.: 63600
Project Code: P160945**



June 2023

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

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AUDITOR GENERAL'S REPORT

June 30, 2023

Hon. Jeanine Milly Cooper
Minister
Ministry of Agriculture
New Ministerial Complex, Congo Town
Montserrado County, Liberia

Dear Hon. Cooper:

Opinion

We have audited the financial statements of Smallholder Agriculture Transformation & Agribusiness Revitalization Project (STAR-P) financed by the World IDA Credit No.: 63600 and Project Code: P160945 for fiscal period ended June 30, 2021, which comprise the statement of Receipts and Payments, and the statement of Comparison of Budget and Actual Amounts and summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements Smallholder Agriculture Transformation & Agribusiness Revitalization Project (STAR-P) financed by the World IDA Credit No.: 63600 and Project Code: P160945 present fairly, in all material respects, the statement of Receipts and Payments as at June 30, 2021, the statement of Comparison of Budget and Actual Amounts and summary of significant accounting policies and other explanatory information for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting.

Basis for Opinion

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Smallholder Agriculture Transformation & Agribusiness Revitalization (STAR-P) Project Implementing Unit (PIU) of the Ministry of Agriculture (MoA) in accordance with the ethical requirements that are relevant to our audit of the financial statements in Liberia, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management

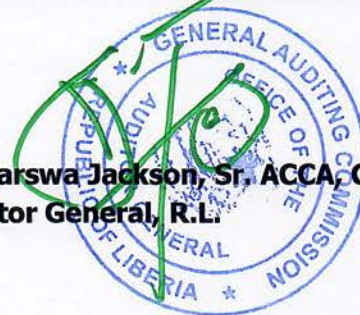
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on Statement of Receipts and Payments based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI) and the World Bank Guidelines. Those standards and the applicable World Bank guidelines required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement of Receipts and Payments are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement of Receipts and Payments. The procedures selected depends on the auditor's judgment, including the assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Statement of Receipts and Payments in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Statement of Receipts and Payments.

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



Monrovia, Liberia
June 2023



**Project financial statements
From July 1, 2021 – December 31, 2022**

INSTITUTIONAL DETAILS/INFORMATION

PROJECT ADDRESS: Program Management Unit, Ministry of Agriculture, LIBSUCO Compound, LPRC Road, Off Somalia Drive, Garnersville Monrovia

BANKER: Account Numbers:
6101663522
Ecobank, Liberia Limited. 11 Streets Sinkor, Monrovia, Liberia

AUDITOR: General Auditing Commission of Liberia, Old Executive Mansion, Ashmun Street, Monrovia, Liberia

KEY MEMBERS OF THE PROJECT COORDINATING UNIT

No	NAME	POSITION
1	Galah Toto	National Program Coordinator
2	Dr. Cheryl Williams	Gender and Social Development Officer
3	Stephen Kolee	Environmental and Social Safe-guide Officer
4	Theophilus Baah	Project Agronomist
5	Dean E. Kulah	Procurement Specialist
6	Rudolph Glaydor	Procurement Officer
7	Yondeh Moore	M & E Officer
8	Micah-Tebah Belleh	Financial Management Specialist



STATEMENT OF RESPONSIBILITY

We acknowledge that the Management of the Smallholder Agriculture Transformation & Agribusiness Revitalization Project (STAR-P)) is responsible for all information and presentations contained in the accompanying financial statements comprising the Statement of Cash Receipts and Payments, the Statement of the Comparison of Budget and Actual Amounts, and Notes to the Financial Statements for the year ended 31st December 2022. The financial statements have been prepared in conformity with Cash Basis IPSAS (IPSAS Financial Reporting Under the Cash basis of Accounting (2017)) and generally accepted accounting principles as may be applicable and acceptable in the Republic of Liberia. They reflect amounts that are based on cash basis accounting and Management's best judgment with appropriate consideration to materiality. In this regard, Management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, and that assets are safeguarded against authorized use and disposition.

Signed 
Micah Tebah Belleh
Financial Management Specialist

Date: June 30, 2023

Signed 
Gala Toto
National Project Coordinator

Date: June 30, 2023



PROJECT DESCRIPTION

PROJECT DEVELOPMENT OBJECTIVES

The STAR-P project in Liberia aims to increase agricultural productivity and commercialization for smallholder farmers in selected counties. It focuses on addressing market failures that limit the development of rice, oil palm, and horticulture value chains. The project seeks to achieve its objectives by facilitating private sector investment in these value chains and promoting productive linkages between smallholder farmers and agribusiness firms. It also incorporates climate considerations by applying adaptation approaches and mitigation measures to enhance the resilience of rice and oil palm production and minimize climate risks. The ultimate goal is to promote sustainable agricultural development, economic growth, and job creation in Liberia's agricultural sector.

PROJECT BENEFICIARIES

The STAR-P project aims to benefit 17,500 smallholder farmers, with a focus on including women and young farmers. These farmers must be actively engaged in producing the target crops and be members of an FBO or willing to join one. The project also aims to benefit agribusinesses, business development service enterprises, and government staff through capacity enhancement programs. The project will initially be implemented in five selected counties Bomi, Grand Cape Mount, Lofa, Nimba, Margibi, focusing on the value chains of oil palm, rice, and horticulture. Additional value chains and counties may be considered in the future based on viable business cases and available funding.

Component 1: Institutional Capacity Building and Strengthening the Enabling Environment for Farmers, State, and non-State Actors

This component of the STAR-P project focuses on strengthening the capacity of Farmer-Based Organizations (FBOs), key ministries, agencies, and commissions (MACs), as well as the private sector, to promote competitive commercial agriculture in Liberia. It aims to address regulatory and policy constraints through financing studies and analyses. The component is divided into four sub-components and will be directly managed by the Ministry of Agriculture's Project Implementation Unit (PIU).

Sub-component 1.1: Strengthening market-oriented smallholder farmer groups for selected commodity value chains. The sub-component aims to strengthen farmer-based organizations to enhance their competitiveness in the selected value chains. Funds allocated for this component will go to finance services for the strengthening of existing and formation of new farmer groups and cooperatives.

Sub-component 1.2: Institutional Strengthening for selected Government Ministries, Agencies, and Commissions (MACs) This sub-component aims to build the capacity of and/or strengthen coordination among selected government MACs to enable them carry out their mandated functions. Support will be directed specifically to MoA, CDA, LACRA, MoCI and MoFDP. It will also support dialogue with clients on emerging challenges that climate change poses to agriculture and food



security, as well as the range of solutions available for the application of climate smart agriculture. This subcomponent will finance technical assistance, studies, goods and works.

Sub-component 1.3: Capacity Building for selected Private Sector and non-State Institutions. This sub-component aims to strengthen the capacities of selected private sector and non-State institutions engaged in the selected value chains to enhance their coordination and collaboration among themselves and farmers. It will finance relevant technical assistance, training and studies related to the aims and objectives of the project.

Sub-component 1.4: Strengthening the Enabling Environment- Policy, Regulations, and Administrative procedures for Agribusiness. The aim of this sub-component is to improve the enabling environment for the development of agribusiness. It will finance technical assistance, training, workshops and studies and will facilitate the following activities:

- i. Elaboration of a draft mechanization policy and advocate to pass the ECOWAS protocols (seed, fertilizer and pesticides)
- ii. Workshops to raise awareness about and facilitate the ratification of ECOWAS Trade Liberalization Scheme; and
- iii. Convening of development partners to facilitate the establishment and development of Agri-Public-Private Sector Forum to facilitate dialogue and concerted action on policy initiatives.

Component 2: Enhancing Productivity and Competitiveness:

This component aims at improving smallholders' integration in the value chains targeted by the project. Under this component, the project will finance matching grants (MG) for smallholder farmers, agribusinesses; business development services providers (BDSP) and financial institutions through the establishment of the Liberia Agriculture Commercialization Fund (LACF), to contribute to the costs of investment subprojects. The component is sub-divided into three sub-components as follows:

Sub-component 2.1. Investment support for productive linkages between smallholder farmers and agri-businesses. The aim of this sub-component is to support access to inputs, procure supplies, and disseminate information that facilitate farm productivity and quality of produce. Support will be directed to existing FBOs, cooperatives and the establishment of new ones to access matching MGs through two windows under the LACF.

Sub-component 2.2: Support to agribusinesses and business development service enterprises The objective of this window is to establish linkages along the value chains of the selected commodities between farmers and agribusinesses and BDSPs. Support will be provided through window 3 of the LACF to the agribusinesses and BDSPs to develop business proposals that links smallholder farmers with commercial markets.

Sub-component 2.3. Support to financial institutions. The aim of this sub-component is to strengthen the capacity of financial institutions to improve their services to smallholders engaged in tree crop production. It will operate through the fourth window of LACF and will facilitate



smallholders' and FBOs' access to adapted formal financial services, particularly for tree crop value chains that need longer term finance.

Component 3. Project Management, M&E, citizens' engagement, and contingency emergency response

The objectives of this component are to facilitate (i) efficient coordination and monitoring and evaluation of project activities, (ii) stakeholder awareness and participation through timely communication of results and consistent citizen engagement, and (iii) a response to a possible emergency. These objectives will be addressed under three sub-components.

Sub-component 3.1. Efficient Project Management, Monitoring and Evaluation. This sub-component aims to provide support for efficient project management and to strengthen the skills of the PIU staff. It will also support the design and implementation of an efficient M&E and MIS systems for the project.

Sub-component 3.2. Effective communication and citizen engagement. The aim of this sub-component is to use communication and engagement to maximize the development impact of the project. This will be achieved by ensuring that information about project objectives, scope, and activities are communicated to intended beneficiaries accurately and on a timely basis. The project will ensure a wider range of Liberian citizens and other stakeholders, including the government and private sector are aware of the agri-food sector's potential and participate in its promotion. The subcomponent will also facilitate public-private sector policy dialogue and private sector engagement.

Sub-component 3.3. Contingency emergency response (US\$0 million). The aim of this sub-component is to provide resources for emergency response. In accordance with the World Bank's operational policy (OP10.00, paragraphs 12-14), this window will allow for rapid reallocation of project funds in the event of a natural or man-made disaster or crisis that has caused or is likely to cause a major adverse economic and/or social impact.



STATEMENT OF CASH RECEIPTS AND PAYMENTS

For the Year Ended 31th December 2022

(Expenditures Classified by Sub-components)

Amounts In US Dollars (USD)

Receipts	Notes	FY 2021-22	FY 2020-21
		US\$	US\$
IDA Credit Received in Cash	5	20,386,043.89	6,086,600.00
Insurance Refund	8a	23,541.61	
RETRAP Refund	8b	24,307.00	
Uncollected Checks - COVID Stimulus Grant	8c	11,010.00	
Total Receipts		20,444,902.50	6,086,600.00
Payments			
Strengthening market oriented smallholder farmer groups		887,671.94	9,021.00
Capacity Building & Inst. Strengthening for government MACs		651,410.06	230,273.30
Capacity building for selected Priv. Sector & non-state Inst		340,226.79	12,621.50
Strengthening the enabling environment, policy regulation		11,311.80	33,087.00
Investmnt Support for Productive Links-Farmers & Agribusiness			
Matching Grants Support for Private Agribusiness Projects		2,581,757.73	-
Support to Financial Iinstitutions			
PPA, Efficient Project Management, Monitoring and Evaluation		2,115,840.20	940,053.70
Communication, Social Mobilization and Citizen Engagement		148,772.72	31,264.50
Contingency Emergency Response		1,357,785.77	4,217,052.60
Total Payments		8,094,777.01	5,473,373.60
Increase / (decrease) in cash & cash equivalents for the year		12,350,125.49	613,226.40
Cash and cash equivalents as at July 1, 2021		1,941,095.69	1,327,869.29
Cash and cash equivalents as at December 31, 2022	4	14,291,221.18	1,941,095.69

Micah-Tebah Belleh, CPA

Financial Management Specialist

Galah Toto

National Program Coordinator



STATEMENT OF THE COMPARISON OF BUDGET AND ACTUAL AMOUNTS

**For the Year Ended 31th December 2022
Expenditures Classified by Sub-components**

Sub-components	Notes	Original Amount US\$	Budget	Final US\$	Budget Amount	Actual Amount US\$	Variance US\$	Amount	Variance%	Spending %
Strengthening market oriented smallholder farmer groups	13A	4,042,150.00	5,234,625.00	5,234,625.00	887,671.94	4,346,953.06	83%	17%		
Capacity Building & Inst. Strengthening for government MACS	13B	1,736,845.00	1,993,433.76	1,993,433.76	651,410.06	1,342,023.70	67%	33%		
Capacity building for selected Priv. Sector & non-state Inst	13C	801,400.00	908,213.92	908,213.92	340,226.79	567,987.13	63%	37%		
Strengthening the enabling environment, policy regulation	13D	878,500.00	770,800.00	770,800.00	11,311.80	759,488.20	99%	1%		
Investment Support for Productive Links-Farmers & Agribusiness	13E	18,806,600.00	14,224,300.00	14,224,300.00	-	14,224,300.00	100%	0%		
Matching Grants Support for Private Agribusiness Projects	13F	3,651,910.96	3,302,628.44	3,302,628.44	2,581,757.73	720,870.71	22%	78%		
Support to Financial institutions	13G	366,666.00	383,333.00	383,333.00	-	383,333.00	100%	0%		
PPA, Efficient Project Management, Monitoring and Evaluation	13H	3,669,216.86	3,599,149.90	3,599,149.90	2,115,840.20	1,483,309.70	41%	59%		
Communication, Social Mobilization and Citizen Engagement	13I	429,512.00	429,512.00	429,512.00	148,772.72	280,739.28	65%	35%		
Contingency Emergency Response	13J	3,263,942.46	2,797,595.83	2,797,595.83	1,357,785.77	1,439,810.06	51%	49%		
Total		37,646,743.28	33,643,591.85	33,643,591.85	8,094,777.01	25,548,814.84	76%	24%		

The notes on Page 11 to 21 are an integral part of the financial statement



NOTES TO THE FINANCIAL STATEMENTS

Note 1: Background to the Project

The STAR-P was approved by the Board of Directors of the World Bank on January 15, 2019. Its Project Development Objective is to increase agricultural productivity and the commercialization of smallholder farmers for selected value chains in an initial five counties. A US\$25 million Financing Agreement was signed on February 15, 2019 and subsequently ratified by the legislature. The agreement became effective on 28th June 2019.

In addition to the initial US\$25 million mentioned above, the Government of Liberia signed a co-financing agreement for STAR-P with the International Fund for Agriculture Development or IFAD on November 21, 2019, having received approval from its own Board in September of the same year. This arrangement led to an added inflow of US\$23 million, thus taking the project value to US\$48 million. The IFAD funding is on a *pari passu* basis. Though ratified by the legislature, the funding will become available in financial year 2020-21 (FY 2020-21). The project funds are to finance three (3) components and four (4) categories.

Note 2: Accounting Policies

Basis of preparation

Consistent with the requirement of the Public Financial Management Act (2009) as amended and reinstated on October 30, 2019, the financial statements have been prepared in accordance with Cash Basis IPSAS (Financial Reporting under the cash Basis of Accounting (2017)). The Accounting policies have been applied consistently throughout the reporting period.

Reporting entity

The financial statements are those of the Smallholder Agriculture Transformation and Agribusiness Revitalization Project (STAR-P) alone. They are neither for the Program Management Unit (PMU) or the Ministry of Agriculture as a whole. The financial statements encompass the reporting entity as specified in the relevant Financing Agreement between the Government of Liberia and the World Bank.

Reporting currency

Presentation currency is the United States dollar.

Note 3: Lack of Comparative information

Like other accounting standards, IPSASs including Cash Basis IPSAS (Financial Reporting under the Cash Basis of Accounting (2017)) require the presentation of comparative information for comparability of performance and position over time. Due to the GOL change in the Financial year (Reporting period), this report covers 18 months (July 2021 - December 2022); therefore, comparative financial information is lacking.



Note 4: Cash and cash equivalents

Cash comprises cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents consist of balances with banks and investment in short-term money market instruments. The amount of cash and cash equivalents at year end was **\$14,291,221.18** comprising of the following amounts:

Description	2021-22	2020-21
Cash on hand	2,000.00	2,000.00
Short – term investments	-	-
Balances with bank	14,289,221.18	1,939,095.69
Total	\$14,291,221.18	\$1,941,095.69

Reconciliation

Petty Cash - STAR-P	1,000.00	1,000.00
Petty Cash - CERC	1,000.00	1,000.00
Cash in Bank (DA-B Ecobank)	1,001,916.86	126,063.29
Cash in Bank (DA-C Ecobank)	465,236.63	1,813,032.40
Cash in Bank (DA-D Ecobank)	3,309,764.39	-
Cash in Bank (DA-E Ecobank)	7,943,887.10	-
Cash in Bank (OPIDAIFAD)	361,059.59	-
Cash in Bank (LACF)	1,207,356.61	-
	\$14,291,221.18	\$1,941,095.69

The full amount as stated above is restricted for use for STAR-P's activities only.

Note 5: IDA Credit Received in Cash

Five (5) withdrawal applications were made for cash during the reporting period. The funds were received into STAR-P's Designated Accounts (DA-B), (DA-D) and (DA-E) at Ecobank (Liberia) Limited as follows:

WA Date	WA Reference	Value Date	Amount
24 - Jun - 2021	STAR-P/MOA/006-B	2-Aug-21	1,049,600.00
29 - Jun - 2021	STAR-P/MOA/008-B	1-Sep-21	1,049,600.00
29 - Jun - 2021	STAR-P/MOA/008A	13-Jul-21	561,600.00
24 - Jun - 2021	STAR-P/MOA/006-C	2-Aug-21	388,800.00
29 - Jun - 2021	STAR-P/MOA/008C	1-Sep-21	388,800.00
06 - Sep - 2021	STAR-P/MOA/009-A	17-Sep-21	2,198,643.89
20 - Oct - 2021	STAR-P/MOA/009CREV	2-Dec-21	810,900.00
02 - Dec - 2021	STAR-P/MOA/009BREV	20-Dec-21	2,189,100.00
27 - Sep - 2022	STAR-P/MOA/001/LACF	27-Sep-22	2,000,000.00
26 - Sep - 2022	STAR-P/MOA/001/LACF	29-Sep-22	1,350,000.00
26 - Sep - 2022	STAR-P/MOA/002/LACF	27-Sep-22	3,650,000.00
06 - Dec - 2022	STAR-P/MOA/012	15-Dec-22	1,282,230.00



*Auditor General Report on the
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For the Period July 1, 2021 to December 31, 2022*

06 - Dec - 2022	STAR-P/MOA/013	15-Dec-22	3,466,770.00
			\$ 20,386,043.89
Prior Year (FY 2020-21) Withdrawals			
WA Date	WA Reference	Value Date	Amount
02 Oct. 2020	STAR-P/MOA/005-CERC	7-Oct-20	5,525,000.00
08 Apr. 2021	STAR-P/MOA/006-A	14-Apr-21	561,600.00
			\$ 6,086,600.00

Note 6: Undrawn Project Balance

Description	2021-22	2020-21
Project Value as at July 1, 2021	48,000,000.00	25,000,000.00
Additions during the Financial Year (IFAD co-financing)	-	23,000,000.00
Total Project Value per Financing Agreement	\$48,000,000.00	\$48,000,000.00
Less Withdrawals		
Withdrawals during the year	20,386,043.89	6,086,600.00
Withdrawals in prior periods	13,012,435.62	6,925,835.62
Project Preparatory Advance (PPA)	1,006,287.95	998,450.00
Total Withdrawals	34,404,767.46	14,010,885.62
Undrawn Project Balances	\$ 13,595,232.54	\$ 33,989,114.38



*Auditor General Report on the
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For the Period July 1, 2021 to December 31, 2022*

Note 7: Unspent Credit Balance by Category

	Value	Expenditures 2021-22	Expenditures 2020-21	Expenditure 2019-2020	Cummulative Expenditures 2019-22	Balance
Category 1 (Goods, Works, Non-consulting Services, Consulting Services, Training Costs and Incremental Operating Costs under Parts 1, 3.1 and 3.2 of the Project)	13,736,550.00	4,155,233.51	1,762,406.00	597,966.33	6,515,605.84	7,220,944.16
Category 2 (Matching Grants under Part 2 of the Project)	22,732,162.00	2,581,757.73	-	-	2,581,757.73	20,150,404.27
Category 3 (Emergency Expenditures under Part 3.3 of the Project)	10,525,000.00	1,357,785.77	3,710,967.60	5,000,000.00	10,068,753.37	456,246.63
Category 4 (Refund of PPA)	1,006,288.00	-	-	1,006,288.00	1,006,288.00	-
Total	\$48,000,000.00	\$8,094,777.01	\$5,473,373.60	\$6,604,254.33	\$20,172,404.94	\$27,827,595.06

Reconciled of Unspent Project Balance

Cash and cash equivalents as at December 31, 2022

14,291,221.18

Undrawn credit balance (*Note 6*)

13,595,232.54

Unspent Project Balance

\$27,886,453.72



Note 8: Refund(s)	Amount
(a.) Saarl Insurance	23,541.61
(b.) RETRAP PPA Refund	24,307.00
(c.) Uncollected Checks - COVID Stimulus Grant	11,010.00
	\$58,858.61

a. During the period ended December 31, 2021, the Project disposed of a fixed asset, a Toyota Land Cruiser Pickup, with an original cost of \$36,300. The car was destroyed by fire on an out of town trip; as such, the Project received an insurance settlement of \$23,541.61 from SUNU Insurance. The loss on the disposal was \$12,758.39 (The Difference between the Original Cost and Insurance Settlement of the fixed asset).

b. From October 2020 to June 2021, STAR-P Underwrote RETRAP PPA expenditures of US\$99,145.25. All RETRAP PPA expenses were captured on a single line "14010301" under sub component 1.4. In June 2021, RETRAP refunded US\$73,355.25 thereby resulting in an outstanding balance of US\$25,790 as at June 30, 2021. During 2021 special financial year, STAR-P incurred expenses of US\$8,125.00 under sub component 1.4 whilst RETRAP refunded US\$24,307.00.

c. In 2020, during the heat of the COVID Pandemic, the Project provided Stimulus grant packages to Farmers, Agri Cooperatives and SMEs. There were uncollected cheques amounting to \$11,010.00 as at June 2021. At the beginning of the subsequent financial year (2021), It was necessary to reverse the cheque as they had been outstanding past the recommended six months mark and so as not to overstate the aggregate expenses of the project.

Note 9: Project Expenditures by Components

	Component	2021-22	2020-21
9a	Component 1: Institutional Capacity Building & Strengthening the Enabling Environment		
	Strengthening Market Oriented	887,671.94	446,856.00
1.1	Smallholder Farmer Groups		
	Institutional Strengthening for Selected	651,410.06	230,273.30
1.2	Government MACs		
	Capacity building for selected Priv. Sector	340,226.79	12,621.50
1.3	& non-state Inst		
	Strengthening the enabling environment,	11,311.80	33,087.00
1.4	policy regulation		



	Subtotal	\$ 1,890,620.59	\$ 722,837.80
9b	Component 2: Enhancing Productivity and Competitiveness	-	-
2.1	Investment Support for Productive Linkages between Smallholder Farmers and Agribusinesses	-	-
2.2	Support to agribusiness & business development services	2,581,757.73	-
2.3	Support to Financial Institutions	-	-
	Subtotal	\$ 2,581,757.73	\$ -
9c	Component 3: Project Management, M&E, Citizen Engagement and Contingency Emergency		
3.1	Efficient project management, monitoring and evaluation	2,115,840.20	940,053.70
3.2	Effective communication and citizen engagement	148,772.72	31,264.50
3.3	Contingency emergency response	1,357,785.77	3,779,217.60
	Subtotal	\$ 3,622,398.69	\$ 4,750,535.80
	Grand Total	\$ 8,094,777.01	\$ 5,473,373.60

For the first two financial years, no expenditures were incurred for Component 2. The funds manager was hired in May 2021 and first payment for deliverable was made in July 2021. Also the Matching Grant payment to LACF payments began in October 2022

Note 10: Project Expenditures per Quarter

Quarter	2021-22	2020-21
Quarter 3 July - Sept 2021	1,296,450.70	-
Quarter 4 Oct - Dec 2021	664,269.98	-
Quarter 1 Jan - Mar 2022	1,314,957.10	204,704.03
Quarter 2 April - June 2022	682,145.96	2,032,166.21
Quarter 3 July - Sept 2022	1,514,541.38	1,551,466.61
Quarter 4 Oct - Dec 2022	2,622,411.89	1,685,036.75
Total	\$ 8,094,777.01	\$ 5,473,373.60

Due to the change in Financial year reporting by the GOL, this report covers 18 months (July 2021 - December 2022), therefore there are 6 quarters reported



Note 11: Project Expenditures by Nature

Acct. Code	Description	2021-22	2020-21
2111	Wages & Consultancy Fees	1,478,726.49	585,526.65
1	Institutional Capacity Building & strengthening enabling env	271,494.75	60,334.80
2	Enhancing Productivity and Competitiveness	79,931.29	-
3	PPA, Project. Managmt,M&E,Citizen Engagement & Cont. Emergency	1,127,300.45	525,191.85
2130	Other Employee Costs	10,000.00	-
3	PPA, Project. Managmt,M&E,Citizen Engagement & Cont. Emergency	10,000.00	-
2210	Consumable Food Items/ Supplies	245,650.37	252,394.50
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	245,650.37	252,394.50
2211	Travel Expenses	536,914.15	200,935.00
1	Institutional Capacity Building & strengthening enabling env	241,051.30	18,648.00
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	295,862.85	182,287.00
2212	Utilities	115,204.65	78,608.76
1	Institutional Capacity Building & strengthening enabling env	10,018.00	1,200.00
2	Enhancing Productivity and Competitiveness	300.00	-
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	104,886.65	77,408.76
2213	Rent	74,039.52	84,297.00
1	Institutional Capacity Building & strengthening enabling env	42,839.52	450.00
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	31,200.00	83,847.00
2214	Fuel & Lubricants	213,071.59	123,366.98
1	Institutional Capacity Building & strengthening enabling env	26,675.05	2,451.50
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	186,396.54	120,915.48
2215	Repairs & Maintenance	411,781.26	103,762.54
1	Institutional Capacity Building & strengthening enabling env	147,228.89	1,250.00
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	264,552.37	102,512.54
2216	Office Materials, Consumables & Services	159,931.57	144,562.94
1	Institutional Capacity Building & strengthening enabling env	62,480.51	34,231.00
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	97,451.06	110,331.94



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2217	Consulting, Advisory & Audit Services	1,640,793.83	83,884.50
1	Institutional Capacity Building & strengthening enabling env	395,196.36	71,679.50
2	Enhancing Productivity and Competitiveness	1,017,687.04	-
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	227,910.43	12,205.00
2218	Specialized Materials & Services	1,251,363.01	1,813,633.10
1	Institutional Capacity Building & strengthening enabling env	533,109.18	-
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	718,253.83	1,813,633.10
2219	Education & Training Related	81,302.57	11,209.52
1	Institutional Capacity Building & strengthening enabling env	9,790.00	8,727.00
3	PPA, Proj. Managmt,M&E,Citizen Engagement & Cont. Emergency	71,512.57	2,482.52
2221	Other General Expenses	251,493.78	117,658.37
1	Institutional Capacity Building & strengthening enabling env	123,328.03	12,081.00
2	Enhancing Productivity and Competitiveness	2,379.00	-
3	PPA, Project. Management, M&E, Citizen Engagement & Cont. Emergency	125,786.75	105,577.37
2223	Insurance & Other Charges/Fees	12,354.82	24,812.20
1	Institutional Capacity Building & strengthening enabling env	3,550.00	-
3	PPA, Project. Management, M&E, Citizen Engagement & Cont. Emergency	8,804.82	24,812.20
2611	SMEs Grants	0.00	295,151.54
3	PPA, Project. Management, M&E, Citizen Engagement & Cont. Emergency	0.00	295,151.54
2612	Matching Grants	1,481,460.40	-
2	Enhancing Productivity and Competitiveness	1,481,460.40	-
3122	Machinery, Furniture & Transport Equipment	73,685.00	1,553,570.00
1	Institutional Capacity Building & strengthening enabling env	11,764.00	73,950.00
3	PPA, Project. Management, M&E, Citizen Engagement & Cont. Emergency	61,921.00	1,479,620.00
3123	ICT Infrastructure	56,184.00	-
1	Institutional Capacity Building & strengthening enabling env	11,275.00	-
3	PPA, Project. Management, M&E, Citizen Engagement & Cont. Emergency	44,909.00	-
3124	Other Fixed Assets	820.00	-
1	Institutional Capacity Building & strengthening enabling env	820.00	-
	Grand Total	\$ 8,094,777.01	\$ 5,473,373.60



Note 12: Schedule of Fixed Assets

Description	Motor Vehicles	Motorbikes	Furniture, Fixtures & Air		Communication Equipment	Office Equipment	Agriculture Equipment	Total
			Conditions	Conditions				
Balances, July 1, 2021	573,300.00	52,500.00	188,240.00		1,640.00	1,046,400.00	1,335,912.50	3,197,992.50
Additions	23,208.39	9,800.00	8,435.00		55,867.50	820.00	8,700.00	106,830.89
Total	\$596,508.39	\$62,300.00	\$196,675.00	\$196,675.00	\$57,507.50	\$1,047,220.00	\$1,344,612.50	\$3,304,823.39
Disposals/Handovers	-	-	-	-	-	-	-	-
Balances, December 31, 2022	\$596,508.39	\$62,300.00	\$196,675.00	\$196,675.00	\$57,507.50	\$1,047,220.00	\$1,344,612.50	\$3,304,823.39

Note: Four (4) vehicles were handed over as support to MOA and the MFDP. The MFDP received a vehicle whilst the MOA received three (3) vehicles, including one for the chairperson of the National Steering Committee.



Note 13: Explanation for Material Variances from the Statement of Comparison of Budget and Actual Amounts

a. Sub-component 1.1: Strengthening market-oriented smallholder farmer groups, was underspent for the reporting period by 83 percent. The targeted beneficiaries are in rural Liberia. Field activities could not be undertaken due to delays in the development and approval of Concept Notes

b. Sub-component 1.2: Capacity building and Institutions strengthening for Government ministries, agencies, commissions, etc., was underspent by 67 percent during the year in review. This high variance can be attributed to significant delays in the development and approval of Concept Notes which led to a delay in implementation. These activities have been rolled over to FY 2023.

c. Sub-component 1.3: Capacity building for selected Private Sector and non-state Institutions, was underspent for the year by 63 percent. The planned activities could not be carried out due to delays in activities design and the development and approval of Concept Notes. The activities have been rolled over to FY 2023.

d. Sub-component 1.4: Strengthening the enabling environment for policy regulation, was underspent during the reporting period by 99 percent. The planned activities could not be carried out due to delays in the development of Activities and Concept Notes from the Ministry of Agriculture Technical team. The activities have been rolled over to FY 2023.

e. Sub-component 2.1: Investment Support for Productive Linkages Between Smallholder Farmers and Agribusiness, was underspent by 100 percent. The Fund Advisory Committee approved the First set of Business plans in September 2022. The first set of Matching Grant was disbursed in October 2022.

f. Sub-component 2.2: Support to agribusiness and business development service enterprises, was underspent by 22 percent. The Fund Advisory Committee approved the first set of twenty-two (22) Business plans in September 2022. The first trench of the first set of Matching Grants was disbursed in October 2022. Expenditure under this sub-component is expected to increase significantly in FY 2023 as disbursements increase due to additional approvals and matching grant implementation.

g. Sub-component 2.3: Support to agribusiness and business development service enterprises, was underspent by 100 percent as no Financial Institution has qualified for the Matching Grant so far. There has been no disbursement under this component. This is expected to change in FY 23 as several business plans under this sub-component are currently in process.

h. Sub-component 3.1: Efficient project management, monitoring and evaluation, was underspent by 41 percent for the year in review. The PIU overbudgeted in some areas, such as Repairs and maintenance, Fuel and Lubricants, Monitoring and Evaluation, etc. Activities under this component have been reallocated and will be undertaken in FY23.



i. Sub-component 3.2: Effective communication and citizen's engagement was underspent for the year by 65 percent. The Communication for Development(C4D) contract was signed in the 3rd Quarter of FY22. This led to the delay of payments under this component.

j. Sub-component 3.3: Contingency emergency response, has a 51 percent unspent balance. The CERC component came to an end as of June 30, 2022. All CERC activities were closed and accounts reconciled. The Advance payment of US\$5,000,000 made to WFP has been reported and approved by the World Bank. The Bank Balance has been fully reported.

**Note 14: RETRAP
Expenses**

During the period under audit, STAR-P expended a total of \$956,878.92 on the Rural Economic Transformation Project's (RETRAP) behalf due to the delayed receipt of funds for the project from the International Development Association (IDA). This amount has been fully refunded by RETRAP.

**Note 15:
Authorization Date**

The financial statement was authorized for publication on 30th June 2023 by the Minister of Agriculture.