LIBERIA MEDICINES & HEALTH PRODUCTS REGULATORY AUTHORITY

[LMHRA]

POLICY FOR THE ESTABLISHMENT OF MOBILE MONEY EXPENDITURE PAYMENT PLATFORMS

P.O BOX 1994
Cell: +231-777140555/888140555
Email: info@lmhra.gov.lr
Website: www.lmhra.gov.lr

Document Code: FAD-POL-001	**Date of Issue: May 18, 2026**
Version: 01	**Date of Implementation: May 30, 2026**

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ACRONYMS

CBL	Central Bank of Liberia
DSA	Daily Subsistence Allowance
GSM	Global System for Mobile Communications
LMHRA	Liberia Medicines and Health Products Regulatory Authority
MTN	Mobile Telephone Networks
PFM	Public Financial Management
PIN	Personal Identification Number

Establishment of Mobile Money Expenditure Payment Platforms for the Liberia Medicines & Health Products Regulatory Authority (LMHRA)

1. BACKGROUND

The Liberia Medicines & Health Products Regulatory Authority (LMHRA) is mandated to regulate medicines, health products, and provide related services to clients in Liberia through effective registration, licensing, inspection, and post-market surveillance activities. In the execution of these statutory responsibilities, the Authority's operational activities are paid through checks, transfers, and direct cash payment on counter.

Currently, some payments of the Authority's expenditures are made through direct cash transactions to staff. Internal and external audit reports have consistently highlighted concerns regarding counter cash handling, including risks associated with fraud exposure, and limited transparency in counter transactions.

In response to these audit recommendations and in alignment with modern public financial management practices, LMHRA seeks to establish secure digital payment channels through Liberia's leading GSM mobile money service providers:

- Lonestar Cell MTN Mobile Money Inc.
- Orange Liberia

2.0 EFFECTIVE DATE

This policy shall become effective upon approval by the Management of the Liberia Medicines & Health Products Regulatory Authority (LMHRA).

3.0 PURPOSE

The purpose of this policy is to establish a secure, transparent, accountable, and efficient electronic payment system through Mobile Money platforms for (some expenditure-related transactions) including operational advances, reimbursement, taxes, regional & field operational activities, wages selected contracts without accounts, etc of LMHRA.

This initiative is intended to:

- Minimize or eliminate over-the-counter cash payments;
- Strengthen internal financial controls;

- Enhance accountability and transparency in expenditure management;
- Reduce cash handling risks and fraud exposure;
- Improve audit compliance in line with recommendations from Internal and External Audit Reports;
- Promote digital financial management practices within the Authority.

4.0 POLICY STATEMENT

LMHRA shall adopt Mobile Money payment platforms operated by:

- Lonestar Cell MTN Mobile Money Services; and
- Orange Liberia Orange Money Services,

as approved electronic payment channels for authorized operational expenditures, staff-related disbursements, and other approved payments.

Selected eligible payments shall, as much as practicable, be processed electronically through approved Mobile Money platforms instead of cash transactions.

5.0 OBJECTIVES

The objectives of this policy are to:

1. Improve financial accountability and expenditure tracking;
2. Reduce risks associated with physical cash handling;
3. Ensure timely payments to staff, vendors, and field officers;
4. Strengthen compliance with public financial management standards;
5. Support audit recommendations on cash management controls;
6. Enhance operational efficiency and digital transformation initiatives at LMHRA.

6.0 SCOPE

This policy applies to:

- All LMHRA departments and units;
- Employees receiving approved operational advances or reimbursements;
- Approved vendors and service providers;
- Regional and field operational activities;
- Some authorized expenditure transactions processed through Mobile Money services with a group payment not exceeding the threshold of **US$10,200.00** as listed above.

7.0 LEGAL AND REGULATORY FRAMEWORK

This policy shall be implemented in compliance with:

- The Public Financial Management (PFM) Act of Liberia;
- LMHRA Financial Policy and Procedures Manual;
- Central Bank of Liberia (CBL) Mobile Money Regulations;
- Internal Control Policies and Audit Recommendations;
- Applicable anti-fraud and anti-money laundering regulations.

8.0 APPROVED MOBILE MONEY SERVICE PROVIDERS

LMHRA shall maintain institutional Mobile Money accounts with:

- Lonestar Cell MTN Mobile Money Inc.; and
- Orange Liberia Orange Money Liberia.

The Finance Department shall coordinate with the service providers to:

- Establish corporate wallet/accounts;
- Configure transaction approval processes;
- Ensure transaction reporting and reconciliation mechanisms;
- Facilitate account security and user access management.

9.0 ELIGIBLE PAYMENTS

The following payments may be processed through Mobile Money platforms:

9.1 Staff-Related Payments

- Daily Subsistence Allowance (DSA);
- Operational advances;
- Field activity payments;
- Reimbursements;
- Overtime allowances;
- Temporary support staff payments.

9.2 Operational Payments

- Transportation reimbursements;
- Small-value procurement payments;
- Community outreach activity payments;

- Inspection and surveillance activity expenses;
- Emergency operational disbursements.

9.3 Vendor Payments

- Payments to approved vendors and service providers within approved Mobile Money transaction thresholds.

10.0 PAYMENT AUTHORIZATION PROCEDURES

10.1 Payment Initiation

All Mobile Money payments shall originate from:

- Approved payment vouchers;
- Approved activity budgets;
- Management-approved expenditure requests.

10.2 Approval Hierarchy

The following approval structure shall apply:

- Department Head/Project Lead – Verification;
- Comptroller/Finance Officer – Financial review;
- Director General or Authorized Signatory – Final approval.

10.3 Processing

The Finance Unit shall:

- Prepare payment schedules;
- Verify recipient numbers and identification;
- Process payments through authorized corporate Mobile Money accounts;
- Maintain transaction evidence and electronic receipts.

11.0 INTERNAL CONTROL MEASURES

To strengthen financial controls, the following measures shall apply:

1. Segregation of Duties:
    - Initiation, review and approval shall be separated and it shall be the duties of the requesting units, general administration, Director of Finance & Administration,

MD while and payment processing functions the Comptroller or the assistant Comptroller, and payment processing.

2. Transaction Limits:
    - The expenditure thresholds for mobile money group payment shall exceed **US$10,200.00** including transfer charges.
3. Reconciliation:
    - Daily and monthly reconciliation of Mobile Money transactions shall be conducted.
4. Documentation:
    - All payments must be supported by approved documentation and electronic transaction evidence.
5. Audit Trail:
    - Electronic transaction logs shall be maintained for audit purposes.
6. Access Control:
    - Only authorized personnel shall access institutional Mobile Money wallets/accounts.
7. PIN and Security Management:
    - Confidential credentials must be securely maintained and changed every three months.

12.0 ROLES AND RESPONSIBILITIES

12.1 Finance Department

- Manage Mobile Money expenditure processes;
- Conduct reconciliation and reporting;
- Maintain payment records.

12.2 Internal Audit Unit

- Conduct periodic reviews of Mobile Money transactions;
- Assess compliance with this policy;
- Report irregularities and control weaknesses.

12.3 ICT Unit

- Support digital security measures;
- Assist with integration and system support where applicable.

12.4 Department Heads

- Ensure expenditures are properly authorized and budgeted.

13.0 REPORTING REQUIREMENTS

The Finance Department shall prepare:

- Monthly Mobile Money expenditure reports;
- Reconciliation reports;
- Exception and failed transaction reports;
- Quarterly management summaries.

Reports shall be submitted to Senior Management and Internal Audit for review.

14.0 PROHIBITED ACTIVITIES

The following are prohibited:

- Unauthorized cash withdrawals from Mobile Money accounts;
- Use of personal Mobile Money accounts for institutional collections;
- Sharing of account credentials or PINs;
- Processing payments without supporting documentation;
- Splitting transactions to avoid approval limits.

Violations shall result in disciplinary action in accordance with LMHRA policies and applicable laws.

15.0 POLICY REVIEW

This policy shall be reviewed every three (3) years or as may be required by:

- Changes in financial regulations;
- Technological developments;
- Audit recommendations;
- Management directives.

16.0 APPROVAL

Prepared By: _____ Date: May 21, 2025

Jonathan L. Flomo
Comptroller, LMHRA

Reviewed by: _____ Date: 21/05/2026

Steve N. Bundor
Director of Finance & Administration, LMHRA

Approved by: _____ Date: 28/05/26

Hon. Luke L. Bawo
Managing Director, LMHRA