

LEITI APPROVED ANNUAL PROGRESS REPORT 2023

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Acknowledgement

The LEITI MSG extends its profound gratitude to all stakeholders in the EITI process who worked collaboratively and assiduously to achieve the outcomes outlined in this Report.

The Civil Society is lauded for its robust and aggressive advocacy role, which is indispensable to the process; the private sector, for its broad commitment to adhering to disclosure requirements and to making investments in Liberia more sustainable; and the Government, for providing the enabling environment that has helped move the process forward. The MSG is also grateful to a host of international organizations, foreign governments, and Liberia's many development partners, without whose support the attainment of many of the deliverables listed in this Report would have been impossible. Special recognition is given to AfDB for its consistent support in implementing LEITI work plans over the years.

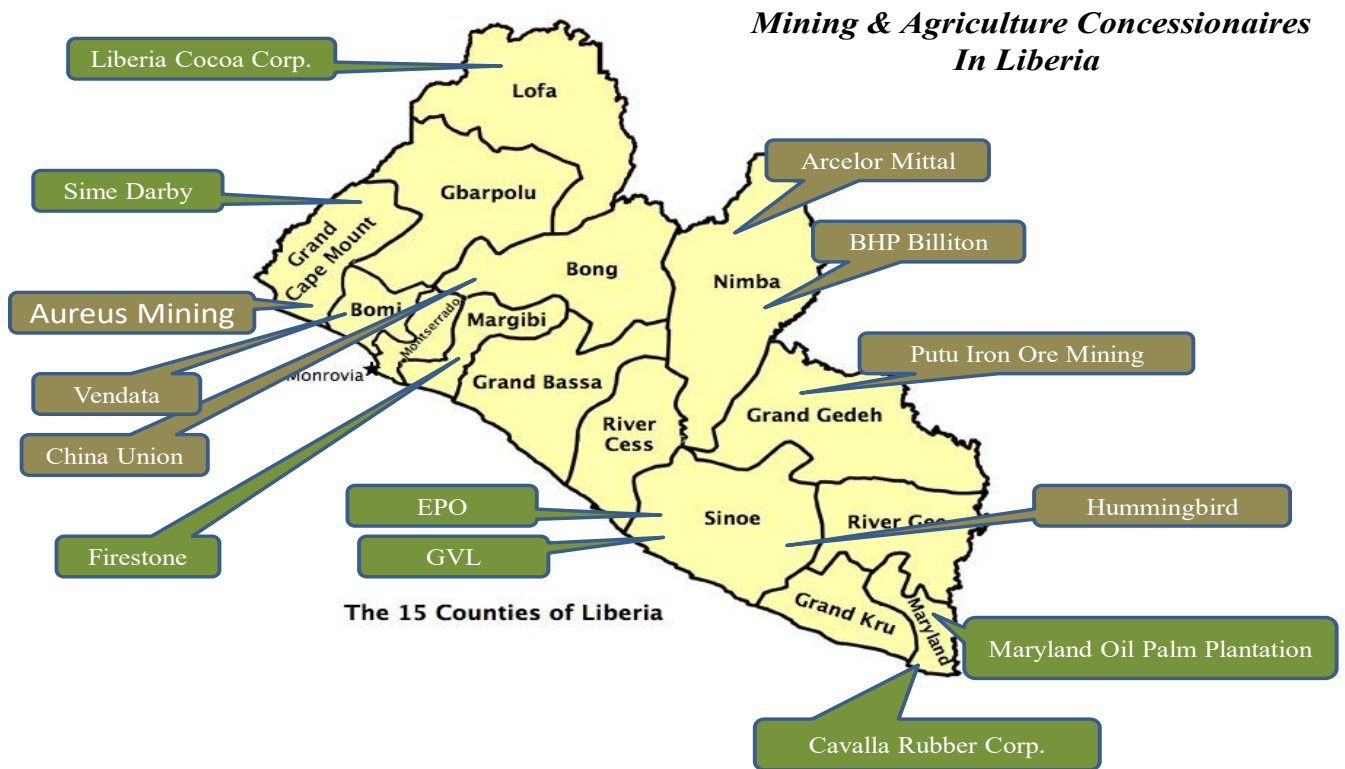
Liberians in general remain crucial to the EITI implementation process in Liberia. Their contributions and feedback, particularly during our nationwide dissemination exercises, have led to many valuable reforms aimed at improving the resource governance process in Liberia.

The LEITI could not have easily navigated its EITI implementation path to the current level of achievement without the support of the EITI Secretariat, through its Regional Office for Anglophone Africa. Their valuable support, which sometimes came in the form of training and/or guidance on implementation issues, deserves our acknowledgement.

And to the staff of the LEITI Secretariat, we wish to acknowledge your successful role as a fulcrum for EITI implementation in Liberia, ably managing the day-to-day nuances of the process. The many gains of the LEITI can be attributed to your individual and collective commitment, dedication, and teamwork. Such qualities have amplified and sustained the progress made by the LEITI time after time, and have accounted for many of the gains LEITI continues to make in advancing resource governance, transparency, and accountability in Liberia's extractive sector.

Finally, our unreserved thanks go to the President of Liberia, H.E. George M. Weah, whose commitment to and leadership on the EITI implementation process in Liberia is positively shaping the direction of Natural resource governance in Liberia.

Map of Major Concessions in Liberia



National Investment Commission

Legend

Curtsey: National Investment Commission (NIC)

Mining Concessions

Agriculture Concessions

Acronyms

AfDB	African Development Bank
AML	ArcelorMittal Liberia
BOD	Beneficial Ownership Disclosure
CBL	Central Bank of Liberia
CENTAL	Center for Transparency and Accountability in Liberia
COYPED	Coalition of Youth for Peace and Development
DC	Development Consortium
EITI	Extractive Industries Transparency Initiative
EMW	Extractive Media Watch
FDA	Forestry Development Authority
FLY	Federation of Liberian Youth
FY	Fiscal Year
GAC	General Auditing Commission
GC	Governance Commission
GDP	Gross Domestic Product
GIZ Agency)	Gesellschaft für Internationale Zusammenarbeit (German Int'l Development Agency)
GoL	Government of Liberia
GVL	Golden Veroleum Liberia
GODIMWUL	Gold and Diamond Workers Union of Liberia
GYACN	Global Youth Anti-Corruption Network
HOR	House of Representatives
LACC	Liberia Anti-Corruption Commission
LBR	Liberia Business Registry
LEITI	Liberia Extractive Industries Transparency Initiative
LMC	Liberia Media Center
LRA	Liberia Revenue Authority
LTA	Liberia Timber Association

MDAs	Mineral Development Agreements
MFDP	Ministry of Finance and Development Planning
MOJ	Ministry of Justice
MSG	Multi-stakeholders Steering Group
MIA	Ministry of Internal Affairs
MLME	Ministry of Lands, Mines and Energy
MoA	Ministry of Agriculture
NBC	National Bureau of Concessions
NCB	National Competitive Bidding
NCSCCL	National Civil Society Council of Liberia
NOCAL	National Oil Company of Liberia
NTCL	National Traditional Council of Liberia
ODI	Overseas Development Initiative
PFM	Public Financial Management
PPCC	Public Procurement and Concession Commission
PWYP	Publish What You Pay Coalition
REOI	Request for Expression of Interest
RFQ	Request for Quotation
SDF	Social Development Fund
STOAP	Strengthen Transparency, Oversight, and Accountability Project
TOR	Terms of Reference
UNMIL	United Nations Mission in Liberia
USAID	United States Agency for International Development
WONGOSOL	Women NGO Secretariat of Liberia

Background/Introduction

Liberia was admitted as an Extractive Industries Transparency Initiative (EITI) candidate country in 2008 and was the first African country and the second globally to become EITI compliant in 2009.

Liberia's decision to implement the EITI was historically influenced. For decades, Liberia's natural resource wealth was at the center of the country's conflicts and the cause of most of its corruption. The Liberia Extractive Industries Transparency Initiative (LEITI), established by an Act of the National Legislature in July 2009, is an autonomous agency responsible for promoting transparency and accountability over the management of revenues from the extractive sectors. LEITI is a multi-stakeholder process that brings together the government of Liberia, civil society, and investors in the extractive sectors.

To date, Liberia has published 14 EITI reports, with the 15th report developed and only awaiting publication, which could not be done during the period under report due to the presidential elections. The 16th report is also under development. Moreover, Liberia has set several other impressive records in EITI implementation. Liberia is yet the only country that has expanded the scope of the EITI beyond oil and gas and mining, adding forestry and agriculture and is one of only two Countries that have legislated the EITI implementation; Liberia's post award process audit report launched in 2013 is a first of its kind in EITI implementation; and Liberia is amongst few countries that are currently piloting the EITI beneficial ownership disclosure exercise. These achievements have placed Liberia at the pinnacle of global EITI acclaim and as a role model in EITI implementation.

This Annual Activity Report has been developed to highlight progress made at implementing the EITI in Liberia in 2023. The publication of the report is also consistent with Requirement 7.2 of the EITI Standard, which mandates that the MSG of the respective implementing countries review the outcomes and impacts of EITI implementation on natural resource governance. The Report has six main components. The first segment detailed an assessment of progress made against the LEITI 2022/2023 Workplan; the second highlights progress made towards implementation of EITI requirements based on the 2023 standards, the third cohesively outlines strengths and weaknesses in the implementation of the EITI process during the period under review, while the fifth looks at activities implemented by the broader constituency of the multi-stakeholder arrangement.

Finally, the Report contains information on MSG during the reporting period, as well as a summary of implementation costs for that period.

Executive Summary

In its 2023 Work Plan, the Liberia Extractive Industries Transparency Initiative (LEITI) proposed a series of programs and activities to promote transparent resource management in Liberia. Key amongst the activities, the Establishment of Beneficial Ownership (BO) Register; Help in domestic revenue mobilization by reporting accurate data from the country's natural resource sector Ensure Liberia's representation at the EITI Global Conference; Procure an Independent Administrator to prepare the 16th (2021/2022) EITI Reports for Liberia; showing direct and indirect contributions of the extractive industry to the Liberian economy; Ensure the smooth and independent operation of the Multi-Stakeholders Group; Hold workshops with media institutions across Liberia on the 2019 Standards, reporting purposes, and dissemination of LEITI information.

Others include sensitization workshop on Natural Resource Governance and the importance of LEITI to Natural Resource Transparency and Accountability with the National Legislature; Compliance Audit of concessionaries to ensure that they are meeting up with the Social-Corporate responsibility; Consultative workshop with other Anti- Corruption institutions to enhance Stakeholders awareness and engagements with LEITI; Capacity building for Civil Society Organizations on the 2019 Standards, SDF of Concessions and to promote extensive outreach.

Strengthen the County-level partnership that tracks, monitors, and reports on outputs and outcomes of the use of SDF, amongst others.

Toward these goals, amid daunting challenges including financial and other capacity constraints, very substantial progress was made, with an 83% completion rate achieved during the review period.

I. Assessment of Performance against Target Activities in Work Plan

Customarily, LEITI's annual work plans have been aligned with the Government's fiscal year, which now runs from January to December.

The year 2023 was a challenging year for the MSG as the Country headed to General and Presidential Elections. However, the MSG remained cohesive despite the overarching challenges posed by electioneering. 83% percent of activities outlined in the workplan for the period were achieved as presented below:

Establishment of Beneficial Ownership (BO) Register

On Friday, September 29, 2023, Liberia launched a Beneficial Ownership Register just two years after committing to the Opening Extractives Programme.

Having a BO Register might be a dream fully fulfilled. Still, it has been a careful journey that began years back with the multi-stakeholder arrangement of the Liberia Extractive Industries Transparency Initiative (LEITI).

In May 2007, Liberia announced its first commitment to EITI and was accepted as an EITI Candidate in September 2007. Since the Multi-Stakeholder Group has governed EITI implementation in the Country with membership from the Government of Liberia, Companies, and Civil Society Organizations. The Country has produced 14 EITI Reports

covering the fiscal years 2007-2021. The reports showed that the Country had generated US\$1.45 billion, conducted two successful post-award process audits, updated its communication strategy twice to adapt to changing communication dynamics, passed two EITI Validations, and published National BO Regulations for Domestic Entities, among other achievements.

Between 2013 and 2016, the EITI encouraged implementing countries to publish comprehensive Beneficial Ownership information on the extractive sector. Fast forward to the 2019 EITI Standard, which recommends that implementing countries maintain a publicly available register of the corporate entity's beneficial owners. The standard further requires that implementing countries request and companies publicly disclose beneficial ownership information by January 1, 2020.

The disclosure of BO information is expected to strengthen transparency regarding the identities of the real owners of corporate entities that operate and invest in extractive assets across all implementing countries. The idea was first tested with twelve EITI-implementing countries, including Liberia, which volunteered to pilot the new concept in 2014.

Stakeholder consultations began in 2015, with the Liberia Business Registry identified as the implementing agency. The initial consultations centered on establishing a register. It also provided extensive education to various stakeholders, particularly in the mining, oil and gas, forestry, and agricultural sectors. The development of the Register began with a much-anticipated success; however, the pilot report demonstrated a lack of understanding from stakeholders and the absence of a legal framework to make BO data provision mandatory rather than voluntary.

Though the BO information focuses on shareholders and natural persons with control or influence over legal persons, the pilot exercise collected only shareholder information, thereby limiting the overall purpose of collecting BO information.

MSG Efforts and The OEP Launch

In this regard, the LEITI MSG developed a [BO roadmap](#) in 2017 in compliance with the 2016 EITI Standard. Since then, partial BO information has been collected in LEITI's EITI reports starting from fiscal year 2017-present.

To further strengthen BO implementation, Liberia joined and launched the Opening Extractive Program in September 2021 with a strong commitment from the Liberian government.

Government for the scrupulous implementation of the five-year Program that would see the Country fully develop a beneficial ownership regime. The Opening Extractive Program aims to help countries transform the availability and use of beneficial ownership data to enable effective governance in the extractive sector.

To catalyze and track the implementation of the Program, the Government then constituted a National Beneficial Ownership Steering Committee (NSC) of relevant stakeholders, including the Liberia Extractive Industries Transparency Initiative (LEITI), Liberia Revenue Authority (LRA), Financial Intelligence Agency (FIA), and the Liberia Business Registry (LBR), to lead the process.

Workplan and consultations

With massive collaboration among the National Steering Committee on Beneficial Ownership, EITI, and Open Ownership under the Program, Liberia accelerated its gains through the development of a comprehensive three-year work plan that clearly defined the approaches and methodologies the Country would use to ensure the Program's success.

The developed workplan was SMART (Specific, Measurable, Attainable,



Realistic and Time-bound. The standout approach agreed upon during the development of the work plan was to ensure it had a robust local content focus, as Beneficial Ownership was primarily new. As a result, the team brought in various Civil Society Organizations to work with the Steering Committee to strengthen the Program's implementation. Upon final approval of the work plan, the team began consultations with various stakeholders from the Government, Companies, and Civil Society Organizations to assess Liberia's readiness to implement Beneficial Ownership.

The consultation included assessing various BO laws and regulations to determine their comprehensiveness. Subsequently, Opening Extractive published a scoping assessment report examining the state of play of BO reforms in Liberia. The report identified specific gaps in the national legislation and provided recommendations on how Liberia can advance BO reforms.

With the publication of the scoping report, an important next step was building the capacity of members of the National Steering Committee, who were seen as the local driving force for implementing the Program. Consequently, a team of eight persons from the National Steering Committee on Beneficial Ownership attended an Anglophone Peer Exchange Program in Ghana, organized by Open Ownership and the EITI. Countries that participated in the Peer Exchange were Liberia, Ghana, Nigeria, and Zambia. The Anglophone Regional Peer Exchange aimed at creating a platform for governments to share challenges, successes, and best practices. Specifically, it provided members of Liberia's National Steering Committee the opportunity to learn and document the success stories of other participating countries that were deemed far ahead with BO implementation. The peer exchange was a rewarding success as it extensively equipped members of the delegation with the concept of BO.



Liberia, Ghana, Nigeria and Gambia gathered in Ghana for a Peer exchange in July 2022

A key recommendation outlined in the published scoping report was for Liberia to develop National Beneficial Ownership Regulations for Domestic Entities due in part to the incomprehensive nature of National BO Laws. Hence, upon the team's return from Ghana, pre-draft consultation

sessions began with relevant stakeholders on the thematic areas covered in the Beneficial Ownership Regulations for Domestic Entities.

The team held over four consultation sessions, culminating in the development of a draft regulation. The draft regulation was shared with relevant stakeholders for review and comments. However, while awaiting comments from stakeholders on the draft regulation, the team also began an awareness-raising and sensitization campaign via radio and town hall meetings in five of Liberia's most populous counties —Montserrado, Nimba, Bong, Grand Bassa, and Cape Mount. The team visited two locations in each county to ensure local solid content was available for implementation.



Participants in Bong County posed for the press after an awareness program



female participant making a point in Bantol City, Montserrado County during a BO awareness exercise

Technical capacity-building workshops ensued thereafter. The workshops were held with technical staff members of the National Steering Committee to deepen understanding of the

regulation and its importance. Also, similar and subsequent technical workshops were held jointly with data providers, data collectors, and data users, which provided a clear understanding of the roles and responsibilities of each segment. The regulation was finalized after revisions to stakeholder comments and submitted to the Ministry of Foreign Affairs for gazetting and publication. It was published in August 2023.

With the regulations published, the focus has shifted to developing the register. Liberia already had a Beneficial Ownership Software. However, the software had many limitations for such a



One of two training sessions with staff of LEITI and LBR

purpose. Therefore, it needed a vital review and experts' advice on the additional components required for inclusion. The software was shared with experts from Open Ownership and Open Data for review and input.

Following their revision, a more robust BO software was developed and launched at the end of September. However, the team is still conducting software testing with data users, providers, and collectors. The BO platform will be publicly available beginning December 1, 2023.

With the development and recent launch of Liberia's Beneficial Ownership (BO) Register, the Country has taken a meaningful step towards transparency in company ownership, especially in its extractive industries. The Register aims to help increase accountability in the Country's business sector, disclose the actual beneficial owners of corporate institutions, strengthen domestic resource mobilization, and greatly assist the Country in combating money laundering, illicit financial flows, fraud, corruption, and other financial or environmental crimes.

Composite comments/praises on Liberia's BO launch

According to the Registrar General of the Liberia Business Registry (LBR), Samson Dee, testing will continue throughout October 2023, with companies and the LBR contributing to ensure the platform is easy to use and that companies' compliance rate is maximized. "The full register will be available on December 1, 2023, when companies can start making their beneficial ownership declarations," Samson Dee told an elaborate audience at the launch in Monrovia.

A subset of this information will be made publicly available online, allowing citizens to hold companies accountable for their actions and ensuring that the benefits of the Country's private sector are shared fairly. "With the launch today of this Register, companies have no options but to adhere and comply with LEITI's request for BO information. The days of disregarding these requests are over as we are now operating under a legal framework," a joyful Jeffrey N. Yates, Head of the LEITI Secretariat, remarked.



A female representative from Firestone Liberia is remarking.

For his part, Gilbert Makore, Regional Director of Anglophone and Lusophone Africa, EITI, who spoke through an EITI release, emphasized the importance of this new development: "Hidden ownership can create risks for responsible companies by obscuring the identities of the ultimate beneficial owners of the companies with which they do business. This new Register will aid the Liberian Government in addressing corruption risks and creating a transparent business environment."

Also extending goodwill messages, Thom Townsend, Executive Director of Open Ownership, who himself visited Liberia during the development of the regulation, said through a release: "Liberia is delivering on its commitment to ending anonymous company ownership. We are delighted to have supported the Liberia Business Registry to achieve its aim of building and launching its online Register of Beneficial Owners."

For it to work, it will need the collective will of all stakeholders, including journalists, civil society, the Government, and the citizenry. "At the moment, we have a register that has come with an elaborate effort from our partners; what we need is concrete action to make it work. It cannot fight corruption, fraud, or money laundering on its own; we have to make it work!" Lawrence Yealue, head of Accountability Lab and a Civil Society activist, asserted in a BO training for Civil Society actors in Buchanan City, Grand Bassa County.

Expectations/Outcomes

The launch and operationalization of this BO Register are expected to have reverberating benefits across Liberia, especially for key stakeholders, including the Liberian government, civil society organizations (including journalists), companies, and the country's citizens.

For the government, it will help reduce the risk of money laundering and other financial crimes, strengthen domestic resource mobilization, and improve the country's investment climate.

Civil society actors can use the data to aid investigations in the extractive sector, holding government and corporate entities to account. In contrast, corporate entities can create fair and competitive open-market participation and facilitate due diligence, allowing them to vet their businesses and trading partners.

The Liberian people, with the BO regime, can gain trust and confidence in the government's commitment to the fight against corruption, and hold the government and businesses to account.

The program launch was characterized by goodwill messages from key partners, including the World Bank, Open Ownership, EITI International Secretariat, members of the National Steering Committee, and key government officials.



Cross section of guests at the BO launch in Monrovia



Hon. Jeffrey N. Yates, Head of Secretariat, LEITI, making remarks at the launch

CONTRACT TRANSPARENCY

According to Requirement 2.4 of the 2019 EITI Standard, implementing countries are required to disclose any contracts and licenses that are granted, entered into, or amended from January 1, 2021. It also states that the multi-stakeholder group is expected to agree and publish a plan for disclosing contracts with a clear time frame for implementation and addressing any barriers to comprehensive disclosure. This plan will be integrated into work plans covering 2020 onwards. In compliance with this Requirement, the LEITI has disclosed and continues to disclose contracts and licenses in the extractive sector.

The public has been accessing various contracts on LEITI's website and using the information to ask relevant, fact-based questions and to hold government and companies accountable for their roles and obligations under the contracts they signed, as well as for the benefits to affected communities. Public access to extractive contracts on the LEITI's website has enabled public scrutiny, sparked public debate, prompted legislative inquiries, and inspired policy change.

According to a contract transparency mapping study conducted in 2022 within the four covered extractive sectors of the LEITI, the LEITI has made good progress with disclosure, and the applicable legal and policy frameworks are conducive to the full implementation of EITI Requirement 2.4 on contract transparency. The LEITI has, since 2021, set out the following plan to achieve, in the future, as far as contract transparency is concerned:

DISCLOSURE OF MORE CONTRACTS: While LEITI has contracts currently disclosed on its website platform, the focus is to make more contracts available, with the view that all active contracts should ultimately be disclosed on the website.

DISCLOSURE OF SIGNED CONTRACTS: Ensure that the disclosed copy includes the signatures of the applicable parties and is the final version of the Contract.

SIMPLIFICATION OF DISCLOSED CONTRACTS FOR DISSEMINATION: LEITI is keen to update and apply the simplified contract matrix (developed in 2015) to more contracts as they are disclosed to enhance public understanding of the terms of disclosed contracts.

Some of the barriers or challenges to full disclosure of contracts and licenses identified by the study were that there were no:

- List of Contracts Subject to Disclosure
- Formal Process for the Disclosure of Contracts
- Comprehensibility & Accessibility of Disclosed Contracts

Working with other Government MACs, the LEITI has been seeking to address these challenges to fully comply with the EITI Standard's Requirement on contract transparency.

Secretariat Update.

Foreign Trips

LEITI Head of Secretariat Jeffrey N. Yates had the privilege of being selected by the United States Department after his nomination by the U.S. Embassy in Monrovia, Liberia, as one of seven participants to attend a three-week (July 10-28) program in Sustainability and Extractive Industries under the International Visitor Leadership Program.

The program took participants to Washington, DC, Kentucky, Montana, and Utah, where they held informative meetings with the United States Department of Justice, the Department of the Interior, the Department of Labor, USAID/Liberia, the World Bank Group, and other relevant institutions.

Discussions among other things, centered around gaining a comprehensive understanding of the Foreign Corrupt Practices Act, State and Local Level Strategies on Environmental Sustainability, Environmental Policy, Land Management in the States, Oil and Gas Development, Site Reclamation, Protecting Free Press and Labor Standards, Best Practices of Extractive and Business Industries and State Level Lobbying, and Protecting Cultural and Natural Resources of Indigenous Lands.

Recruitments

To strengthen the LEITI Secretariat following the events of 2018, the MSG mandated its Committee on Finance and Administration to competitively recruit a proper head and deputy head of the Secretariat and to empower the newly recruited head of the Secretariat to recruit other qualified and competent staff of the Secretariat. Following the recruitment exercise in 2021, Jeffrey N. Yates and Daniel B. Tipayson were confirmed as head and deputy head, respectively. Mr. Tipayson died a few months later, on May 9, 2021, following a brief illness. To fill the vacuum created by the death of Mr. Tipayson, the Finance and Administration

Committee was mandated by the MSG to advertise the position of deputy HOS and competitively recruit a new deputy head for the Secretariat. Following this exercise, the MSG finally confirmed Mr. Zaza Y. Quaqua as the new deputy HOS of the LEITI in February of 2023.

The Secretariat has successfully implemented the decisions of the MSG and continues to deliver results aligned with the objectives, core values, mission, and vision of the LEITI and EITI. The Secretariat has built and will continue to develop staff capacity to deliver results, work closely with the MSG to strengthen EITI implementation in Liberia, and engage with CSOs and Government MACs to increase transparency and accountability in the governance of the Country's natural resources.

Strengthen the County-level partnership that tracks, monitors, and reports on outputs and outcomes of the use of SDF.

After the training of County-Based Civil Society Organizations in February and March, respectively, the LEITI triggered phase two of the African Development Bank's grant through the Ministry of Finance and Development Planning for these CSOs to access funds for the execution of activities that would expand the scope of the EITI activities relative to tracking and monitoring the County Social Development Funds.

In October, in conjunction with the MFDP, the LEITI put out a call for proposals in this regard with the following objectives:

- Enhance CSO's capacity to monitor, track, and report on the social development funds
- Promote community outreach activities on issues related to the extractive sector
- Promote dialogue and peaceful co-existence between and among communities and concessionaires
- Expand the scope of public participation in the EITI process
- More profound and better understanding among rural communities of the workings of the LEITI.

Under the call for proposals, 36 CSOs across the Country participated, of which 20 were selected based on the set criteria. The Twenty selected CSOs will receive Five Thousand United States dollars to execute their various activities for two weeks. These executions were due to be done by the close of December 21, 2022. However, due to limited time for reporting and the proximity of the grant close-out period, the MFDP proposed a grant extension request with the AfDB. That request meant these activities would be carried out in 2023. The African Development Bank is supporting the activity with \$100,000.

The execution of this activity further increased awareness and visibility of LEITI activities amongst various demographics, increased public knowledge and participation in EITI implementation activities, intensified fact-based dialogues and information sharing, and decentralized the EITI scope across the Country. Phase two of this activity concluded in December 2023, with the following CSOs participating.

CSOs Selected for AfDB's Mini Grant to Implement LEITI's Activities Across Liberia

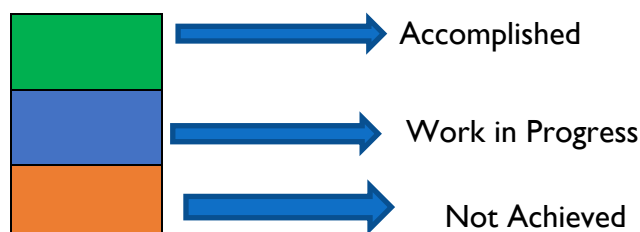
No.	Name of Civil Society Organization	County of Operation
1	Liberia CSOs Anti-Corruption Coalition (LCACC)	Montserrado
2.	United Family for Reconstruction (UFAR)	Grand Gedeh
3.	Capacity for Youth	Bomi
4.	Community Health Education & Social Services (CHESS)	Nimba
5.	Liberia Peace Building Network (LIBPNET)	River Gee
6.	Global Action for Sustainable Development (GASD)	Montserrado
7.	Movement for Promotion of Agriculture & Rural Dev.	Nimba
8.	DAW-Liberia	Rivercess
9.	Sister's Hand Liberia (SHL)	Cape Mount
10.	Forum for Dialogue & Unity	Bong
11.	Community Action for National Development (CAND)	Gbarpolu
12.	Young Intellectuals for Liberia's Progress (YILIP)	Sinoe
13.	Working Effectively Together (WET)	Bomi
14.	Institute for Policy Evaluation and Research (IPER)	Bassa
15.	Action Against Poverty	Lofa
16.	PEACE-Liberia	Maryland
17.	Gender Peace Network	Montserrado
18.	Positive Change Women & Girls Initiative (POCHAWION)	Bomi
19.	Youth Network for Peace and Reform	Maryland
20.	Youth Bridge	Margibi

WORKPLAN IMPLEMENTATION MATRIX FOR 2023

No.	Workplan Description	Implementation Year	Status
1	Enhance citizens' debate and participation in decisions around resource extraction along the value chain;	2023	
2	Show the contribution of the extractive sector to the national budget through the 15th EITI Report for Liberia.	2023	
3	Dissemination of LEITI's 13th, 14th, and 15th EITI Reports.	2023	
4	Ensure Liberia's representation at the EITI Global Conference;	2023	
5	Ensure the smooth and independent operation of the Multi-Stakeholders Group	2023	
6	Ensure the smooth and independent operation of the National Secretariat;	2023	
7	Strengthen the relationship between the LEITI and the Liberia Anti-Corruption Commission through the National Integrity Forum	2023	
8	Strengthen the relationship between the LEITI and the Ministry of Foreign Affairs through an MOU to improve Contract Disclosure.	2023	
9	Ensure the publication of the National Beneficial Ownership Regulations;	2023	
10	Ensure additional capacity-building initiatives for relevant stakeholders around the Beneficial Ownership Regulation	2023	
11	Strengthen the reporting or disclosure process of natural persons behind the ownership of corporate bodies to reduce corruption and illicit financial flows and improve natural resource governance through the development of a National Beneficial Ownership Register.	2023	
12	Enhance Contract Transparency through Disclosure and Publication of extractive contracts;	2023	
13	Study on the Social, Environmental, and Economic impacts of small-scale mining, forestry, and agriculture activities on women, youths, and other disadvantaged groups in selected counties;	2023	
14	Workshops with key media institutions on BO and other EITI activities.	2023	
15	Consultative Engagement with the national Legislature to enhance Natural Resource Governance.	2023	
16	Promoting LEITI's activities through dramas, jingles, and advertisements about LEITI activities. (Media engagements to enhance outreach through skits, dramas, jingles, announcements, and social media)	2023	
17	Enhancing timely Communication and Public Awareness for effective EITI Implementation through outreach activities	2023	
18	Conduct a Compliance review of License Renewal in the Mining, Forestry, Agriculture, and Oil & Gas Sectors	2023	

19	Conduct a Compliance review of concessionaires/concessions in the Mining, Forestry, Agriculture, and Oil & Gas Sectors	2023	
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LEGEND



11. Assessment of Performance against EITI Requirement

During the reviewed period, Liberia produced the 15th EITI Report but was unable to publish it due to the Presidential and general elections in the Country. Below is an assessment of LEITI's performance against the EITI Requirements for the period under review using the previous 14th Report:

Requirement	Progress
<u>1.1 Government engagement.</u> <u>Requirement 1.1(a)</u> The government is required to issue an unequivocal public statement of its intention to implement the EITI. The head must make the statement on behalf of the state or government, or on behalf of an appropriately delegated government representative. <u>Requirement 1.1(b)</u> The government is required to appoint a senior individual to lead the implementation of the EITI. The appointee should have the confidence of all stakeholders, the authority, and the freedom to coordinate action on the EITI across relevant ministries and agencies and mobilize resources for EITI implementation. <u>Requirement 1.1(c)</u> The government must be fully, actively, and effectively engaged in the EITI process.	In November 2021, when a new MSG was appointed, Liberia's President George Weah tasked the new members to implement the EITI in Liberia scrupulously. President George WEAH also appointed Hon. C. Mike Doryen, Managing Director of the Forestry Development Authority, as Chair of the MSG and Hon. Gesler E. Murray, Minister of Mines and Energy, as Co-Chair. The MSG revised its rules to adjust meetings/sittings from monthly to quarterly (once every three months). There was a

<u>Requirement 1.1 (d)</u> The government must ensure that senior government officials are represented in the multi-stakeholder group.	quorum at all these meetings with the government at the senior and middle levels. The government's composition on the MSG is represented at the senior level. For example, the Managing Director of the Forestry Development Authority and the President of the National Oil Company represented their institutions at MSG meetings during the reviewed period. However, apart from the FDA Managing Director, other government representatives were appointed through appropriate proxies. These were Deputy and Assistant Ministers, or deputy Directors, considered senior-level in the Liberian governance structure.
<u>1.2 Company engagement.</u> <u>Requirement 1.2 (a)</u> Companies must be fully, actively, and effectively engaged in the EITI process. <u>Requirement 1.2 (b)</u> The government must ensure an enabling environment for company participation concerning relevant laws, regulations, administrative rules, and actual practice in implementing the EITI. The fundamental rights of company representatives substantively engaged in the EITI, including, but not limited to, multi-stakeholder group members, must be respected. <u>Requirement 1.2 (c)</u> The government must ensure no obstacles to company participation in the EITI process.	The reviewed period witnessed full company participation in the EITI process, as their representatives attended MSG meetings and contributed to consensual decision-making, particularly in approving the workplan and TOR for the 12th, 13th, and 14th EITI reports for Liberia. Under article 6.4C of the LEITI Act, the industry is guaranteed at least four seats on the MSG, including at least one seat each for companies in the mining, forestry, agriculture, and oil & gas sectors. The current MSG includes Golden Veroleum, an oil palm developer; ArcelorMittal, an iron ore mining company; the Liberia Timber Association; and the Liberia Business Association. Senior-level managers represent all of these. During the period under review, the private sector's participation was well documented through the meeting minutes, and there was no incidence of coercion. Decision-making on the MSG is by consensus. In instances where consensus-building cannot hold, MSG members, including CSOs and companies, have the right to vote without molestation or harassment. However, during the review

	period, there was a level playing field for companies' representation on the MSG. All decisions taken during the reporting period were reached through consensus-building.
<u>1.3 Civil Society Engagement</u> <u>Requirement 1.3 (a)</u> Civil society must be fully, actively, and effectively engaged in the EITI process. <u>Requirement 1.3 (b)</u> The government must ensure an enabling environment for civil society participation regarding relevant laws, regulations, administrative rules, and the actual practice of implementing the EITI. The fundamental rights of civil society substantively engaged in the EITI, including, but not limited to, members of the multi-stakeholder group, must be respected. <u>Requirement 1.3 (c)</u> The government must ensure no obstacles to civil society participation in the EITI process. <u>Requirement 1.3 (d)</u> The government must refrain from actions that narrow or restrict public debate concerning implementing the EITI.	CSOs are an integral part of the LEITI, as mandated by the 2009 Act. One of the specific objectives of LEITI, according to Article 3.2(a) of the LEITI Act, is "to promote the effective participation of civil society in the design, implementation, evaluation, and modification of actions, activities, processes, and institutional arrangements associated with resource governance in Liberia." CSO representatives were present at all monthly MSG and committee meetings during the reviewed period. CSOs made significant contributions to the development of LEITI's work plan, approval of scoping for the 10th, 11th, and 12th Reports, and the TORs for these reports. All of the LEITI dissemination exercises included Civil Society Organizations. Civil society organizations' involvement in the LEITI process is legal through legislation. Civil society organizations' involvement in the LEITI process is legal through legislation. CSOs Civil society is entirely, actively, and effectively engaged in designing, implementing, monitoring, and evaluating the EITI process. CSOs participated in outreach efforts to promote public debate, especially at the county level. There is an enabling

Requirement 1.3 (e) Stakeholders, including but not limited to multi-stakeholder group members, must: i. Be able to speak freely on transparency and natural resource governance issues. ii. Be substantially engaged in the design, implementation, monitoring, and evaluation of the EITI process, and ensure that it contributes to public debate. iii. Have the right to communicate and cooperate. iv. Be able to freely express opinions about the EITI without restraint, coercion, or reprisal.	environment for civil society participation in the EITI.
<u>Requirement (1.4)</u> Multi-stakeholder group. a) The government must commit to working with civil society and companies and establish a multi-stakeholder group to oversee the implementation of the EITI. In establishing the multi-stakeholder group, the government must: i. Ensure that the invitation to participate in the group is open and transparent. ii. Ensure that stakeholders are adequately represented. This does not mean that they need to be equally represented numerically. The multi-stakeholder group must comprise appropriate stakeholders, including, but not limited to: the private sector; civil society, including independent civil society groups and other civil society organizations such as the media and unions; and relevant government entities, which may include parliamentarians. Each stakeholder group must have the right to appoint its representatives, bearing in mind the desirability of pluralistic and diverse representation. The nomination process must be independent and free from any suggestion of coercion. Civil society groups involved in the EITI as multi-stakeholder group members must be operationally and, in policy terms, independent of government and/or companies.	The MSG has been formed and includes self-appointed representatives from each stakeholder group. While the President appoints all MSG members, each constituency makes the selection. There was public outreach ahead of the selection of CSO members of the MSG, and the ToR for the MSG addresses the requirements of the EITI Standard. Attendance of MSG members is at varying levels, with a delegation of attendance to different representatives being common, particularly for government and industry. There is evidence that critical documents were shared with MSG representatives for comments, most of which were shared with the broader constituencies. During the recent appointment of the MSG, the Executive Mansion held constructive and coordinated consultations with the private sector and civil society constituencies on the selection/election of their respective representations with no coercion. The LEITI Secretariat has documentation leading to these exercises.

iii. Consider establishing the legal basis of the group.

b) The multi-stakeholder group must agree to clear public Terms of Reference (ToRs) for its work. The ToRs should, at a minimum, include provisions on:
The role, responsibilities, and rights of the multi-stakeholder group:

i. Members of the multi-stakeholder group should have the capacity to carry out their duties.

ii. The multi-stakeholder group should undertake practical outreach activities with civil society groups and companies, including through media, websites, and letters, informing stakeholders of the government's commitment to implementing the EITI and the central role of companies and civil society. The multi-stakeholder group should also widely disseminate public information from the EITI process, such as the EITI Report.

iii. Members of the multi-stakeholder group should liaise with their constituency groups. Approval of work plans, EITI Reports, and annual activity reports:

iv. The multi-stakeholder group is required to approve annual work plans, the appointment of the Independent Administrator, the Terms of Reference for the Independent Administrator, EITI Reports, and the yearly activity report.

v. The multi-stakeholder group should oversee the EITI reporting process and engage in Validation. Internal governance rules and procedures:

vi. The EITI requires an inclusive decision-making process throughout implementation, with each constituency being treated as a partner. Any member of the multi-stakeholder group has the right to table an issue for discussion. The multi-stakeholder group should agree and publish its

procedures for nominating and replacing multi-stakeholder group representatives, for decision-making, for the duration of the mandate, and for the frequency of meetings. This should include ensuring that there is a process for changing group members that respect the principles set out in <u>Requirement (1.4.a.)</u> The MSG has per diems for attending EITI meetings or other payments to MSG members; this practice should be transparent and not create conflicts of interest. vii. There should be sufficient advance notice of meetings and timely circulation of documents before their debate and proposed adoption. viii. The multi-stakeholder group must keep written records of its discussions and decisions	
<u>Requirement 1.5</u> Work plan. The multi-stakeholder group is required to maintain a current work plan, fully costed and aligned with the reporting and Validation deadlines established by the EITI Board. The work plan must: a) Set EITI implementation objectives linked to the EITI Principles and reflect national priorities for the extractive industries. Multi-stakeholder groups are encouraged to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and promote high standards of transparency and accountability in public life, government operations, and business. b) Reflect the results of consultations with key stakeholders and be endorsed by the multi-stakeholder group. c) Include measurable and time-bound activities to achieve the agreed objectives. The scope of EITI implementation should be tailored to contribute to the objectives	During the reviewed period, and in line with Requirement 1.5, LEITI prepared two well-costed work plans, driven by substantive and collective inputs from MSG members. The two workplans covered July 1, 2020, to June 30, 2021, and are instead of the country's fiscal period. The work plan encompasses deliverables to meet the EITI Standard Act of 2009 and aligns with the Pro-poor Agenda for Peace and Development, the nation's overarching development plan. Key deliverables of the 2021/2022 work plan are the preparation of the 12th EITI Report on Liberia, the restructuring of the LEITI website and social media outlets, the Establishment of the Beneficial Ownership (BO) Register for BO regime implementation, and facilitating Liberia's EITI Mainstreaming process for efficient and effective reporting. Significant progress was made towards the outlined achievements. All approved decisions were made by the MSG during its sittings and consensus-building, meaning every sector contributed to these decisions.

identified during the consultation process. The work plan must: i. Assess and outline plans to address potential capacity constraints in government agencies, companies, and civil society that may hinder effective EITI implementation. ii. Address the scope of EITI reporting, including plans for addressing technical reporting aspects, such as comprehensiveness and data reliability (Requirements 4.1 and 4.9). iii. Identify and outline plans to address any potential legal or regulatory obstacles to EITI implementation, including, if applicable, any plans to incorporate the EITI Requirements within national legislation or regulation. iv. Outline the multi-stakeholder group's plans for implementing Validation and EITI reporting recommendations. d) Identify domestic and external funding sources and technical assistance where appropriate to ensure timely implementation of the agreed work plan. e) Be made widely available to the public, for example, published on the national EITI website and/or other relevant ministry and agency websites, in print media, or in places that are easily accessible to the public. f) Be reviewed and updated annually. In reviewing the work plan, the multi-stakeholder group should consider extending the detail and scope of EITI reporting, including addressing issues such as revenue management and expenditure (5.3), transportation payments (4.4), discretionary social expenses (6.1.b), ad-hoc sub-national transfers (5.2.b), beneficial ownership (2.5), and contracts (2.4). Under Requirement 1.4.b (viii), the multi-stakeholder group must document its discussion and decisions.	At the MSG meeting, all decisions reached are recorded and uploaded to the LEITI website.
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g) Include a timetable for implementation aligned with the reporting and Validation deadlines established by the EITI Board (see provision 8), which considers administrative requirements such as procurement processes and funding.	
Requirement 2: Legal and institutional framework, including allocating contracts and licenses. <u>Requirement 2.1</u> Legal framework and fiscal regime. a) Implementing countries must disclose a description of the legal framework and fiscal regime governing the extractive industries. This information must include a summary description of the fiscal regime, including the level of fiscal devolution, an overview of the relevant laws and regulations, and information on the roles and responsibilities of the appropriate government agencies. b) Where the government is undertaking reforms, the multi-stakeholder group is encouraged to be documented.	Legal Framework (Mining Sector) The Ministry of Mines and Energy (MME) is the Government Agency responsible for administering the mineral sector, including granting mining licenses, and it has statutory oversight of the energy, land, minerals, and water sectors. The minerals sector is regulated by the Mining and Minerals Law of 2000. The Minerals Policy of Liberia was created in March 2010 to complement the Mining and Minerals Law. The document outlines the Government's expectations for all stakeholders' contributions to the sustainable development of Liberia's mineral resources. These laws are under review. Exports and rough diamonds are overseen by the Government Diamond Office (GDO) within MLME and the Bureau of Customs. Fiscal Regime (Mining Sector) The fiscal regime specific to mining companies is set out in the Liberia Revenue Code (LRC) from sections 701 to 739. The central taxes paid by a mining company are a tax on taxable income (30%), royalties (Iron ore. 4.5% Gold and other base metals. 3% Commercial diamonds. 5 %.), and surface rent ((A) Land within a mineral exploration license area: USD 0.20 per acre. (B) Land within mining license is (i) Year 1-10 USD 5.00 per acre (ii) Year 11-25 USD 10.00 per acre). Legal Framework (Oil and Gas Industry) Current Legal framework (12th report page 44) The central legislation governing oil & gas exploration and production activities in Liberia: - New Petroleum Law of Liberia, 2014 (adopted 05 October 2016)11;

	- National Petroleum Policy 2012¹²; and - National Oil Company of Liberia Act 2014, According to the National Petroleum Policy, 2012, the Government of Liberia shall adhere to the principles and procedures of the Liberia Extractive Industry Transparency Initiative (LEITI). It shall comply with reporting and other requirements of this initiative and further transparency and accountability initiatives undertaken by the Government. The principles of LEITI applicable to the petroleum sector include: disaggregated reporting on all material payments; requiring all petroleum companies to join LEITI; conducting reconciliations of company payments and Government receipts; and publishing contracts, concessions, licenses, and audit reports. According to Article 43 of the Petroleum (Exploration and Production) Reform Law of Liberia 2014, contractors shall engage in and comply with the requirements of LEITI under the LEITI Act, as well as the directives and guidelines approved by the LEITI Multi-stakeholder Steering Group (MSG). In particular, a contractor shall disclose to the LEITI reconcilers on an accurate and timely basis and in the required manner all payments made to the State, including any Government Agency and a state-owned company, and shall provide the said reconcilers with such information and documents as they may reasonably require for investigating any discrepancies and preparing the LEITI reports. Fiscal Regime (Oil and Gas) The fiscal regime specific to the oil & gas sector is set by Liberia's Petroleum (Exploration and Production) Reform Law 2014¹⁶¹⁷. The primary revenue streams paid by oil & gas companies are royalties, surface rentals, bonuses, and exceptional contributions.
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	Legal Framework (Agriculture Sector) The Ministry of Agriculture (MoA) is responsible for the leadership and overall development of the agricultural sector. With agricultural concessions, MoA works closely with the National Investment Commission (NIC) to identify investors interested in investing in the sector. Once an investor has been identified, the President of Liberia, at the request of NIC, establishes an Inter-Ministerial Concession Committee (IMCC) to review, negotiate and present a Concession Agreement for approval and signing by the President and ratification by the Honorable Legislature. Fiscal Regime (Agriculture Sector) The fiscal regime specific for agricultural companies is set out in the LRC from sections 600 to 699. The central taxes paid by an agricultural company are Taxes on Taxable Income (Renewable Resources: 25% and Rice: 15%) and Surface Rental (USD 2 per acre for developed land and USD 1 per acre for undeveloped land, irrespective of the value of the assets contained thereon). Legal Framework (Forestry Sector) Apart from the Public Procurement and Concession Agreement (PPCA) 2010, specific regulations that apply to the Forestry Sector are • Act creating the Forestry Development Authority (FDA) of 1976; • National Forestry Reform Law of 2006; • Forestry Core Regulations - FDA Ten Core Regulations (effective September 2007); • Act to Establish the Community Rights Law concerning Forest Lands of 2009; • FDA Regulations to the Community Rights Law concerning Forest Lands, July 2011; • Guidelines for Forest Management Planning in Liberia; and • National Forest Management Strategy, 2007. Fiscal Regime (Forestry Sector) The main taxes paid by a forestry company are taxes on taxable income (25%) and Log Export Fees (These are fees associated with the export of logs as a forest product), Area Fee (These are fees associated with the use
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	of Forest Land, including administrative fees and area-based fees tied to the resource licensees.), Forest Product Fee (processed materials) Stumpage Fee (These fixed fees were prescribed by regulations issued by FDA in consultation with the Minister, and assessed by FDA and paid regularly to the Minister for deposit into the account of Government. It is associated with the production, registration, transport, transfer of ownership, use, or export of forest products; Sawmill Permit Fees (Sawmill operators are classified into three (3) categories. Class A, B, and C. Class A operators process 1,500 cubic meters of wood annually and must pay USD 2,500 per annum. Class B operators process 750 cubic meters of wood. Still, less than 1,500 and are to pay USD 1,000 annually, and class C Operators process less than 750 cubic meters of wood per year and are to pay USD 750 for the permit); Timber Export License Fees (This is a payment made to the government for a short-term forest Resource license issued by the government under section 5.3 of the National Forestry Reform law that allows the license holder to manage a tract of forest land and harvest or use forest products. Mining Rights Allocation There is a strict requirement that a person shall not prospect for minerals, carry on mining operations, or engage in mineral processing operations without the authority of a mining right or a mineral processing license granted under the Minerals and Mining Law (2000). The Minister of Mines and Energy ensures that the law and regulations are appropriately administered. The Minister of Mines and Energy shall grant a prospecting license to all eligible applicants for an area specified in the application if the application complies with the requirements outlined in the law or regulations.
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<u>Requirement (2.2)</u> License allocations. a) Implementing countries are required to disclose the following information related to the award or transfer of licenses about the companies covered in the EITI Report during the accounting period covered by the EITI Report: i. a description of the process for transferring or awarding the license; ii. the technical and financial criteria used; iii. information about the recipient(s) of the license that has been transferred or awarded, including consortium members where applicable; and iv. any non-trivial deviations from the applicable legal and regulatory framework governing license transfers and awards. It is required that the information set out above is disclosed for all license awards and transfers during the accounting year covered by the EITI Report, including license allocations about companies that are not included in the EITI Report, i.e., where their payments fall below the agreed materiality threshold. Any significant legal or practical barriers to such comprehensive disclosure should be documented and explained in the EITI Report, including an account of government plans to overcome them and the anticipated timescale for achieving them. b) Where companies covered in the EITI Report hold licenses allocated before the accounting period of the EITI Report, implementing countries are encouraged, if feasible, to disclose the information set out in 2.2(a) for these licenses. c) Where licenses are awarded through a bidding process during the accounting period covered by the EITI Report, the government is required to disclose the list of applicants and the bid criteria. d) Where the requisite information set out in 2.2(a-c) is already publicly available, including a reference or link in the EITI Report, it is sufficient.	The following are types of mineral rights/licenses that can be granted under the Minerals and Mining Law in Liberia: a) Prospecting License - it is granted when an area has not already been subject to a valid Mineral right granted to another person; the area granted shall not exceed one hundred (100) acres. The holder shall file and submit a proposed work plan for the prospection to the Minister of Mines and Energy. The Prospecting license does not give the right to conduct commercial mining. This is valid for six (6) months, renewable once for six (6) months, provided that the holder meets his obligations under the law. b) Exploration License is granted when the area has not already been subject to a valid mineral right granted to another person; the exploration area shall be contiguous and shall not exceed one thousand (1,000) square kilometers. The holder is to submit a proposed exploration Programme to the Minister of Mines and Energy within ninety (90) days after the issuance of the exploration license and shall commence exploration within one hundred and eighty (180) days after the issuance of an exploration license unless the Minister agrees to a longer period. This is valid for not more than three (3) years, and it may be extended for a single two (2) year term upon the written application of a holder. c) Class C mining license - the production area covered by this license shall be not more than twenty-five (25) acres. One person may simultaneously hold up to four (4) class C mining licenses. Holders of Class C mining licenses shall conduct mining predominantly as small-scale operations. This is valid for one (1) year, renewable for further terms of one year each if the holder has met all of his legal obligations. d) Class B mining license - holders of class B mining licenses can conduct mining as industrial operations. The production area is twenty-five (25) acres, and this is valid for
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e) The multi-stakeholder group may wish to include additional information on the allocation of licenses in the EITI Report, including commentary on the efficiency and effectiveness of licensing procedures.

Requirement (2.3)

Register of licenses.

a) The term license in this context refers to any license, lease, title, permit, contract, or concession by which the government confers on a company(s) or individual(s) rights to explore or exploit oil, gas, and/or mineral resources.

b) Implementing countries are required to maintain a publicly available register or cadastre system(s) with the following timely and comprehensive information regarding each of the licenses about companies covered in the EITI Report: i. License holder(s). ii. Where collated, coordinates of the license area. Where coordinates are not collated, the government must ensure that the license area's size and location are disclosed in the license register and that the coordinates are publicly available from the relevant government agency without unreasonable fees and restrictions. The EITI Report should include guidance on accessing the coordinates and, if any, the cost of the data. The EITI Report should also document plans and timelines for making this information freely and electronically available through the license register. iii. Date of application, date of award, and duration of the license. iv. In the case of production licenses, the commodity is produced. It is expected that the license registers or cadastre includes information about licenses held by all entities, including companies and individuals or groups that are not included in the EITI Report, i.e., where their payments fall below the agreed materiality threshold. Any significant legal or practical barriers preventing such comprehensive disclosure should be documented and explained in the EITI Report, including an account of government

five (5) years and renewable for not more than five (5) years.

e) Class A mining license is granted during or at the end of the exploration period of discovering exploitable deposits. It is materially in compliance with a Mineral Development Agreement, which has become effective, permitting mining in the proposed production area. Not be more than twenty-five (25) years and may be extended for consecutive additional terms not exceeding twenty-five (25) years each.

The [14th EITI Report](#), prepared during the referenced period, provides a list of active licenses in Liberia's mining, oil, agriculture, and forestry sectors.

Liberia has developed an open data policy that conforms to Requirement 4.1. Though the LEITI MSG did not develop the policy, the MSG, through a [resolution](#) signed in December 2021, adopted an existing open data policy from the Government of Liberia, developed by the Liberia Institute for Statistics and Geo-information Service (LISGIS)

plans to overcome them and the anticipated timescale for achieving them.

c) Where the information set out in 2.3.b is already publicly available, it is sufficient to include a reference or link in the EITI Report. Where such registers or cadastres do not exist or are incomplete, the EITI Report should disclose any gaps in the publicly available information and document efforts to strengthen these systems. In the interim, the EITI Report should include the information in 2.3.b above.

Requirement (2.4)

Contracts.

a) Implementing countries are encouraged to publicly disclose any contracts and licenses that provide the terms attached to the exploitation of oil, gas, and minerals. b) It is required that the EITI Report documents the government's policy on disclosing contracts and licenses governing oil, gas, and minerals exploration and exploitation. This should include relevant legal provisions, actual disclosure practices, and any planned or underway reforms. Where applicable, the EITI Report should provide an overview of publicly available contracts and licenses, including references or links to the locations where they are published. c) The term contract in 2.4(a) means i. The full text of any contract, concession, production-sharing agreement or other agreement is granted or entered into. The government provides the terms for exploiting oil, gas, and mineral resources. ii. The full text of any annex, appendix, or rider establishes details relevant to the exploitation rights described in 2.4(c)(i) or execution. iii. The full text of any alteration or amendment to the documents described in 2.4(c)(i) and 2.4(c)(ii). d) The term license in 2.4(a) means i. The full text of any license, lease, title, or permit by which a government confers on a company (s) or individual(s) rights to exploit oil, gas, and/or mineral resources. ii. The full text of any annex, appendix, or rider establishes details relevant to the exploitation rights described

Following a successful pilot of the beneficial ownership disclosure in 2016, the country developed a beneficial ownership roadmap during the reviewed period. With the guidance and rich inputs of the MSG, Liberia's BO Roadmap charts future courses of action to maintain an up-to-date beneficial ownership disclosure by 2022. This effort was further boosted on September 21, 2021, when Liberia launched the Open Extractives program to disclose beneficial owners of concessions in Liberia. LEITI is currently working with the Liberia Revenue Authority (LRA) and other relevant agencies to test templates and software, setting up a registry for Liberia in 2022.

in 2.4(d)(i) or execution. ii. The full text of any alteration or amendment to the documents described in 2.4(d)(i) and 2.4(d)(ii).

Requirement (2.5)

Beneficial ownership. a) It is recommended that implementing countries maintain a publicly available register of the beneficial owners of the corporate entity (ies) that bid for, operate, or invest in extractive assets, including the identity (ies) of their beneficial owner(s), the level of ownership, and details about how ownership or control is exerted. Where possible, beneficial ownership information should be incorporated into companies' existing filings with corporate regulators, stock exchanges, or agencies that regulate extractive industry licensing. Where this information is already publicly available, the EITI Report should include guidance on how to access this information

b) It is required that I. The EITI Report documents the government's policy and MSG's discussion on beneficial ownership disclosure. This should include details of the relevant legal provisions, actual disclosure practices, and any planned or underway reforms related to beneficial ownership disclosure. ii. By 1 January 2017, the multi-stakeholder group publishes a roadmap for disclosing beneficial ownership information under clauses (c)-(f) below. The MSG will determine all milestones and deadlines in the roadmap and will evaluate its implementation as part of the MSG's annual activity report. c) As of 1 January 2020, it is required that implementing countries request and companies disclose beneficial ownership information for inclusion in the EITI report. This applies to a corporate entity (ies) that bid for, operate, or invest in extractive assets and should include the identity(ies) of their beneficial owner(s), the level of ownership, and details about how ownership or control is exerted. Any gaps or weaknesses in reporting on beneficial ownership information must be disclosed in

The LEITI 14th report for Liberia captures information on beneficial ownership. Progress made on BO register development can be accessed on page 55-57.

the EITI Report, including naming entities that failed to submit all or parts of the beneficial ownership information. A country facing constitutional or significant practical barriers to implementing this requirement by 1 January 2020 may seek adapted implementation under requirement 8.1. d) Information about the beneficial owner's identity should include the beneficial owner's name, nationality, country of residence, and identifying any politically exposed persons. It is also recommended that the national identity number, date of birth, residential or service address, and contact details be disclosed. e) The multi-stakeholder group should agree on an approach for participating companies assuring the accuracy of the beneficial ownership information they provide. This could include requiring companies to attest to the beneficial ownership declaration form by having a member of the senior management team or senior legal counsel sign off, or to submit supporting documentation. f) Definition of beneficial ownership: i. A beneficial owner in a company means the natural person(s) who directly or indirectly ultimately owns or controls the corporate entity. ii. The multi-stakeholder group should agree on an appropriate definition of the beneficial owner. The definition should be aligned with (f)(i) above and take international norms and relevant national laws into account, and should include ownership threshold(s). The definition should also specify reporting obligations for politically exposed persons. iii. Publicly listed companies, including wholly-owned subsidiaries, are required to disclose the stock exchange name and include a link to the stock exchange filings where they are listed. iv. In the case of joint ventures, each entity within the venture should disclose its beneficial owner(s) unless it is publicly listed or is a wholly-owned subsidiary of a publicly listed company. Each entity is responsible for the accuracy of the information provided. g) The EITI Report should also disclose such companies' legal owners and share of ownership.	NOCAL is the only state-owned enterprise (SOE) operating in Liberia's oil & gas sector. NOCAL was set up in April 2000 by Liberia's National Legislature for the purpose "of holding all of the rights, titles, and interests of the Republic of Liberia in the deposits and reserves of liquid and gaseous hydrocarbons within the territorial limits of the Republic of Liberia, whether potential, proven, or actual, to facilitate the development of the oil and gas industry in the Republic of Liberia." The new petroleum law (Exploration and production) of 2014 indicates that the primary activities of NOCAL shall be the ownership and management of petroleum rights acquired by NOCAL according to petroleum agreements or production-sharing agreements whether as the sole participant or in conjunction with others and the conduct of such other
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Requirement (2.6)

State participation. Where state participation in the extractive industries gives rise to material revenue payments, implementing countries must disclose: a) An explanation of the prevailing rules and practices regarding the financial relationship between the government and state-owned enterprises (SOEs), e.g., the rules and practices governing transfers of funds between the SOE(s) and the state, retained earnings, reinvestment, and third-party financing. For EITI reporting, an SOE is a wholly or majority government-owned company engaged in extractive activities on behalf of the government. Based on this, the MSGs are encouraged to discuss and document their definition of SOEs, taking national laws and government structures into account. b) Disclosures from the government and SOE(s) of their level of ownership in mining, oil, and gas companies operating within the country's oil, gas, and mining sector, including those held by SOE subsidiaries and joint ventures, and any changes in the level of ownership during the reporting period. This information should include details regarding the terms attached to their equity stake, including their responsibility to cover expenses at various phases of the project cycle, e.g., full-paid equity, free equity, and carried interest. Where there have been government and SOE(s) ownership level changes during the EITI reporting period, the government and SOE(s) are expected to disclose the transaction terms, including details regarding valuation and revenues. Where the government and SOE(s) have provided loans or loan guarantees to mining, oil, and gas companies operating within the country, details on these transactions should be disclosed

petroleum operations on behalf of the State As may from time to time be authorized by the Authority.

The new petroleum law (Exploration and production) of 2014 spelled out. Regulatory power has been transferred from NOCAL to the Liberia Petroleum Regulatory Authority (LPRA), which means licenses registry, production sharing contracts, bid Rounds, and contract awards are now handled by the LRPA. NOCAL now plays a commercial role instead.” The New Petroleum Act 2014 added that NOCAL should have the following additional functions:

- (a) manage all participating interests in petroleum agreements acquired under citizen participation provisions of any petroleum agreement or production sharing agreement;
- (b) manage any contracts entered into by the State for the construction or operation of petroleum facilities used in petroleum operations that are to be owned by the State or required to be operated by the State;
- (c) own or manage other assets of any kind, necessary or useful in conducting commercial petroleum activities carried out by NOCAL according to this Act and the NOCAL Act;
- (d) lift and market the State's entitlements of petroleum on account of the State's share of production according to the production sharing provisions of a petroleum agreement or production sharing agreement in the event such share is taken in kind under Section 31(1) of this Act;
- (e) lift and market on behalf of any citizen's participation interest referred to in clause (a) of this subsection 10.1 the petroleum shares accruing to such citizen's participation interest;
- (f) conduct or contract for and supervise, in compliance with Part IV of this Act, such geological, geophysical, and other technical studies as it may deem useful; and
- (g) provide such technical assistance and advice as the Authority may request. NOCAL may also participate in reconnaissance, exploration, development,

	and production activities in other jurisdictions at such time as it may have the resources and funds to do so. Paragraph 14.1 of the Amended Petroleum Law 2019 (an Act to amend certain provisions of the new The Petroleum (Exploration & Production) reform Law of 2014) stipulates that LPRA shall grant petroleum Rights to NOCAL through Executive allocation in consultation with National Legislature. The President shall announce a 100% interest allocation in a block to NOCAL through executive allocation. After such, NOCAL shall exercise its commercial options to operate a block solely, divest some of its interest in the block through farm-outs, etc. The President shall do the executive allocation, and the Authority shall carry out a pre-qualification list of companies presented by NOCAL. The SOE shall have the option to develop these petroleum acreages by itself or in partnership with any oil company through farm-ins by tendering or direct negotiations. All Production Sharing or other agreements executed as a result of Executive Allocations shall be submitted to the Legislature for ratification. NOCAL also chairs the Hydrocarbon Technical Committee (HTC) – the inter-ministerial body created by the 2002 Petroleum Law, empowered to negotiate all contracts. NOCAL has embarked on a vigorous seismic data promotion and marketing campaign to encourage new exploration and ensure that companies are holding oil exploration blocks to get on with their respective work program as quickly as possible during the last few years. This program includes data studies followed by detailed 3D seismic, which led to the identification of drillable structures and the exploratory drilling program.
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Requirement 3 Exploration and Production <u>Requirement (3.1)</u> Exploration. Implementing countries should disclose an overview of the extractive industries, including any significant exploration activities. 3.2 Production. Implementing countries must disclose production data for the fiscal year covered by the EITI Report, including total production volumes, the value of production by commodity, and, when relevant, state/region. This could include sources of the production data and information on how the production volumes and values disclosed in the EITI Report have been calculated. 3.3 Exports. Implementing countries must disclose export data for the fiscal year covered by the EITI Report, including total export volumes, the value of exports by commodity, and, when relevant, by state/region of origin. This could include sources of the export data and information on how the export volumes and values disclosed in the EITI Report have been calculated.	Beginning from page 61 of the 14th report, a clear contextualized overview of the extractive sector is delineated across all four sectors-Mining, Oil& gas, forestry, and agriculture. Also, production and export data information is provided on pages 61 - 65, respectively, in the 14th report
Requirement 4 Revenue Collection 4.1 Comprehensive disclosure of taxes and revenues. a) In advance of the reporting process, the multi-stakeholder group is required to agree on which payments and revenues are material. It, therefore, must be disclosed, including appropriate materiality definitions and thresholds. Payments and revenues are considered material if their omission or misstatement could significantly affect the comprehensiveness of the EITI	Based on recommendation outlined in the LEITI Scoping Report, the MSG agreed to the following agencies would, where appropriate, submit payment and contextual information for LEITI 2019/2020 report. Contextual information will include employment, production, exports, licenses, barter and infrastructure, state participation, etc.

Report. A description of each revenue stream, related materiality definitions, and thresholds should be disclosed. In establishing materiality definitions and thresholds, the multi-stakeholder group should consider the size of the revenue streams relative to total revenues. The multi-stakeholder group should document the options and rationale for establishing the definitions and thresholds. b) The following revenue streams should be included: i. The host government's production entitlement (such as profit oil) ii. National state-owned company production entitlement iii. Profits taxes iv. Royalties v. Dividends vi. Bonuses, such as signature, discovery, and production bonuses vii. License fees, rental fees, entry fees, and other considerations for licenses and/or concessions viii. Any other significant payments and material benefit to the government. Any revenue streams or benefits should only be excluded where they are not applicable or where the multi-stakeholder group agrees that their omission will not materially affect the comprehensiveness of the EITI Report. c) Implementing countries must comprehensively reconcile government revenues and company payments under the agreed scope, including payments to and from state-owned enterprises. All companies making material payments to the government must comprehensively disclose these payments under the agreed scope. An entity should only be exempted from reporting if it can be demonstrated that its payments and revenues are not material. All government entities that receive material revenues must comprehensively disclose them in accordance with the agreed scope.

d) Unless there are significant practical barriers, the government is additionally required to provide aggregate information about the total revenues received from each benefit stream agreed in the scope of the EITI Report, including payments that fall below-agreed materiality thresholds. The Independent Administrator should draw on relevant data and estimates from other

To ensure comprehensiveness of companies' disclosures, the MSG agreed that on the following count of companies to submit production, exports, employment, voluntary and environmental expenditure data. See Appendix or LEITI Scoping Report 2019/2020.

The Petroleum (Exploration and Production) Law and the Minerals and Mining Act, 2000 provides the legal basis for the State' participation in the oil and gas and mining sectors respectively. In the oil and Gas sector State is entitled to 10 percent free interest under all Petroleum Agreements. In addition to this, the State has the right to acquire additional 5 percent citizen participation managed by NOCAL. While the Petroleum law requires a total of 15 percent carried interest, the model PSC published by NOCAL intends a total of 10 percent carried interest for the State. Similarly, in the mining sector the government is entitled to free equity interest of not less than 10 percent and not more than 15 percent.

Under the new Petroleum (Exploration and Production) Act, NOCALs role has been restated. NOCAL is expected to play a more commercial role while its original regulatory roles have been transferred to the Liberian Petroleum Regulatory Authority. The new functions of NOCAL include:

sources to comprehensively account for total government revenues when such data is unavailable.

4.2 Sale of the state's share of production or other revenues collected in-kind. Where the sale of the state's share of production or other revenues collected in-kind is material, the government, including state-owned enterprises, is required to disclose the volumes sold and revenues received. Individual buying companies must disaggregate the published data and align it with other payments and revenue streams (Requirement 4.7). Reporting could also break down disclosures by product type, price, market, and sales volume. Where practically feasible, the multi-stakeholder group is encouraged to task the Independent Administrator with reconciling the volumes sold and revenues received by including the buying companies in the reporting process.

4.3 Infrastructure provisions and barter arrangements. The multi-stakeholder group and the Independent Administrator are required to consider whether there are any agreements or sets of agreements involving the provision of goods and services (including loans, grants, and infrastructure works) in full or partial exchange for oil, gas, or mining exploration or production concessions or physical delivery of such commodities. To be able to do so, the multi-stakeholder group and the Independent Administrator need to gain a full understanding of the terms of the relevant agreements and contracts, the parties involved, the resources which the state has pledged, the value of the balancing benefit stream (e.g., infrastructure works), and the materiality of these agreements relative to conventional contracts. The multi-stakeholder group concludes that these agreements are material. The multi-stakeholder group and the Independent Administrator are required to ensure that the EITI Report addresses these agreements, providing a level of detail and

The National Oil Company of Liberia (NOCAL) operates as a state-owned enterprise. However, oil has not been discovered in commercial quantity; hence, no production occurs in the industry, and the state's share of production is not applicable.

As mentioned earlier in this paper, the reviewed period assessed Liberia's compliance with the EITI standard. According to the initial assessment report, there is an infrastructure arrangement between the Government of Liberia and Arcelor Mittal relative to refurbishing a 243km railway from Tokadeh to Buchanan and the Buchanan mineral port. The MDA was initially signed in 2005 and amended in December 2006 and September 2013, with the infrastructure developed as a build-operate-maintain concession where ownership remained with the government.

transparency commensurate with the disclosure and reconciliation of other payments and revenue streams. Where reconciliation of key transactions is not feasible, the multi-stakeholder group should agree on an approach for unilateral disclosure by the parties to the agreement(s) to be included in the EITI Report. 4.4 Transportation revenues. Where revenues from the transportation of oil, gas, and minerals are material, the government and state-owned enterprises (SOEs) are expected to disclose the revenues received. The published data must be disaggregated to levels commensurate with other payments and revenue streams (Requirement 4.7.). Implementing countries could disclose i. A description of the transportation arrangements, including the product, transportation route(s), and the relevant companies and government entities involved in transportation, including SOE(s). ii. Definitions of the relevant transportation taxes, tariffs, or other relevant payments and the methodologies used to calculate them. iii. Disclosure of tariff rates and volume of the transported commodities. iv. Disclosure of revenues received by government entities and SOE(s) concerning oil, gas, and minerals transportation. v. Where practicable, the multi-stakeholder group is encouraged to task the Independent Administrator with reconciling material payments and revenues associated with oil, gas, and minerals transportation. 4.5 Transactions related to State-owned enterprises (SOEs). The multi-stakeholder group must ensure that the reporting process comprehensively addresses the role of SOEs, including material payments to SOEs from oil, gas, and mining companies and transfers between SOEs and other government agencies.	. No subnational transfers were recorded during the reviewed period, and this requirement does not apply to Liberia. SRG Consult USA, in collaboration with Baker Tilly Liberia, prepared Liberia's EITI I 4
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4.6 Sub-national payments. It is required that the multi-stakeholder group establish whether direct payments, within the scope of the agreed benefit streams, from companies to subnational government entities are material. Where material, the multi-stakeholder group is required to ensure that company payments to subnational government entities and the receipt are disclosed and reconciled in the EITI Report.

4.7 Level of disaggregation. The multi-stakeholder group is required to agree on the disaggregation level for the data publication. It is required that individual companies, government entities, and revenue streams present EITI data. Reporting at the project level is required, provided it is consistent with the United States Securities and Exchange Commission rules and the future European Union requirements.

4.8 Data timeliness. a) Implementing countries must produce their first EITI Report within 18 months of being admitted as an EITI Candidate. After that, implementing countries are expected to produce EITI Reports annually. b) Implementing countries must disclose data no older than the second to last complete accounting period, e.g., an EITI Report published in the calendar/the financial year 2016 must be based on data no later than the calendar/financial year 2014. Multi-stakeholder groups are encouraged to explore opportunities to disclose data as soon as possible, for example, through continuous online disclosures or, where

th report. The IA was hired through a competitive process guided by Liberia's Public Procurement and Concession Law. To comply with EITI Requirement 4.9 and to ensure the credibility of the data submitted, the IA set the following:

- For each company, the "Payment/Receipt Report" should be signed off by an authorized senior official (at the board level); - for each Government Agency, the "Payment/Receipt Report" must be signed off by an authorized senior officer; and
- each Reporting Template must be certified by an external auditor: •
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Extractive companies and NOCAL: are required to obtain confirmations from a registered external auditor that the figures reported in the Reporting Templates are under instructions issued by LEITI, are complete, and are in agreement with the accounts for the FY20/21; and

- Government Agencies: are required to obtain confirmation from the Auditor General that the transactions reported in the Reporting Templates are under instructions issued by LEITI, are complete, and are in agreement with the accounts of government for the FY20/21

- extractive companies were encouraged to submit their audited financial statements; and
- the Auditor General was required to carry out agreed-upon procedures under international standards in his certification of reporting templates provided by Government Agencies. For any changes to the information provided on the original data collection templates, supporting documents and/or confirmation from reporting entities will have to be made available to the IA

available, by publishing additional, more recent contextual EITI data than the accounting period covered by the EITI revenue data. If EITI reporting is significantly delayed, the multi-stakeholder group should take steps to ensure that EITI Reports are issued for the intervening reporting periods so that every year is subject to reporting. c) The multi-stakeholder group is required to agree to the accounting period covered by the EITI Report.

4.9 Data quality and assurance. a) The EITI requires assessing whether the payments and revenues are subject to credible, independent audit, applying international auditing standards. b) It is required that payments and revenues be reconciled by a credible, independent administrator, applying international auditing standards and the administrator's opinion regarding that reconciliation, including discrepancies, should any be identified. i. The reconciliation of company payments and government revenues must be undertaken by an Independent Administrator applying international professional standards. ii. The multi-stakeholder group must perceive the Independent Administrator as credible, trustworthy, and technically competent. The multi-stakeholder group should endorse the appointment of the Independent Administrator. iii. The multi-stakeholder group and the Independent Administrator must agree to the Terms of Reference for the EITI Report based on the standard Terms of Reference and the 'agreed-upon procedure for EITI Reports' endorsed by the EITI Board. Should the multi-stakeholder group wish to adapt or deviate from these agreed-upon procedures, approval from the EITI Board must be sought in advance (Requirement 8.1). c) Where the assessment in 4.9(a) concludes that there is (i) routine disclosure of the data required by the EITI Standard in requisite detail, and (ii) that the financial data is subject to credible, independent audit, applying international standards, the multi-stakeholder group may seek Board approval

Data collection was conducted by the Independent Administrator (IA) with a template approved by the MSG on 9th June, 2022. Data collection was conducted between 10th June 2022 and 24th June 2022 for the 13th and 14th reports. Additional data for the 14th report was collected through 17th October 2022. The following process was adopted during the data collection stage

The IA developed reporting templates with clear instructions and guide to be completed by relevant companies and government agencies – after MSG's approval

Conducted a data completion workshop to explain and interpret all terms on the template to stakeholders

Independent Administrator shared electronic templates to stakeholders to complete and return to Independent Administrator as per agreed the timelines
Completed templates were reviewed to ensure data accuracy.

The IA requested for the necessary supporting documents from stakeholders

Based on the quality assurance requirements set forth by the MSG, our assessment on data submitted by government agencies' is moderately satisfactory, and moderately satisfactory for extractive companies. Overall, we rate the data quality provided by reporting entities moderately satisfactory.

to mainstream EITI implementation under the 'Agreed upon procedure for mainstreamed disclosures.'⁴ Without such prior approval, adherence to 4.9.b is required.	Based on the quality assurance requirements set forth by the MSG, our assessment on data submitted by government agencies' is moderately satisfactory, and moderately satisfactory for extractive companies. Overall, we rate the data quality provided by reporting entities moderately satisfactory.
5.1 Distribution of extractive industry revenues. Implementing countries must disclose the distribution of revenues from extractive industries. a) Implementing countries should indicate which extractive industry revenues are recorded in the national budget, whether cash or in-kind. Where revenues are not recorded in the national budget, the allocation of these revenues must be explained, with links provided to relevant financial reports as applicable, e.g., sovereign wealth and development funds, sub-national governments, state-owned enterprises, and other extra-budgetary entities. b) Multi-stakeholder groups are encouraged to reference national revenue classification systems and international standards such as the IMF Government Finance Statistics Manual. 5.2 Subnational transfers. a) Where transfers between national and sub-national government entities are related to revenues generated by the extractive industries and are mandated by a national constitution, statute, or other revenue-sharing mechanisms, the multi-stakeholder group is required to ensure that material transfers	The Public Financial Management (PFM) Act of 2009, 58 coupled with the introduction of the Medium-term Expenditure Framework (MTEF) in FY 2012/13, has significantly enhanced the national budget process. The MTEF budgetary process and structure comprises the following phases: Strategic Phase: Ministries and Agencies present plans and strategies linking resources to policy priorities based on the Agenda for Transformation Operational Phase: Ministries and Agencies prepare their detailed budgets; and Budgeting Phase: The budget is structured into the eleven economic sectors, consisting of groups of Ministries and Agencies that share standard functions. It is also disaggregated into policy areas based on groups of administrative departments and projects within Ministries and Agencies that have standard functions. Revenue distribution is done through Liberia's budgetary process. Accordingly, all revenues collected by the Liberia Revenue Authority (LRA) are deposited in a consolidated account at the Central Bank of Liberia (CBL), from which they are captured in the National Budget.

are disclosed. Implementing countries should disclose the revenue-sharing formula and any discrepancies between the transfer amount calculated under the relevant revenue-sharing formula and the actual amount transferred between the central government and each relevant subnational entity. The multi-stakeholder group is encouraged to reconcile these transfers. Where there are constitutional or significant practical barriers to the participation of sub-national government entities, the multi-stakeholder group may seek adapted implementation under Requirement 8.1. b) The multi-stakeholder group is encouraged to ensure that any material discretionary or ad-hoc transfers are disclosed and reconciled where possible.

5.3 Revenue management and expenditures. The multi-stakeholder group is encouraged to disclose further information on revenue management and expenditures, including a) A description of any extractive revenues earmarked for specific programs or geographic regions. This should include a description of the methods used to ensure accountability and efficiency. b) A description of the country's budget and audit processes and links to the publicly available information on budgeting, expenditures, and audit reports. c) Timely information from the government that will further public understanding and debate around revenue sustainability and resource dependence issues. This may include the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices, revenue forecasts arising from the extractive industries, and the proportion of future fiscal revenues expected from the extractive sector.

A subnational transfer does not apply to Liberia, and none occurred during the review period.

As per the Public Finance Management Act of 2009, all public funds, in the form of taxes, grants, loans, and other receipts, must be deposited into the consolidated fund or the government treasury. Further, all expenditures from the consolidated fund must be approved through the national budget after the legislature has passed an appropriation. Hence, any spending by the government or, to some extent, SOEs outside of the national budgetary process is considered irregular or illegal. The IA has also used this as a guide to check government and SOE data against the national budget reconciliation reports.

Liberia operates an Open Budget Initiative (OBI), which requires a budget framework paper to support the national budget. The

	requirements for the Budget Framework Paper are set out in Section 11 of the PFM Act of 2009 and Part D.6 of the Associated Regulations, as follows: 1. The Proposed National Budget to be presented to the Legislature shall be accompanied by the budget framework paper, as outlined in Section 11 of the PFM Act of 2009, updated to reflect the draft budget submitted to the Legislature. 2. The budget framework paper shall contain the following: i. an analysis of the economic and fiscal trends and the assumptions underlying the budget's medium-term macroeconomic and fiscal framework; ii. an explanation of the government's policy priorities and how these are reflected in the budget; iii. a statement of key financial risks that may affect budget execution; iv. the essential features of the medium-term expenditure framework, where this has been prepared; v. a summary statement of revenues and expenditure performance, using the main economic categories identified in Section 8(d) of the PFM Act of 2009, for the last two years showing the surplus or deficit in each of the years, and indicating the use to which it was put (in the case of surplus) or the means of financing (in the case of deficit); vi. a summary statement of revenues and expenditures, using the main economic categories identified in Section 8(d) of the PFM Act of 2009, for the three years showing the projected surplus or deficit in each of the years, and indicating the use to which it will be put (in the case of surplus) or the means of financing (in the case of deficit); vii. a summary statement of off-budget donor funding showing name of project and program, funding agency, recipient Government Agency, disbursements effected in the previous financial year, projected disbursement in the following financial year; viii. a summary statement of the performance of State-Owned Enterprises (SOE) and their annual financial plans for the following year showing revenues, expenditures, and changes in net worth; ix. a summary statement of the performance of public corporations and
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	Special Funds showing incomes accruing to them including any donor funding, cash flow statement, outstanding debt if any that includes arrears to vendors and borrowing requirements for the following financial year; x. a summary statement of budgetary implications of new legislation on the proposed budget as well as the financial implication over the two outer years, consistent with the provisions of Section 19 of the PFM Act of 2009. 3. The detailed annual budget estimates shall show the previous budget year outturns, the current year's original budget, and the year-to-date outturn based on available data and projected outturns. 4. The detailed estimates, including revenues and expenditures, will be structured according to the classifications specified in Section 8(d) of the PFM Act of 2009. 5. The detailed estimates will include overall and agency-level summaries by the various classifications utilized in the budget. To strengthen the link between national priorities in the national development plan and the budget, MTEF sets out two phases: a strategic and an operational phase. The strategic phase reviews priorities and strategies before detailed resource allocation. The operational phase of budget preparation involves allocating resources to sectors and various spending entities, and concludes with the national legislature passing the national budget.
6.1 Social expenditures by extractive companies. a) Where material social expenditures by companies are mandated by law or the contract with the government that governs the extractive investment, implementing countries must disclose and, where possible, reconcile these transactions. Where such benefits are provided in-kind, implementing countries must disclose the nature and the deemed value of the in-kind transaction. Where the beneficiary of the mandated social expenditure is a third party, i.e., not a government agency, it is required that the name and function of the beneficiary be disclosed. Where reconciliation is not	During the scoping of the 14th report, the MSG agreed to include disclosure of social expenditures in the report, and as the report outlines, there was not much for social spending. Page 74 of the 14th report captures disclosure of social payments. Reporting entities accounted for US\$6,285,658 in social and environmental expenditure for FY 2020/2021. Of this amount, Cash contribution represented 37.9% of total contribution and in-kind contribution, 62.1%. The agriculture sector is the largest contributor of social and environmental expenditure and accounts for 78.2% of the total. Mining accounts for the

feasible, countries should require unilateral disclosures by companies and/or governments of these transactions. b) Where the multi-stakeholder group agrees that discretionary social expenditures and transfers are material, the multi-stakeholder group is encouraged to develop a reporting process to achieve transparency commensurate with the disclosure of other payments and revenue streams to government entities. Where reconciliation of key transactions is impossible, e.g., when payments are in-kind or to a non-governmental third party, the multi-stakeholder group may wish to agree on an approach to voluntary, unilateral company and/or government disclosures.

6.2 Quasi-fiscal expenditures. Where state participation in the extractive industries results in material revenue payments, implementing countries must require SOE(s) to disclose their quasi-fiscal expenditures. Quasi-fiscal expenditures include arrangements in which SOE(s) undertake public social expenditures, such as payments for social services, public infrastructure, fuel subsidies, and national debt servicing, outside the national budgetary process. The multi-stakeholder group must develop a reporting process to achieve transparency commensurate with other payments and revenue streams, including SOE subsidiaries and joint ventures.

6.3 The contribution of the extractive sector to the economy. Implementing countries must disclose, when available, information about the contribution of the extractive industries to the economy for the fiscal year covered by the EITI Report. It is required that this information include the following:

- a) The size of the extractive industries in absolute terms and as a percentage of GDP and an estimate of informal sector activity, including but not necessarily limited to artisanal and small-scale mining.
- b) Total government revenues generated by the extractive industries (including taxes,

largest share of environmental cash contributions (91%). while agriculture has the largest share on in-kind environmental contribution. Firestone Rubber in-kind contribution for FY 2020/2021. Page 74

No data on quasi-fiscal expenditures was captured in the report-14th covering 2020/2021. NOCAL. The only SOE in the sector, did not make such expenditure during the FY 2020/21.” 14th Report page 74.

During the 2020/21 fiscal year, the extractive sector contributed to 54 percent of GDP, with Agriculture and Fisheries contributing 30 percent; followed by mining and panning, 15 percent; and Forestry, 9 percent. 14th Report Page 74

The four sectors under the LEITI scope recorded a total of US\$84,690,471 in FY 2020/2021.

14th Report Page 67

royalties, bonuses, fees, and other payments) in absolute terms and as a percentage of total government revenues. c) Exports from the extractive industries in absolute terms and as a percentage of total exports. d) Employment in the extractive industries in absolute terms and as a percentage of the total employment. e) Key regions/areas where production is concentrated.	
7.1 Public debate. The multi-stakeholder group must ensure that the EITI Report is comprehensible, actively promoted, publicly accessible, and contributes to public debate. Key audiences should include government, parliamentarians, civil society, companies, and the media. The multi-stakeholder group must: a) Produce paper copies of the EITI Report and ensure that they are widely distributed. The report contains extensive data, e.g., voluminous files, so the multi-stakeholder group is encouraged to make this available online. b) Agree on a clear policy on accessing, releasing, and re-using EITI data. Implementing countries are encouraged to publish EITI data under an open license and to inform users that the information can be reused without prior consent. c) Make the EITI Report available online in an open data format (xlsx or csv) and publicize its availability. d) Ensure that the EITI Report is comprehensible, including writing in a clear, accessible style and avoiding inappropriate language. e) Ensure that outreach events are organized by the government, civil society, or companies to spread awareness of and facilitate dialogue about the EITI Report across the country. 7.2 Data accessibility. The multi-stakeholder group is encouraged to make EITI Reports machine-readable and code or tag EITI Reports and data files to compare the information with other publicly available data by adopting Board-approved EITI data standards. As per Requirement 5.1(b), the multi-stakeholder group is encouraged to reference national revenue classification systems and international standards such as	. The reviewed period also witnessed the release of LEITI's open data policy with the following thrusts: 1) EITI Reports on Liberia will be understandable, actively promoted, and publicly accessible, contributing to public debate and publishing in paper copies. Summary copies will be developed along with visual aids and distributed nationwide. Soft copies of both full and summary reports will be published online; 2) All extractives and related data will be published under open license online (www.leiti.org.lr) and on websites of other relevant government ministries and agencies; 3) Extractives and related data will be released in granular, machine-readable format online and in a format as specified by EITI Requirement 7.1c (xlsx or CSV). 4) LEITI will undertake nationwide and periodic dissemination of EITI reports on Liberia; 5) EITI reports on Liberia will be produced in not more than 18 months following the expiration of any fiscal year; 6) Over the medium term, LEITI's online data portal will be made interoperable; 7) LEITI will ensure citizens' continuous awareness and capacity building on

the IMF Government Finance Statistics Manual. The multi-stakeholder group is encouraged to a) Produce summary reports with clear, balanced analysis of the information, ensuring that the authorship of the different elements of the EITI Report is clearly stated. b) Summarize and compare the share of each revenue stream to the total amount of revenue that accrues to each respective level of government. c) Where legally and technically feasible, continuously consider automated online disclosure of extractive revenues and payments by governments and companies. This may include cases where extractive revenue data is already published regularly by the government or where national taxation systems are trending towards online tax assessments and payments. Such continuous government reporting could be considered interim reporting and an integral feature of the national EITI process, captured by the annual reconciled EITI Report. d) Undertake capacity-building efforts, especially with civil society and through civil society organizations, to increase awareness of the process, improve understanding of the information and data from the reports, and encourage the use of the information by citizens, the media, and others.

7.3 Discrepancies and recommendations from EITI Reports. To strengthen the impact of EITI implementation on natural resource governance, as per Requirement 7.4, the multi-stakeholder group is required to take steps to act upon lessons learned; to identify, investigate, and address the causes of any discrepancies; and to consider the recommendations resulting from EITI reporting.

7.4 Review the outcomes and impact of EITI implementation. The multi-stakeholder group is required to review the outcomes and impact of EITI implementation on natural resource governance.

a) The multi-stakeholder group is required to publish annual progress reports.⁵ The annual progress reports must include i. A

open data availability, accessibility, and reusability. The focus will be on youth groups, women groups, local authorities, parliamentarians, media, marginalized and minority groups, etc.

- 8) LEITI will strive to establish a register of beneficial owners of the companies operating in the extractive sector of Liberia on an annual basis.

Please reference Liberia's validation template on MSG oversight for 7.3

The LEITI MSG has regularly overseen the production and publication of its operations in an Annual Activity Report. The latest is the combined 2020/ 2021 APR

summary of EITI activities undertaken in the previous year.	
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III. Specific Strengths and Weaknesses identified in the EITI Process

Major Strengths

Major Strengths

Independence of the MSG - A significant strength of the process is the LEITI MSG's cohesive and independent nature. During the review period, the tripartite arrangement remained visibly functional, with each party exercising its independence. Decisions were sought through consensus-building rather than through voting.

Restaffing: The Secretariat is now operating at full staff capacity. In 2021, following an assessment report, the MSG mandated the Secretariat to fill existing vacancies, leading to the employment of a Technical Officer, a Communication and Outreach person, an Administrative Manager, and a Procurement Manager. In February 2023, the MSG recruited a new Deputy Head of the Secretariat to bring it to full capacity.

Weaknesses

The most notable weaknesses observed over the review period include the following:

Funding – The government's support to the LEITI through budgetary appropriations continues to dwindle significantly, affecting workplan implementation. Since 2016, the Government's support has been in free fall. This has hugely impacted the dissemination of the EITI Reports for Liberia.

Logistics- A significant hindrance to output and efficiency at the Secretariat. At present, handy equipment like computers has all but outlived its usefulness, with frequent crashes here and there. The chairs are also dilapidated and need replacement. The only vehicle at the Secretariat is in its 8th year and frequently breaks down amid serious assignments.

Staff salary cut — The national harmonization policy instituted in 2019, which led to a drastic reduction in staff salaries at the Secretariat, is severely demotivating staff members. As a result, the Secretariat continues to experience staff turnover.

Formalization of the ASM sector: Despite efforts by the Ministry of Mines and Energy to formalize the sector, the Country stands to lose huge revenues due to the current status of the sector, which is a serious challenge to the EITI implementation

Break-in dissemination of the LEITI annual reports: Nationwide dissemination of LEITI Reports is stalled due to insufficient funding. Dissemination is currently limited to the website and other social media feeds alongside publications in the various Liberian media outlets.

IV. Total Implementation Cost

Below is a breakdown of the implementation costs for the reporting period 2023.

LIBERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (LEITI)	
Statement of Income and Expenditure FY 2023	
Account Description	Amount
Income	
Government	US\$273,798.30
IREDD	US\$ 5,000.00
Total Income	US\$278,798.30
Expenditure	
Personnel Expenditure	US\$162,586.08
LEITI Secretariat operation	US\$116,212.22
Total Expenditure	US\$278,798.30
Grand Total	US\$0.00

V. Activities of the Broader Constituency of the MSG

This section of the APR reviews activities implemented by members of the respective constituent groups outside of the MSG. It delineates and captures the activities carried out by the broader constituencies of the Body in relation to the implementation of the EITI in Liberia.

Under the theme "Enhancing Women's Participation in Natural Resource Management in Liberia," a one-day women's awareness forum was held earlier Thursday, November 9, 2024, at the LEITI Secretariat in Monrovia.

Organized by the Publish What You Pay Liberia Coalition in conjunction with IREDD and the Liberia Youth Natural Resource Governance & Environment Platform, the gathering brought together more than 30 women from various organizations to discuss ways to raise awareness about strengthening transparency and accountability in the management of Liberia's Natural resources.

Giving the overview of the program, Madam Cecelia Danuweli, Head of the PWYP Liberia Coalition noted that the program is geared towards invigorating a more conscientious civil society to the vital roles women play in the NRM sector in the country. She disclosed that the program would be extended to Grand Cape Mount County in western Liberia, a county known for its significant gender inequality driven by traditional and religious norms.

Earlier, the Head of the Secretariat at the LEITI, Jeffrey Nukata Yates, admonished the women gathering to amplify their voices on challenges as and the prospects of a wholesome, functional extractive sector. He pointed out that the role of women is pertinent to the country's EITI implementation process. The Carter Center's Gender Specialist, Madam Cerue Konah Garlo, led a session on the roles women play in the NRM sector- prospects and challenges, and the way forward. The LEITI's Technical Officer, McDonald Socrates Kerl facilitated a session on Beneficial Ownership.

During her presentation, the Carter Center Gender Specialist led an interactive session where the women identified and discussed issues affecting their participation in the extractive sector. Accordingly, the women identified sexual abuse, traditional beliefs and norms, and inequality among others as key factors affecting them.



Posing for the press after the one-day session



Cross-segment of the women's gathering displaying brochures on Liberia's BO progress

V1. Details of Membership of the MSG during the Period

Membership—consistent with Section 6.1 of the LEITI Act of 2009, the MSG shall comprise at least fifteen (15) members drawn from three constituencies—the Government of Liberia, the Civil Society, and the Private Sector. The Act further requires seven representations from the GoL, including the Minister of Finance (now the Minister of Finance and Development Planning); the Minister of Lands, Mines, and Energy; the Managing Director of the Forestry Development Authority; the President/CEO of the National Oil Company of Liberia or its successor and two members each representing the Senate and House of Representatives. The Civil Society representatives include Publish What You Pay Liberia or its successor

organization and a representative of a recognized association or union of workers in the extractive sectors as permanent members. At the same time, the Private Sector is required to have four representatives, drawn from the mining, forestry, agriculture, and oil sectors, as permanent members. A few of Liberia's development partners are also on the MSG as observers.

The table below provides details of MSG membership during the period under review.

Current MSG Membership

Constituency		
	<i>Institution</i>	<i>Representative</i>
Government	Ministry of Finance and Development Planning (MFDP)	Samuel D. Tweah Jr.
	Ministry of Mines & Energy (MME)	Gesler E. Murray
	Forestry Development Authority (FDA)	C. Mike Doryen
	National Oil Company of Liberia (NOCAL)	Saifuah Mai Gray
	Ministry of Justice (MoJ)	Frank M. Dean
	Liberia Petroleum Regulatory Authority (LPRA)	Archie N. Donmo
	Ministry of Agriculture (MoA)	Jeannie Milly Cooper
	Ministry of Internal Affairs (MIA)	Varney Sirleaf
	Liberia Revenue Authority	Thomas Doe Nah
Civil Society	Publish What You Pay (PWYP)	Cecelia T. M. Danuweli
	National Civil Society Council of Liberia (NCSCCL)	Loretta Pope Kai
	Mineral Civil Society Council of Liberia (MCSCCL)	Fallah B. Kamara
	Liberia Labor Congress (LLC)	Winston Wreh
Private Sector		
	Arcelor Mittal	Marcus Wleh
	Liberia Timber Association (LibTA)	Ekema Witherspoon
	Liberia Business Association (LBA)	James Strother
	Golden Veroleum Liberia (GVL)	Elvis G. Morris
Observers	GIZ	

	US Embassy	
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Meetings— the MSG conducts its regular meetings once a quarter. However, where urgency is required, emergency meetings are held. Additionally, matters requiring scrutiny are referred to specific committees, which decide on them and make recommendations to the body.

During these meetings, issues of concern are discussed and policy decisions are made. At the same time, the Head of Secretariat also briefs the MSG on the status of planned activities and other Secretariat progress. Most decisions are reached by consensus, but where consensus cannot be obtained, the body would resort to voting. Observers can contribute to the discussions but are not eligible to vote.

2023, being an election year, was marked by challenges, yet the multi-stakeholder Group of the Liberia Extractive Industries Transparency Initiative remained actively engaged in EITI implementation activities in the Country. There were four regular sittings and one emergency, despite a change in their rule. The LEITI MSG at the end of 2021 decided to transition from monthly to quarterly meetings, with the option to hold emergency gatherings when necessary. The rationale was to allow senior managers and Government officials to attend these quarterly sittings, given the long intervals. All decisions arrived at these sittings were reached through consensus-building.

In 2023, the MSG supervised the production of Liberia’s 15th report and the launch of the Country’s Beneficial Ownership Register, among other achievements.

Approval by the MSG