

**PORTS MANAGEMENT ASSOCIATION OF WEST
AND CENTRAL AFRICA**

(PMAWCA)

**AUDIT REPORT OF THE PMAWCA PROFESSIONAL
TRAINING CENTER**

FINANCIAL YEAR ENDED 31ST DECEMBER 2023



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I. CONTEXT

The PMAWCA Professional training center, based in Cotonou, was created in 1989 and put under concession following a procedure that was launched in March 2017 which led to the choice of African Consulting Leaders (ACL) for its management. The relative contract was signed in Lagos on September 6th 2018 for a period of five (05) years and renewable with date of effect on January 2nd 2019.

The concessioners (PMAWCA) is mainly committed to:

- Give institutional support to promotional initiatives to which the concessionaire will sell the PTC to the ports and to other organizations operating in the maritime and ports sectors;
- Do all in its power to raise awareness of the PTC;
- Evaluate the annual performance of the concessionaire.

The concessionaire (PTC) mainly undertakes to:

- Undertake investments required for the renovation of the PTC and set up the technical facility essential for this purpose;
- Provide the PTC with a modern structure facilitating the activities of the PTC and enable the PMAWCA Secretariat monitor in complete transparency and issue corresponding invoices;
- Pay regularly the concession charges due to the PMAWCA Secretariat as stipulated in the contract;
- Send a quarterly report to the Secretariat on the functioning of PTC.

By resolution No. **003-23/43/COS** dated November 9th 2023, the PMAWCA Council approved a 10% reduction on the 30% contractual charge for training and related activities at the PTC, effective from January 2024. In addition, it urged the concessionaire to settle all its debts and to submit a profit and loss statement to the Board of Directors at the end of the 2024 fiscal year for the review of the concession contract.

In accordance with the practices and our mandate as PMAWCA auditors for the 2023 financial year, we accomplished our mission of auditing of the PTC from the 4th - 15th of February 2024.

The objective of our audit mission was to:

- Confirm the declared revenues and authenticate
- Make recommendations.

II. AUDIT OF 2023 FINANCIAL YEAR

Verification of the recovery of arrears as at 31/12/2022

Summary of trainings carried out in 2022 and paid during the 2023 fiscal

ITEMS	AMOUNT FCFA
ECOWAS Training	1 856 600
Arrears on the 30% not paid out in 2021	540 000
SOBEMAP COTONOU (hall rentals)	81 000
Total services rendered in 2022 paid in January 2023	2 477 600

In the audit report for the fiscal year 2022, we indicated that the Port of Kribi paid its debt on June 11th 2022, by transferring FCFA 5,238,000 to PTC account No. 01701/221412273301 domiciled at ECOBANK TOGO. However, this information and the related amount which was supposed to be fully transferred to PMAWCA account was not communicated to the Secretariat up till now.

During our review, we found that this receivable is in relation to the training conducted in 2019 before the concession of PMAWCA Professional Training Center. After verification with ECOBANK TOGO and the accounts of the Port of Kribi, we observed that the transfer to PTC account No. 01701/221412273301 held at ECOBANK TOGO and made on June 11th 2022 was rejected due to non-compliance with the beneficiary's name (PMAWCA) and the account holder's name.

The outstanding amounts as of December 31, 2023, are as follows:

ITEMS	AMOUNT FCFA
Sierra Leone Ports Authority (SLPA), after deducting the surplus PAD of FCFA 9,248 from the 2022 fiscal year	7 536
ECOWAS training fiscal year 2022	2 043 400
TOTAL Outstanding balances	2 050 936

However, we have observed that this receivable was fully paid at the beginning of 2024 by a transfer dated 09/02/24 in the amount of 2,050,936.

This payment was once again made very late, despite article 7-2 of the concession contract stating, **“Payment Periodicity: revenue distributions are to be made no later than the end of the month following the end of each training session”**;

Proposed PTC program of activities for the financial year 2022 was as follows:

II.1 II.2 Verification of revenues for the fiscal year 2023

As a result of the letter from the Minister of Foreign Affairs in BENIN addressed to the PMAWCA Secretariat requesting the immediate release of the location occupied by the PMAWCA PTC and the constructions initiated by BENIN next to said site, the PTC did not implement its activity program for the fiscal year 2023. Consequently, there were no training activities at the PTC during this fiscal year.

However, due to the contract signed between the PMAWCA Secretariat and the Director of Africa Consulting Leaders (ACL), the Concessionaire of the Professional Training Center (PTC), the following activities were rescheduled:

- **In the DR CONGO:** engaging of two experts for 10 (ten) days of activity in June and December 2023, for their participation at workshops in Kinshasa as part of the study of the drafting of an online payment platform for services. Expected revenue for PMAWCA PTC: 9,000 USD. We were notified that the invoicing will be done in March 2024 upon receipt of the testing phase.
- **In the Republic of Congo:** engaging of three experts for 12 (twelve) days of activity, from November 2023 to January 2024, in Brazzaville for the study and production of an outline cooperation agreement with the Ministry of Transport aimed at deploying a digital platform for transport regulation in Congo and connecting all stakeholders in the transport logistics chain with online payment of invoices and royalties associated with state revenue. It has been indicated that the invoicing and payment will be made upon receipt of the roadmap no later than the end of March 2024.

Hence, the revenues to be distributed between the PMAWCA Secretariat and the PTC for the fiscal year 2023 amount to **16,500 USD**. As the activities were carried out in 2023, PMAWCA should receive 30% of this amount, which is 4,950 USD (the reduction being applicable from January 2024). However, this amount was not recorded in the revenues of PMAWCA for the invoices to be issued for the fiscal year 2023.

Furthermore, the PTC management continued to market various organizations, resulting in the signing of the following agreements:

N°	Country	Activity	Training plans for PTC from 2024 onwards	Observations
1	PMAWCA Coverage Area	Relocation to ensure the sustainability of the activities undertaken upon the reopening of the location by the PTC	Identification of training programs to be transferred to the requesting country	Copy of relocation agreement

2	DRC	Digitalization of activities and online payment with Public organisations (72)	Capacity building of personnel from companies involved in digitization	Cooperation Agreement pending signature
3	CONGO Brazzaville	Digitalization of the logistics chain with the Port and the administration organizations (Land Transport, Navy and Railway)	Capacity building of personnel from the concerned companies	Copy of signed communiqué Agreement
4	DRC Congo Basin Oubangui Sanga (6 countries)	Climate Change and Support for Green Energy Development in Riverine Ports of the Congo River Basins	Capacity building for personnel of Energy and Water Companies in CEMAC for the development of Hydraulic Energy	Copy of signed communiqué Agreement
5	OHADA Coverage Area (17 Countries)	Support to ports in the Management and Settlement of Maritime and Port Claims according to OHADA Community Law Practices	Training of Legal Department Personnel and Structure of Ports in OHADA Law Practice and Capacity Building on the Operation of Digitalized Commercial Courts	Copy of signed communiqué Agreement
6	NIGERIA	Digitalization of the Maritime and Port Logistics Chain with 8 Training Modules	Capacity Building for Personnel of Stakeholders in the Logistics, Maritime, and Port Chain of Nigeria supported by the NSC	MOU signed on the 28/08/23
7	MALMÖ SWEDEN	Deployment of WMU Expert for Capacity Building Activities in Port Digitalization, Climate Change, Single Window, and Maritime Security	Support to PMAWCA PTC for the development of training programs in the Gulf of Guinea	MOU signed on the 19/06/23

II.3 SUMMARY OF ACTIVITIES

Summary of the debt as of December 31st 2023, and fully paid at the beginning of the 2024 fiscal year:

ITEMS	AMOUNT FCFA
Sierra Leone Ports Authority (SLPA), after surplus deductions of FCFA 9 248 from PAD fiscal year 2022	7 536
ECOWAS Training fiscal year 2022	2 043 400
TOTAL OUTSTANDING	2 050 936

Cost for activities of the 2023 fiscal year not yet invoiced amounting to **4,950 USD**

III. RECOMMENDATIONS

Observation: the transmittal of 30% of revenues is being done with extreme delays.

Recommendation: Remittances should be made in strict compliance with the provisions of Article 7-2 of the concession contract: **"Payment scheduling: revenue transfer are to be made no later than the end of the month following the end of each training session"**

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