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Liberia Extractive Industries  
Transparency Initiative: Strategic Plan  
FY2015/16-FY2019/20

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**LEITI**

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## 1. Introduction

This five-year strategic plan has been developed to strengthen the approach to implementation and management of the Liberia Extractive Industries Transparency Initiative (LEITI) process between FY2015/16 and FY2019/20. The plan will bring out LEITI's achievements, challenges, and lessons learnt over the past five years (2009 – 2014), highlight key priorities to be addressed, and provide a framework for action, results, and accountability over the coming five-year period.

Successful implementation of this new LEITI Strategic Plan will be grounded on a clear strategic focus, strong and engaging internal as well as external partnerships, and effective coordination amongst all LEITI stakeholders. The strategic focus will be to provide guidance, prioritizing activities, and improving operational capacity within the organization. With this plan, LEITI will design programs and mechanisms to report on the extractive industries, build strategic partnerships, and manage expectations.

## 2. Overview of LEITI

Liberia was admitted as an Extractive Industries Transparency Initiative (EITI) candidate country in 2008 and was the first African country to become EITI compliant in 2009. The LEITI process covers four sectors in Liberia: mining, petroleum, forestry, and agriculture.

Liberia's natural resource wealth was for an extended period at the center of the country's conflicts and the cause of most of its corruption. In May 2007, following 14 years of civil conflict, the new democratic government together with the private companies in the extractive sector and civil society established the EITI in Liberia. The Liberian Legislator approved the LEITI Act in July 2009, making the LEITI a significant policy of the GoL.

There are currently 15 active agricultural concessions, nine oil concession rights, six mining concessions, and seven forestry management contracts in Liberia. Revenues received from these initiatives accounted for roughly 14 percent of GDP in FY2011/12. However, the recent Ebola outbreak in Liberia, as well as the fall in international commodity prices (e.g., iron ore, gold, petroleum, rubber) has seriously affected Liberia's natural resource sectors, not only in terms of production shut downs, evacuations, and layoffs, but also in terms of lower exports and falling government revenues. E.g., the recent slump in ore prices has prompted ArcelorMittal to lay off staffers as it announced its intention to reduce employment in Liberia by about 20 percent. NOCAL is also facing financial challenges due to several oil blocks being closed and vacant and the forestry sector is expected to stagnate in 2015.

In implementing the EITI, Liberia has to date produced five reconciliation reports covering the periods from 1 July 2008 to 30 June 2012. The 5<sup>th</sup> report was published in June 2014. The sixth report is expected to be published before 31 December 2015.

### **3. LEITI Management**

The LEITI is led by a governing board, the LEITI Multi-stakeholders Steering Group (MSG). The MSG shall comprise of at least fifteen (15) members to be drawn from the Government of Liberia (GoL), civil society, and the private sector as follows:

1. GoL, seven representatives to include the Minister of Finance and Development Planning; the Minister of Lands, Mines, and Energy; the Managing Director of the Forestry Development Authority (FDA), and the President of the National Oil Company of Liberia (NOCAL) or its successor as permanent members;
2. Civil society organizations (CSO), four representatives to include Publish What You Pay (PWYP) Liberia or a successor organization, and a representative of a recognized association or union of workers in the extractive sectors as permanent member.
3. Private sector, four representatives to include to include at least one representative each from the mining, forestry, and oil sectors as permanent members.

The President appoints the members of the MSG and designates one of them as the Chairperson and another as the Co-Chairperson. In the appointment of members of the MSG to represent the civil society and the private sector the President holds appropriate consultations with members of the groups. While members of the MSG will change within the coming five years, this Strategic Plan shall remain the guiding document, bridging and linking past experiences with future challenges.

An MSG-appointed Secretariat is responsible for the day-to-day operation of the LEITI, i.e., turning policy decisions of the LEITI MSG into action, and coordinating all efforts and partners in implementing the EITI in Liberia.

The Head of Secretariat (HoS) leads the LEITI Secretariat, assisted by a Deputy HoS and other permanent staff members. The three main divisions of the Secretariat include: Central Administration (headed by the Administrative Director), Operations (Headed by the Deputy Head of Secretariat), and Finance (headed by the Finance Officer/Comptroller).

### **4. LEITI Mission Statement**

LEITI aims to strengthen governance by improving and promoting resource transparency and accountability through proper extractive revenue management; and to monitor compliance of fiscal and non-fiscal obligations of concessionaires that impact the Liberian economy.

## 5. LEITI Vision Statement

Revenues collected from sectors covered by LEITI are tracked, used, and accounted for transparently to benefit all Liberians, reduce poverty, and enhance economic and social development.

## 6. LEITI Values Statement

The LEITI ascribes to the global EITI Principles, agreed at the Lancaster House Conference in June 2003, which provide the cornerstone of the Initiative:

### **EITI Principles**

1. We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.
2. We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interests of their national development.
3. We recognize that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.
4. We recognize that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.
5. We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.
6. We recognize that achievement of greater transparency must be set in the context of respect for contracts and laws.
7. We recognize the enhanced environment for domestic and foreign direct investment that financial transparency may bring.
8. We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.
9. We are committed to encouraging high standards of transparency and accountability in public life, government operations and in business.
10. We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.
11. We believe that payments' disclosure in a given country should involve all extractive industry companies operating in that country.
12. In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organizations, financial organizations, investors and non-governmental organizations.

In addition to the EITI Principles, the following Core Values will guide LEITI's operations:

4. Transparency
5. Accountability
6. Integrity
7. Respect
8. Advocacy/lobbying
9. Equality
10. Collaboration
11. Professional due care
12. Communication

## 7. LEITI Strategic Objectives

### a) General Objective

*“The general objective of the LEITI shall be to assist in ensuring that all benefits due the Government and people of Liberia on account of the exploitation and/or extraction of the country’s minerals and other resources are (1) verifiably paid or provided; (2) duly accounted for; and (3) prudently utilized for the benefits of all Liberians and on the basis of equity and sustainability” (§3.1 LEITI Act, 2009).*

The general objective of the LEITI is closely aligned with the GoL’s Agenda for Transformation (AfT)<sup>1</sup>—expanding peace, justice, security, and the rule of law; stimulating economic transformation; promoting human development; and strengthening governance and public institutions—which states that the GoL will “use LEITI and other means to improve the transparency of information on concession agreements to ensure public confidence in the process”. In addition, the LEITI “will monitor compliance under fiscal and non-fiscal obligations of concessionaires, and encourage development of linkages with the local economy. Revenues received and expenditures made will be audited and made public.”<sup>2</sup>

The 2015 Economic Stabilization and Recovery Plan (ESRP) was developed to set out the actions needed to respond to the Ebola epidemic, to stabilize the economy, and get Liberia on a path to inclusive growth. The ESRP identifies numerous financial strategic interventions intended to “spread the benefits of the concessions beyond the mining enclaves; and to ensure that mining operations contribute to fiscal revenue and the expansion of employment—supporting social stability and economic diversification.”<sup>3</sup> More specifically, the ESRP highlights the major challenges to the forestry sector as the “lack of capacity of stakeholders and weak governance”. To address these issues, the Governments of Liberia and of Norway have signed a US\$150 million partnership agreement aimed at putting an end to the signing of new logging contracts, ensuring more scope for forest dependent communities to manage their resources, and increasing protected forest areas. In addition, financial

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<sup>1</sup> And any successive GoL development agenda.

<sup>2</sup> Government of Liberia, *Agenda for Transformation* (2012), Monrovia.

<sup>3</sup> Government of Liberia, *Economic Stabilization and Recovery Plan* (2015), Monrovia.

support will be provided for staffing the Legal Verification Department of the FDA to monitor compliance to legal regulations of the forest sector.

## **b) Specific Objectives**

To help LEITI meet its general objective, nine specific objectives are identified in the LEITI Act §3.

**§3.2 a:** *To require and maintain transparency over all material payments due from and/or made by extractive companies to all agencies and levels of the Government of Liberia as well as all revenues collected from the companies by the Government.*

**§3.2 b:** *To require all companies engaged in the extraction of agriculture, forest and mineral resources in Liberia to join the LEITI.*

**§3.2 c:** *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.*

**§3.2 d:** *To provide and/or serve as a platform bringing together the Government of Liberia, civil society, and relevant private companies for effective implementation of the criteria and principles of the Extractive Industries Transparency Initiative and other measures aimed at good resource governance.*

**§3.2 e:** *To promote better public understanding of the non-renewable nature of most extractive resources; the causes of resource-based conflicts; and the benefits of transparent and prudent resource governance.*

**§3.2 f:** *To promote the public disclosure of contracts and concessions bearing relationship with the extraction of forest and mineral resources.*

**§3.2 g:** *To assist, by working with other relevant institutions of Government and through independent periodic post-award audits or investigations, in ensuring that the process of awarding public concessions, contracts, licenses, permits and any other rights concerning the exploitation of diamond, gold, oil, timber, agriculture any other forest and mineral resources of Liberia is in compliance with applicable laws.*

**§3.2 h:** *To encourage and facilitate discussion and adoption of appropriate policies for fair sharing of the benefits accruing from exploitation of the natural resources of Liberia.*

**§3.2 i:** *To ensure that pursuit of the objects set forth in Section 3-2 (a-h) is sufficiently established and made an integral part of the normal operations of Government.*

## 8. LEITI Accomplishments, Challenges, and Lessons Learned (2009-2014)

### a. Accomplishments

Within a short period of its existence, the LEITI gained traction as one of the most successful implementers of the global initiative:

- In 2009, Liberia was the first African country, and the second one in the world, to become EITI Compliant, i.e., to successfully adhere to the requirements of the EITI.
- At the Fourth EITI Global Conference in Doha 2009, Liberia won the EITI Chairman's Award for its rapid progress toward implementing the EITI.
- The Revenue Watch Institute (RWI) acknowledged LEITI's communications strategy as best practice.
- Liberia has maintained its representation on the International EITI Board between 2010 and 2015.
- In 2013, the Liberia became the first country to complete a post award process audit of all concessions awarded in Liberia between mid-2009 and end-2011.

Some of the key issues that have incited Liberia's successful implementation of the LEITI are:

- Adoption and subsequent implementation of the LEITI Act has ensured that most companies and government entities participate in the reconciliation process.
- The reporting process has continuously improved through revised templates and efforts to establish an up-to-date database of the reporting entities. Summary reports and LEITI newsletters are distributed throughout the country and contribute to an informed starting point for a wider dialogue.
- The LEITI Secretariat is competent and in charge of the day-to-day work. Capacity of the Secretariat has been strengthened over time through the recruitment of financial, communications, sectoral, project management, and natural resource experts.
- A communications strategy was developed early on.<sup>4</sup> Extensive media coverage and county visits contribute to a vibrant discussion about transparency and accountability in the natural resource sector throughout Liberia.
- The inclusion of other important sectors such as forestry and agriculture in the LEITI has highlighted both transparency and accountability issues in the natural resource sector, which has a history of widespread corruption.
- The innovative drive LEITI has shown through implementing activities that reach beyond its minimum requirements (e.g., post award process

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<sup>4</sup> This strategy was subsequently revised and updated in 2013.

audit, e-Clubs focusing on youths, and peer-learning with other EITI chapters).

## **b. Challenges**

Despite all the above mentioned accomplishments, over time several of these have been threatened by challenges:

- Notwithstanding efforts to improve on the timeliness of LEITI reports, including issuing two-year contracts for the independent administrators, the LEITI reports are experiencing longer and longer delays. Since the first report, the time gap between the end of the fiscal year being reported on and the publication of the LEITI report has increased from seven months to nearly two years.
- LEITI has received declining funds from both GoL and development partners since FY2012/13. The funding shortfalls have been met, but each time on an ad hoc and annual basis, which has affected the ability of the LEITI Secretariat to effectively execute its mandate. No long-term fund raising efforts have been made, despite the establishment of an LEITI pooled fund by the LEITI MSG in 2013.
- The use of proxies by some key stakeholders at the MSG meetings as well as disagreement between CSOs regarding representation at the MSG threatened the MSG composition in 2012. However, the differences between CSOs have been resolved since early 2014.
- According to the 5<sup>th</sup> LEITI report, the organization is faced with challenges such as: reporting on the amounts due; bureaucracy in public institutions makes it difficult to access information quickly; improper completion of templates by both companies and agencies; lack of comprehensive database of extractive companies from the LEITI; and lack of coordination amongst government agencies.

## **c. Lessons Learned**

A successful lessons-learned capture will help repeat desirable outcomes and avoid undesirable outcomes. These include:

- Consolidate the LEITI activities and focus on what is required to meet the EITI Standard so that LEITI can commence Validation as required by 1 January 2016.
- Streamline the reporting processes to facilitate timelier reporting.
- Systematically implement recommendations from auditors and independent administrators into LEITI reports and activities to improve overall implementation.
- Establish a long-term funding arrangement for LEITI, particularly as cost may increase due to more sophisticated reporting requirements under the EITI Standard.
- Seek to enhance political support for the LEITI process from the highest levels. This should contribute to stronger commitment by government stakeholders and lead to improved LEITI reporting.

- Consistently apply a monitoring and evaluation (M&E) framework to enable tracking success (and failure). This should help generate sustainable funding.
- Prioritize activities, taking into account the existing and exploitable human and financial resources both in the MSG and the LEITI Secretariat.
- When new MSG members and Secretariat staff are recruited, ensure that knowledge transfer is captured.

## 9. LEITI SWOT Analysis

To inform the Strategic Plan, a SWOT matrix has been used to evaluate the existing strengths, weaknesses, opportunities, and threats of the LEITI. The table below highlights the current characteristics and elements identified in the SWOT analysis that feed into the LEITI Strategic Framework.

**Table 1. SWOT Analysis**

<b>STRENGTHS (internal, i.e., can control)</b> <i>Characteristics of the LEITI that give it an advantage. Capitalize on these!</i>	<b>WEAKNESSES (internal, i.e., can control)</b> <i>Characteristics that place the LEITI at a disadvantage. Shore these up!</i>
<ul style="list-style-type: none"> <li>• Established processes since 2007 with six reports</li> <li>• Strong, proactive, and ambitious LEITI Secretariat</li> <li>• Motivated MSG members</li> <li>• Functioning MSG committees</li> <li>• Good network across stakeholder groups, including international partners</li> <li>• Far reaching LEITI Act</li> <li>• Highly innovative potential</li> <li>• Use of MSG scorecard system</li> </ul>	<ul style="list-style-type: none"> <li>• New MSG composition</li> <li>• Delayed reporting</li> <li>• Lack of compliance by reporting agencies</li> <li>• Lack of implementation of audit recommendations</li> <li>• Unable to “follow the money” in Consolidated Fund (apart from the Social Development Funds, SDF)</li> <li>• No M&amp;E framework in place</li> <li>• Lack of strategy and fully developed work plan</li> <li>• Lack of clear prioritization</li> <li>• Understaffed Secretariat</li> <li>• Manual data collection process during EITI reporting</li> <li>• Lack of coordination amongst stakeholders</li> <li>• Lack of facilitation to MSG</li> </ul>

<p><b>OPPORTUNITIES (external, i.e., cannot control)</b>  <i>Elements that the LEITI could exploit to its advantage. Invest in these!</i></p> <ul style="list-style-type: none"> <li>• High international and regional profile and recognition</li> <li>• LRA focus on revenues from extractive sectors</li> <li>• Mining cadaster developed by the Ministry of Lands, Mines, and Energy (MLME) and FDA structural reform</li> <li>• Implementation Manual for SDFs being developed by the Ministry of Finance and Development Planning (MSG Co-Chair)</li> <li>• Synergy effects through cooperation with other institutions</li> <li>• Budgetary support from the GoL</li> <li>• Increased donor support to the process</li> </ul>	<p><b>THREATS (external i.e., cannot control)</b>  <i>Elements in the environment that could cause trouble for the LEITI. Identify these!</i></p> <ul style="list-style-type: none"> <li>• Severe cuts in funding</li> <li>• Declining high-level political support</li> <li>• EITI Standard with additional reporting requirements</li> <li>• Low capacity by M&amp;As to monitor contract implementation</li> <li>• Declining stakeholder interest in the process</li> </ul>
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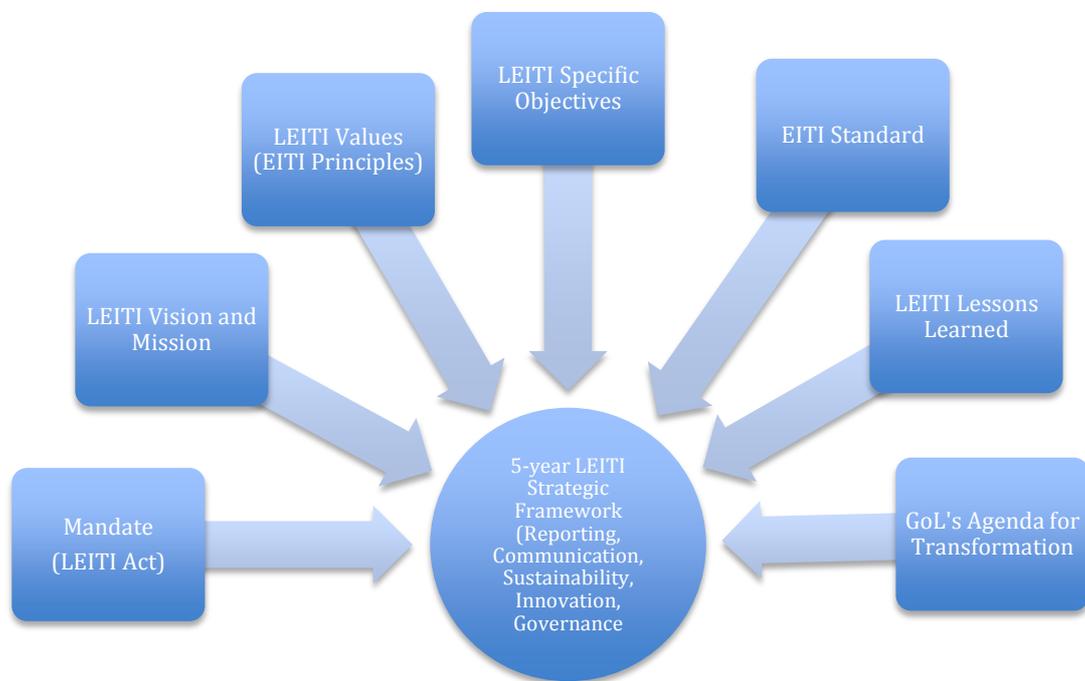
## 10. LEITI Strategic Framework

The FY2012/13 - FY2013/14 LEITI Strategic Work Plan built on content and recommendations of an LEITI case study, which identified incentives for continuing, mainstreaming, and improving EITI implementation in Liberia before validation in 2014. The plan covered four main areas: reporting, communications, MSG governance, and LEITI scope. Despite company layoffs, recent Ebola outbreak, and a decrease in GoL funding for LEITI, implementation of the plan was generally quite successful.<sup>5</sup> Nevertheless, while many of the actions highlighted in the plan have been accomplished, some remain to be implemented and have been incorporated in the current plan, as they are still deemed highly relevant for the EITI process. (See Annex I.)

<sup>5</sup> Due to the Ebola epidemic, the LEITI Secretariat was not able to operate efficiently for about six months. As a result, Liberia requested an extension to its next reporting deadline and to its Validation deadline (1 July 2015). In April 2015, the EITI Board agreed to extend Liberia's reporting deadline to 31 December 2015, and the commencement of Validation to 1 January 2016.

The FY2015/16-FY2019/20 LEITI Strategic Plan is based on the premise that LEITI should rise to the challenge of its purpose and direction and be a major instrument in assuring transparency and accountability of Liberia’s extractive industries. This requires both a strengthening and deepening of current LEITI activities to meet the 2013 EITI Standard.

Many of the existing gaps to meeting the Standard have been identified in the 2015 report *“Applying the 2013 Extractive Industries Transparency Initiative Standard in Liberia”*<sup>6</sup>. The report highlights that substantive efforts will need to be made when it comes to: improving the narrative of the LEITI report; including information about government policies on contract and licensing disclosures; disaggregating revenue data; and providing an overview of the extractive sectors, a summary of fiscal regimes, and an explanation of rules guiding financial relations between the government and SOEs.



**Figure 1. Strategic Framework**

Drawing on the strategic framework as illustrated in Figure 0 above, it is envisaged that the LEITI will focus its activities around the following five strategic work areas to meet its mandate over the coming five-year period:

***LEITI reporting***

(Reference to LEITI Specific Objectives: §3.2a & §3.2b)

To pass EITI validation in 2016, the LEITI will first and foremost focus its activities on meeting the 2013 EITI Standard in its sixth report . LEITI will also ensure that recommendations from previous LEITI reports are implemented. Efforts will put particular emphasis on strengthening the reporting processes to

<sup>6</sup>[http://www.leiti.org.lr/uploads/2/1/5/6/21569928/applying\\_the\\_2013\\_extractive\\_industries\\_transparency\\_initiative\\_standard\\_in\\_liberia.pdf](http://www.leiti.org.lr/uploads/2/1/5/6/21569928/applying_the_2013_extractive_industries_transparency_initiative_standard_in_liberia.pdf)

improve timeliness of reporting, data quality and coverage, and accessibility to reported information; as well as building up the narrative of the LEITI reports.

### ***LEITI communications***

(Reference to LEITI Specific Objectives: §3.2a, §3.2d-§3.2f & §3.2h)

The LEITI Communications Strategy 2013-2015 will be updated to cover the forthcoming five-year period. An assessment of information needs of various stakeholder groups will help to optimize the communications strategy over the medium-term.

Efforts will focus on developing effective communications and conducting public outreach by identifying relevant target groups for LEITI, enhancing participation and inclusiveness, and improving the dialogue with relevant stakeholders. The LEITI will take advantage of the newly established LEITI county focal points to increase communication efficiency.

To maintain public expectations of contributions from the extractive sectors to the Liberian economy at a realistic level, the LEITI will communicate the seriousness of the current situation with falling production levels, government revenues, and exports, and increasing layoffs through its reports and outreach activities.

LEITI will also focus on encouraging public debates by promoting transparency and accountability of the extractive sectors (including on contracts), better understanding by the public of these sectors, as well as the fair sharing of benefits from Liberia's extractive resources. Efforts will be driven by the ambition to maximize the use of data and information provided by the LEITI by making them as accessible and user-friendly as possible.

### ***LEITI sustainability***

(Reference to LEITI Specific Objectives: §3.2b-§3.2d & §3.2i)

Securing financial sustainability of the LEITI has been a challenge in the past, and with the additional reporting requirements under the 2013 EITI Standard, the cost of implementing EITI in Liberia is expected to increase further.<sup>7</sup> In 2012, the MSG endorsed the establishment of a LEITI Pooled Fund to help close the funding gap for the LEITI work programs approved by the MSG. However, to date, no contributions have yet been made to this fund.

As a short-term solution, LEITI will seek funding from the global World Bank EITI trust fund. However, to secure adequate funding for its activities over the medium-term, the LEITI will actively seek to raise capital from various actors, including the private sector, and invigorate the LEITI Pooled Fund. In addition, efforts will be made to increase the reliability and commitment of official GoL support for LEITI through the national budget.

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<sup>7</sup> As the LEITI reporting process becomes more and more streamlined and integrated into GoL systems, related costs are expected to decline gradually over the medium term.

To ensure that the LEITI has the capacity to effectively implement all activities approved in its annual Work Plan, these activities will be carefully selected to match the capacity of the LEITI Secretariat and the MSG. An effort will also be made to safeguard that the LEITI Secretariat is staffed with personnel covering a broad area of expertise, including finance, communication, sectoral experts etc. A human capacity development plan will be developed over the mid-term to assure that the available human resources meet the needs and demands to carry out the LEITI mandate as effectively and efficiently as possible. The plan will not only cover the LEITI Secretariat and MSG members, but also important LEITI stakeholder groups, including CSOs.

Efforts will also be made to effectively measure the results and impact of the LEITI. The M&E framework that was developed in the 2013 LEITI Integrated Operations Manual will be implemented to enable LEITI to track its progress and measure the effects of its activities over time. An M&E team will be identified to assume the M&E functions. Progress in this area is expected to have a positive effect of allocating funds for the LEITI.

### ***LEITI Innovation***

(Reference to LEITI Specific Objectives: §3.2a, §3.2c, §3.2e-§3.2g-§3.2i)

The recent gap analysis to meeting the EITI Standard<sup>8</sup> includes numerous recommendations for how the LEITI process can be improved above and beyond meeting the minimum requirements. The LEITI will decide which of these activities will be prioritized given the Liberian context and develop an action plan for implementing these over the medium-term.

The LEITI will carefully consider how to ensure that the 2009 LEITI Act is fully implemented. E.g., to achieve the LEITI's objectives related to fair sharing of benefits and making LEITI an integral part of the normal GoL operations, new and innovative activities will be introduced over the coming five year period. Such activities will include introducing a streamlined reporting system with reporting templates that pull data from GoL systems (e.g., SIGTAS) and collaborating and coordinating more closely with LRA, National Bureau of Concessions (NBC), and other relevant stakeholders to identify obstacles to reporting what ought to have been paid and the utilization of SDF and extractive industries revenue streams more generally. Collaboration with LRA will also be enhanced around the planned external audits of several extractive companies to capture any synergies with the LEITI reporting process that may occur.

LEITI will also execute its mandate to conduct the post award process audits on an annual basis and build strategic alliances with other agencies, including the General Auditing Commission (GAC) and Liberia Anti-Corruption Commission (LACC), particularly through LEITI's participation in the National Integrity Forum. LEITI will actively promote the implementation of recommendations from the audits by developing and monitoring an action plan for the relevant

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<sup>8</sup> *Applying the 2013 Extractive Industries Transparency Initiative Standard in Liberia* (2015).

stakeholders and by executing its mandate on the bid evaluation panel for new petroleum contracts. It is expected that a stronger institutional framework will benefit the investment climate in Liberia's extractive sectors.

The LEITI will continue benefiting from peer learning exercises with other implementing countries and strengthening its reports by implementing 'EITI best practice' building on the experience of other countries' reports.

The LEITI will collaborate with the NBC, MLME, FDA, and NOCAL to maintain an online portal containing all contracts and licenses in the Liberian extractive sectors.

### ***LEITI Governance***

(Reference to LEITI Specific Objectives: §3.2c-§3.2d, §3.2f, §3.2h-§3.2i)

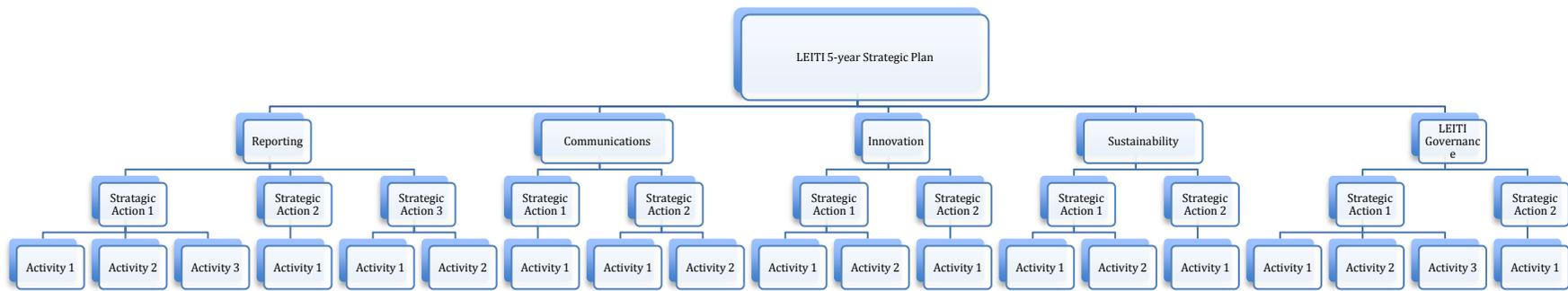
To ensure that the LEITI can fulfill its mandate, the LEITI Secretariat will be staffed with competent individuals who are committed to taking the mandate of the LEITI forward in Liberia. Knowledge transfer between outgoing and incoming staff and MSG members will be prioritized. The use of both permanent and temporary committees on the MSG will be continued and a strong relationship between the MSG themselves as well as between the MSG and the Secretariat will be reinforced through regular retreats and in-service training on selected topics.

Constituency feedback will be reinforced to ensure an ongoing dialogue amongst the LEITI stakeholders. Efforts will be made to strengthen both political support from the highest level and stakeholder commitment, and to reduce the use of proxies in MSG meetings by providing high-quality meeting preparations and minutes. An incentive system shall be developed in the medium-term to encourage and sustain commitment and attendance.

## **12. LEITI Work Plan**

To guide implementation of this five-year LEITI Strategic Plan over the short-term, a detailed two-year work plan has been developed. The FY2015/16-FY2017/18 LEITI Work Plan incorporates the strategic actions that LEITI will strive to achieve in the coming two years within each of the five work areas defined above (reporting, communications, sustainability, innovation, and governance).

Specific activities to be assumed by LEITI stakeholders have been identified as necessary to meet these goals. Figure 2 illustrates how the Strategic Plan links to the Work Plan and its related actions and activities. The LEITI Work Plan also highlights the outcome, responsible party, timeline, status, priority, performance, and source of funding for each individual activity. The Work Plan will be reviewed every quarter and, as opposed to the Strategic Plan, be a so-called 'living document'.



**Figure 2. Illustration of links between Strategic Plan and Work Plan**

### 13. LEITI Monitoring and Evaluation Framework

Regular (e.g., quarterly) M&E of the results and impact of the LEITI program will become an important way of ensuring that the adopted strategic framework stays on track and ultimately begins to deliver the expected outcomes.

As per the LEITI Integrated Operations Manual (2013), there are five basic M&E objectives for LEITI:

- To assess the actual results and impacts of LEITI's activities against planned results and impacts;
- To provide a basis for decision-making on issues of policies, strategies, program management, procedures, and projects;
- To promote accountability and the proper use of resources intended for the work of the LEITI;
- To document, provide feedback on, disseminate, and be guided by results and lessons learned from the operation of the EITI process in Liberia; and
- To communicate with all international EITI stakeholders on the experiences, outcomes and challenges of the EITI process in Liberia, as prescribed by the EITI Standards and the Act creating the LEITI.

The basic outcomes will be reflected in the annual LEITI performance reports. These annual reports will present an analysis and presentation of the aggregate results of all M&E activities carried out throughout the year. The design of the LEITI Work Plan with detailed information on goals, outcome, status, responsible party etc. will facilitate this process.

## Annex I

Despite company layoffs, recent Ebola outbreak, and a decrease in GoL funding for LEITI, implementation of the Strategic Work Plan was generally quite successful. Nevertheless, while many of the actions highlighted in the plan have been accomplished, some remain to be implemented and have been incorporated in the current plan, as they are still deemed highly relevant for the EITI process.

**Table X. Strategic Work Plan FY2012/13-FY2013/14**

<b>Actions</b>	<b>Status</b>
<b>I. Reporting:</b>	
<b>Identify specific focal points in reporting government entities.</b>	Accomplished
Integrate the LEITI process and reporting template into regular government reporting system, e.g. the Integrated Financial Management Information System (IFMIS) and the Integrated Tax Administration System (ITAS), to improve regularity and quality of reports.	Not accomplished. Incorporated in new work plan.
<b>Streamline templates, provide an electronic format, and facilitate online reporting. Prepare a clear-cut timeline for reporting templates to be submitted and ready for reconciler's work.</b> The template should include payment due column and <b>materiality must be defined.</b>	Partly accomplished. Incorporated in new work plan.
<b>Hold workshops to strengthen reporting entity</b> and end-user capacity, including for the Legislature and LACC.	Partly accomplished. Incorporated in new work plan.
Develop a time-bound action plan to ensure reports are based on accounts audited to international standards.	Not accomplished. Incorporated in new work plan.
<b>Take punitive measures against companies that do not comply with the reporting process. Include information on fees due as well as paid (in the following year's LEITI report).</b>	Accomplished
<b>Arrange a post-audit conference with GAC and reporting companies with the view to agree on implementation of audit recommendations in a more collaborative manner.</b>	Accomplished
Separate messages for different audiences and strengthen the narrative part of LEITI reports.	Not accomplished. Incorporated in new work plan.
<b>Expand template to include other fees (e.g. production fees, land rent, fees paid to EPA, Bureau of Maritime Affairs, etc.), in-kind contribution from companies, as well as contributions to Social Development Funds</b>	Accomplished.

<b>and other corporate social responsibility contributions.</b>	
Pilot reporting on a quarterly basis to improve familiarity with the LEITI process.	Not accomplished.
Build a database of reporting companies in collaboration with other relevant government agencies, including the Bureau of Concessions.	Not accomplished. Incorporated in new work plan.
<b>II. MSG Governance:</b>	
<b>Carefully select dedicated and competent MSG members and LEITI Chairperson.</b>	Accomplished
<b>Strengthen capacity of LEITI Secretariat through training.</b>	Partly accomplished.
<b>Develop, approve, and operationalize a Policy Manual to guide the work of the MSG and the LEITI Secretariat.</b>	Accomplished
Establish a constituency feedback mechanism for MSG members.	Not accomplished. Incorporated in new work plan.
<b>Establish MSG working committees, e.g. budgeting, communications, and/or reporting. Model structures based on the International EITI Board, with a permanent Budget and Finance Committee.</b>	Accomplished
Establish a task force to ensure that timelines and auditing requirements are met.	Not accomplished. Incorporated in new work plan.
Establish sustainable funding arrangements, e.g. from private sector, to enable multi-year planning. Prioritize financial support towards communications.	Not accomplished. Incorporated in new work plan.
Develop road map for implementing all aspects of the LEITI Act.	Not accomplished. Incorporated in new work plan.
Set up regular/periodic meetings between the LEITI Secretariat and various stakeholder groups to understand their concerns, develop policies to address them, and implement these policies.	Not accomplished. Incorporated in new work plan.
<b>III. Communication</b>	
<b>Staff LEITI Secretariat with communications and training specialists.</b>	Partly accomplished.
<b>Update communications strategy to reflect EITI compliance.</b>	Accomplished until 2015. Incorporated in new work plan.
<b>Ensure LEITI website includes all contracts and is up-to-date on all LEITI activities.</b>	Partly accomplished. Incorporated in new work plan.
Develop the Liberia Extractive Industries Initiative Watch – a quarterly or biannual LEITI newspaper/magazine, including on line.	Not accomplished.
<b>Establish local focal points to decentralize LEITI process. Identify suitable volunteers in all 15 counties and set out the scope of their work to strengthen the LEITI process.</b>	Accomplished.
<b>Establish a Resource Center.</b>	Accomplished
<b>Initiate an Extractive Talk Hour (resource</b>	Partly accomplished. Incorporated

<b>radio talk show), visual communication (projector videoing at the county level), and mobile community outreach activities (LEITI motorbike, helmet, microphone) going to marketplaces at the county level.</b>	in new work plan through revised communications strategy.
Carry out sports outreach (LEITI Tournament at the county level) and include faith-based institutions in the LEITI process.	Not accomplished.
<b>Start high school and university outreach activities (extractive clubs, quizzing teams, school materials like pens, pencils, book bags, notebooks, football, etc.).</b>	Accomplished
<b>Brand the LEITI and enhance awareness of this brand. Produce banners and billboards in all 15 counties, LEITI hand band, leaflets, slogans, team songs, and drama (concentrating on messages).</b>	Partly accomplished. Incorporated in new work plan through revised communications strategy.
<b>IV. Scope</b>	
<b>Undertake a post-contract award process audit.</b>	Accomplished
<b>Make an attempt to follow activities and how money generated from the extractive sector is spent or included in the national budget, including for Social Development Funds etc.</b>	Accomplished
Include fisheries as one of the LEITI sectors.	Not accomplished

NB: Items in bold letters are those fully or partly accomplished in the different columns.