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## GOVERNANCE AND ECONOMIC MANAGEMENT ASSISTANCE PROGRAM GEMAP

Implemented by: IBI International

# National Budget Process Reformed at the Ministry of Finance

*“A friend in need is a friend indeed... USAID/GEMAP has been there from day one and provided remarkable GEMAP advisors who have come with a spirit of partnership. We have collectively brought transparency to the Liberian budget process, to the extent now that we can boast that we have created budget experts across the country... A document that was once seen as sacred, only for people in the higher echelons of society, is now seen by even the market women. That is a remarkable improvement in the Liberian democracy and is not only a commendation for government but is also a commendation for partners that have been there giving the necessary backstopping.”*

**Hon. Augustine Ngafuan, Minister of Finance, Republic of Liberia**

Three years of USAID GEMAP assistance to the Department of Budget (DOB) has made the GOL budget process faster and more accurate, and ensured that government spending is in line with the law and according to plan. Budget allocation time has decreased from several weeks to a few days, and the allocation process is now more analytical, transparent, and based on delivery of services to the Liberian people. Ministries receive funds faster, with allotment processing time reduced from weeks to a few days. Enhanced execution and monitoring guidelines in line with the Public Financial Management Act have reduced discretionary spending, minimizing concerns about corruption and mismanagement of public funds.

For the first time in recent memory, a National Budget was prepared through an automated system and submitted to the Legislature on time. The database system implemented with USAID GEMAP assistance internalized budget rules and the Chart of Accounts, minimizing the chances of human error. As a result of these improvements, the entire Draft National Budget Book for FY 2009-2010 was submitted to the President at her request within a few days, a process, which in the

National Budget preparation process has become fully automated through the implementation of the Liberia Expenditure Control and Accounting Program (LECAP). IBI Advisors systematically built the capacity of the DOB staff in executing improved budget processes, in an environment where most staff lacked even the most basic IT skills.

Full utilization of LECAP has cut National Budget data and information consolidation time from weeks to a few days, enabling fast, accurate analyses to inform allocation decisions. Public process has been followed where ministries and agencies commit their budget requests to the delivery of goods and services to the people. The Draft National Budget has been submitted to the Office of the President, on time, for three years in a row, a tangible change for Liberia.