

World Bank: Public Financial Management Capacity Building II

	Implementing partner(s)	International Development Association (IDA)/World Bank
	Location	Monrovia
	Agreement period	December 2019 – December 2024
	Budget total	50 000 000 SEK

Overview and objectives

Weak public financial management systems and a lack of transparency in budget processes has led to inefficiency and a lack of effectiveness in the allocation of state resources in Liberia, with public funds not always reaching the intended beneficiaries. This project, also called the Public Financial Management Reform for Institutional Strengthening (PFMRIS) project, aims to support the Government of Liberia (GoL) to reform public financial management. Its objective is to “**improve domestic revenue mobilisation systems and strengthen financial control and accountability in public finances**”. The project follows on from the first PRM reform programme (Integrated Public Financial Management Programme), to which Sweden was a principal external donor.



Figure 1: Liberia World Bank Country team along with Liberia Minister of Finance and Development Planning and other officials at the programme launch on 3 December 2019. Photo credit: Front Page Africa

The project targets three main outcomes:

- Strengthened **domestic revenue mobilisation** systems through improved online on time filing for large and medium taxpayers.
- Improved **financial control** in public finances through increased usage of the Integrated Financial Management Information System (IFMIS), in public financial management for annual decision report production.
- Strengthened **accountability** in public finances through improved scrutiny over the implementation of the annual performance audit observations and recommendations.

Activities

Examples of the activities undertaken to achieve the main outcomes include:

- **Domestic revenue mobilisation:** technical support to GoL on tax policy, and tax reform, in relation to moving from General Sales Tax (GST) to Value Added Tax (VAT); process redesign and implementation of an improved technical system for tax administration.
- **Financial control:** continuing the roll-out of the IFMIS to Ministries and Agencies and stabilising the implementation which has already occurred; redesigning public procurement processes and preparing a roadmap for an e-Procurement system; technical advisory support to allow for open data. The programme also conducts activities to improve PFM in the education and health sectors.
- **Accountability:** procuring computer aided auditing techniques (CAATs); supporting communities to conduct social audits; building the capacity of the civil service; training of internal auditors; hiring an external audit; training Public Accounts Committee members; strengthening the capacity of Civil Society Organisations (CSO) to ensure accountability.