



AUDITOR GENERAL'S OFFICE

Malé, Republic of Maldives

Date: 08 July 2014

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Press Release

Subject: Auditor General's report to the Ministry of Environment and Energy on the financial statements of Wetland Conservation and Coral Reef Monitoring for Adaptation to Climate Change Project has been issued.

We have issued the audit report to the Ministry of Environment and Energy on the financial statements of Wetland Conservation and Coral Reef Monitoring for Adaptation to Climate Change Project on 30 June 2013 and published the same on our website www.audit.gov.mv.

As per the audit findings, the Statement of Receipts and Payments for the year ended 31 December 2013 presents fairly, in all material respects, the receipts and payments for the year then ended in accordance with the cash basis accounting principles.

Further, the Auditor General provides reasonable assurance that the funds provided under the Grant have been utilised for the purposes for which they were provided.

According to the Auditor General, the financial statement presents truly and fairly the Special Account transactions and its balance as at 31 December 2013 in accordance with the cash basis accounting principles. The cash at the end of the year shown on the Statement of Receipts and Payments reflects the cash balance which is reconciled to that of the Special Account as at 31 December 2013.

The Financial Monitoring Reports submitted could be fairly relied upon to support the applications for withdrawals in accordance with the requirements specified in the Grant Agreement; and adequate supporting documentation has been maintained to support claims to the IDA, for reimbursement of expenditures incurred and determine which expenditures are eligible for financing under the Grant Agreement, and

The Procurement guidelines of the World Bank have been complied with in the procurement of goods and services under the project.

The Auditor General, without qualifying his opinion, also draws attention to few management issues that were observed during the review of the project progress.

While the project has made progress in completing sub component one titled *Community Based Wetland Management, Ecotourism, Drainage and Best Practice (CBWMPs)*, the implementation of CBWMPs and drainage action plans have not been achieved as per the signed contract, and remains pending by the date of this report. Implementation has not been achieved due to lack of supervision



provided for construction work of eco-tourism and drainage by the Hidria/Aquatica. Furthermore, documentation of best practices has neither been handed in to the PMU within the contract period nor by the date of this report.

The Auditor General also finds that the rain water harvesting in AA.Ukulhas has experienced considerable delays in achieving the deliverables. The delays in achieving the deliverables and poor performance have resulted in termination of the contract with the WAPCOS on June 2014.

Stakeholder Relations
Auditor General's Office

