



Liberia

✓ EITI Status **Yet to be assessed against the 2016 Standard**

⊕ EITI Member Since **2009**

⚙ Latest Data From **2014**

🌐 Website **EITI Liberia** (<http://www.leiti.org.lr/>)

Overview

All of Liberia's extractive sectors suffered dramatically during the civil war that ended in 2003. The country acted as a major trader in Sierra Leonean blood diamonds and an exporter of timber which was believed to be funding Sierra Leonean rebels. UN sanctions against timber and diamonds were lifted in 2006 and 2007 respectively. Following the inauguration of the Sirleaf administration in 2006, Liberia signed several multibillion-dollar concession agreements in the iron ore and palm oil industries with numerous multinational corporations, including BHP Billiton and ArcelorMittal.

Liberia's EITI covers the mining and timber sector as well as agriculture and the nascent oil and gas sectors. Its 6th [EITI Report](https://eiti.org/glossary#EITI_Report) (https://eiti.org/glossary#EITI_Report) covering the [fiscal year](https://eiti.org/glossary#Fiscal_year) (https://eiti.org/glossary#Fiscal_year) 2012/13 was published in December 2015. Total revenue was roughly USD 198 million, of which oil contributed 44%, mining contributed 38%, agriculture 11% and forestry 7%. There is currently no oil production in Liberia, although there have been exploration licenses awarded in the past decades. Liberia is using the EITI process innovatively to investigate key areas of concern – particularly whether contracts were allocated correctly, but also whether companies have paid what they should and whether earmarked funds were correctly allocated.

➤ [Liberia: Addressing the roots of Liberia's conflicts through EITI](https://eiti.org/blog/addressing-roots-liberias-conflicts-through-eiti) (<https://eiti.org/blog/addressing-roots-liberias-conflicts-through-eiti>)

On this page

- Overview
- News, blogs and more
- Tax and legal framework
- Beneficial ownership disclosure
- Production
- Revenue collection
- Revenue allocation
- Policy recommendations and reforms
- Innovations
- Implementation
- Validation
- EITI Reports and other key documents
- Contacts

News, blogs and more



News

More data available on Liberia's natural resources



Blog

Bridging the Ownership Gap



Blog

My Journey from Monrovia to Oslo



Tax and legal framework

The Ministry of Lands, Mines and Energy (MLME) is responsible for the administration of the mineral sector, including granting mining licenses, and it has statutory oversight of the energy, land, minerals, and water sectors. The mineral sector is regulated by the Mining and Minerals Law of 2000. The fiscal regime specific for mining companies is set out in the Liberia Revenue Code (LRC) from section 701 to section 739. The main taxes paid by a mining company are: tax on taxable income, royalties and surface rent. The Online Repository contains information on mining licences granted, license areas, periods, status etc.

The MLME regulates the oil and gas industry while the National Oil Company of Liberia (NOCAL), established in 2000, administers and controls the rights, titles, and interests in oil and gas deposits and reserves in Liberian territory. NOCAL also facilitates the development of the oil and gas industry in Liberia and is mandated to grant exploration licences and negotiate all petroleum contracts. NOCAL is the independent state-owned enterprise created by the NOCAL Act 2000 and the 2002 Petroleum Law to coordinate the development of Liberia's oil sector. NOCAL chairs the Hydrocarbon Technical Committee (HTC) – the inter-ministerial body created by the 2002 Petroleum Law which is empowered to negotiate all contracts. The Hydrocarbons Law is the New Oil & Gas Law of Liberia enacted in 2002. It requires 20% equity to be granted to NOCAL, 10% equity to be made available for purchase by Liberians, and purchase contracts valued at USD 3 million or less to be awarded to Liberian contractors. The Petroleum Law has only been partially implemented and local content provisions have not been enforced in the first two bidding rounds, primarily because there are no guidelines to implement them. The fiscal regime specific for Oil & Gas companies is set out in the LRC from section 740 to section 799. The main taxes paid by an Oil & Gas company are: tax on taxable income, royalties, surface rental and Signature Fees / Signing Bonus. Sections 806 and 905 of the LRC refer to withholding of taxes on payments to residents and non-residents. They also stipulate a special rule for payments by Mining, Petroleum, and Renewable Resource projects.

The Ministry of Agriculture (MoA) is responsible for the leadership and overall development of the agriculture sector. There is no specific legal framework governing the agriculture sector. The fiscal regime specific for agricultural companies is set out in the LRC from section 600 to section 699. The main taxes paid by an agricultural company are: tax on taxable income and surface rental.

The National Forestry Reform Law (2006) governs the forestry sector and the licenses granted. The main taxes paid by a forestry company are tax on taxable income and surface rental.

As per the 2009 LEITI Act, all contracts in Liberia are public and posted on the LEITI website.

License registry

The Minister of Lands, Mines and Energy grants a prospecting license to eligible applicants if the application is compliant with the requirements set out in the law or regulations.

With agricultural concessions, the Ministry of Agriculture works closely with the National Investment Commission (NIC) in the identification of 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 Honourable Legislature.

Top licensees include: ArcelorMittal, ExxonMobile, Chevron, Anandarko Liberia, Repsol, China Union, Putu Iron Ore, Western Cluster Ltd, Equatorial Palm Oil, Golden Veroleum, Firestone Plantation Co etc.



Tax code

Liberia Revenue Code (<http://mof.revenue.gov.lr/doc/consolidated%20modified.pdf>)

modified.pdf)

PWC's overview of taxation in Liberia.



Contracts in Liberia

L-EITI list of contracts and concessions



Government of Liberia Online Repository

This data repository contains data on mining licenses and payments as managed by the Ministry of Lands, Mines and Energy (MLME) (<http://www.revenuesystems.org/liberia/login/auth>)

beria/login/auth)

Liberia Concession Cadastre Portal (<http://portals.flexicadastre.com/liberia/>)



Beneficial ownership disclosure

Liberia took part in the beneficial ownership pilot and attempted to obtain beneficial ownership information for active concessions as well changes in ownership in the period 2009-2011. Although several companies responded, declaring both shareholders as well as natural persons as their owners, the **beneficial ownership report** (http://www.leiti.org.lr/uploads/2/1/5/6/21569928/leiti_beneficial_ownership_final_report__december__2015.pdf) (**annexes** (http://www.leiti.org.lr/uploads/2/1/5/6/21569928/leiti_beneficial_ownership_appendices_final_december__2015.pdf)) does not confirm whether the natural persons disclosed were also the beneficial owners. The report includes several recommendations for improving beneficial ownership disclosure in the future.

[Liberia's evaluation report](https://eiti.org/files/liberia_beneficial_ownership_evaluation_report_0.pdf) (https://eiti.org/files/liberia_beneficial_ownership_evaluation_report_0.pdf) from the beneficial ownership pilot explained that access to funding and obtaining information from companies were the major challenges. Liberia had agreed to include sub-contractors in its definition of beneficial owners, which proved difficult to obtain. Prior to commencing the work on beneficial ownership, LEITI also prepared an [inception report](https://eiti.org/files/Liberia%20Beneficial%20Ownership%20Inception%20Report.pdf) (<https://eiti.org/files/Liberia%20Beneficial%20Ownership%20Inception%20Report.pdf>) outlining the agreed definition of beneficial ownership and [scope](https://eiti.org/glossary#Scope) (<https://eiti.org/glossary#Scope>) of companies covered.

➔ [From reports to reform in Liberia: Recommendation on beneficial ownership disclosure](https://beta.eiti.org/implementing_country/25#recommendations-to-reform) (https://beta.eiti.org/implementing_country/25#recommendations-to-reform)

Trust is the greatest asset a country can have. Liberia EITI represents an important step in advancing our efforts to engage with stakeholders, to talk about our resources, and to build trust in our communities

Ellen Johnson Sirleaf, President of Liberia



Production

Since 2010 Liberia has made significant progress in reviving the mining sector, which before 1990 had contributed more than 65% of the country's export earnings and represented about [25% of the country's GDP](http://www.firstmagazine.com/DownloadSpecialReportDetail.1406.ashx) (<http://www.firstmagazine.com/DownloadSpecialReportDetail.1406.ashx>).

[According to the latest LEITI Report](https://eiti.org/report/liberia/2013) (<https://eiti.org/report/liberia/2013>), the value of total commodity exports grew by 126% to USD 352 million. The agriculture sector continues to be the leading contributor to growth and the mining sector's contribution to growth has almost tripled ([from 3.7% in 2011 to 10.4% in 2012](http://www.firstmagazine.com/DownloadSpecialReportDetail.1406.ashx) (<http://www.firstmagazine.com/DownloadSpecialReportDetail.1406.ashx>)) due to an expansion of iron ore production. The key export products in 2012 and 2013 were iron ore, gold, diamonds, rubber, round logs, and sawn timber.

➔ [LEITI report FY2012/13](http://www.leiti.org.lr/uploads/2/1/5/6/21569928/6th_leiti_report_2012-2013.pdf) (http://www.leiti.org.lr/uploads/2/1/5/6/21569928/6th_leiti_report_2012-2013.pdf)

Natural resources

Liberia is rich in natural resources, notably iron ore, diamonds, gold, timber and rubber. Liberia's undeveloped mineral resources included base metals, such as cobalt, lead, manganese, nickel, and tin, and industrial minerals (<https://eiti.org/glossary#Minerals>), such as dolorite, granite, ilmenite, kyanite, phosphate rock, rutile, silica sand, and sulfur.

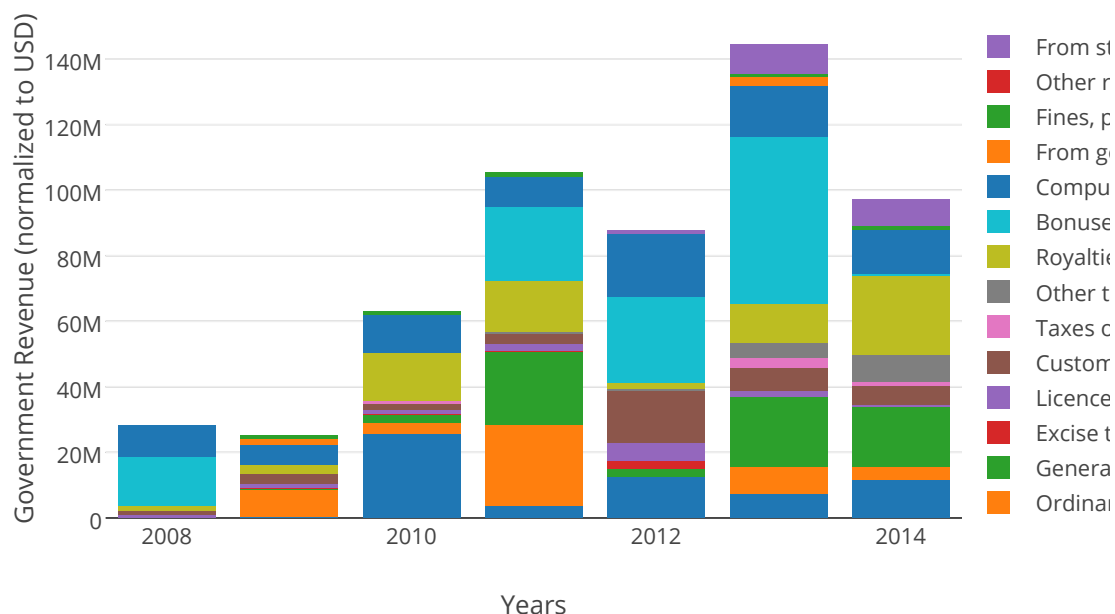
Commodity	Reserves	Unit	Significance
Oil			Surveys have established the presence of essential petroleum factors in the Liberian Basin. However, until now, there has been no production of oil in the Liberian Basin.
Gold	9.5 (grade 2.1 g/t) at Ndablama and Weaju	metric tons	Commercial gold reserves have also been established at the New Liberty gold mine.

Revenue collection

According to the LEITI Report, government revenue from the extractive sector increased by more than 68% to USD 186 million in fiscal year 2012/13. In that same fiscal year, the oil and gas sector contributed more than 44% of revenue from the extractive sector and almost 10% of total government revenues. The increase was due to one signature bonus payment of USD 120 million made by ExxonMobil to NOCAL, the national oil company.

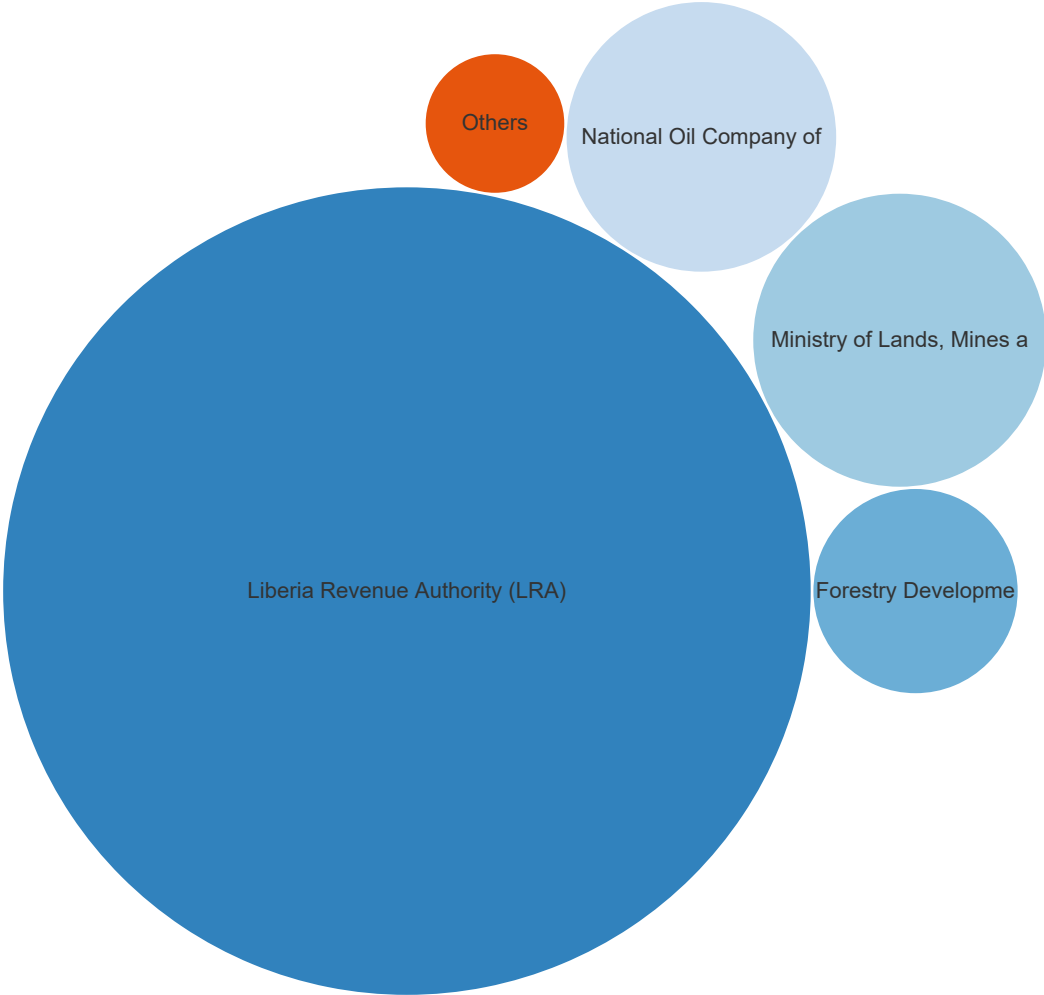
➔ More data available on Liberia's natural resources (<https://eiti.org/news/more-data-available-liberia-natural-resources>)

Government Revenues



[Export Data](#)

Disbursed Revenue (2007 - 2014)



[Export Data](#)

 Revenue allocation

The LRA Act, section 26, states that the revenue collected by the LRA shall be paid into the Consolidated Fund. Hence, revenues from the extractive sectors are not earmarked for specific spending or regions in Liberia. The only exceptions are the company CSR contributions.

➡ [LEITI report FY2012/13](http://www.leiti.org.lr/uploads/2/1/5/6/21569928/6th_leiti_report_2012-2013.pdf) (http://www.leiti.org.lr/uploads/2/1/5/6/21569928/6th_leiti_report_2012-2013.pdf)



Policy recommendations and reforms

There is much public information about existing contracts and concessions in Liberia, although there are less available details on the licensing processes and procedures for allocating these contracts and licenses. A [Post Award Process Audit](http://www.scribd.com/doc/151344593/LEITI-Post-Award-Process-Audit-Process-Report) (<http://www.scribd.com/doc/151344593/LEITI-Post-Award-Process-Audit-Process-Report>) conducted by LEITI in 2013 found that only 10% of the contracts awarded in the period between July 2009 and December 2011 were in compliance with the applicable rules. In light of these findings, LEITI's report covering the fiscal year 2012/13 found that more information on licensing processes could help to ensure that these are made in accordance with the legal frameworks.



Innovations

The EITI encourages multi-stakeholder groups to explore innovative approaches to make the EITI more relevant and useful.

- EITI-specific law: [LEITI Act of 2009](http://www.leiti.org.lr/uploads/2/1/5/6/21569928/act.pdf) (<http://www.leiti.org.lr/uploads/2/1/5/6/21569928/act.pdf>).
- Coverage of forestry and agriculture sectors.
- Contracts for concessions in the sector are [published on LEITI's website](http://www.leiti.org.lr/contracts-and-concessions.html) (<http://www.leiti.org.lr/contracts-and-concessions.html>).
- According to the LEITI Act, [the procedure for awarding extractive sector contracts](http://eiti.org/stories/liberia-uncovering-improper-awarding-contracts) (<http://eiti.org/stories/liberia-uncovering-improper-awarding-contracts>) should be audited. A "Post Award Process audit", which looked at 68 contracts that had been awarded, was completed in 2013.
- Liberia is [piloting beneficial ownership](https://eiti.org/pilot-project-beneficial-ownership) (<https://eiti.org/pilot-project-beneficial-ownership>). [An evaluation report published in August 2015](https://eiti.org/files/liberia_beneficial_ownership_evaluation_report_0.pdf) (https://eiti.org/files/liberia_beneficial_ownership_evaluation_report_0.pdf) and a [Beneficial Ownership Report from December 2015](http://www.leiti.org.lr/uploads/2/1/5/6/21569928/leiti_beneficial_ownership_final_report__december__2015.pdf) (http://www.leiti.org.lr/uploads/2/1/5/6/21569928/leiti_beneficial_ownership_final_report__december__2015.pdf) present the initial outcome of the implementation of the beneficial ownership pilot in Liberia.



Implementation

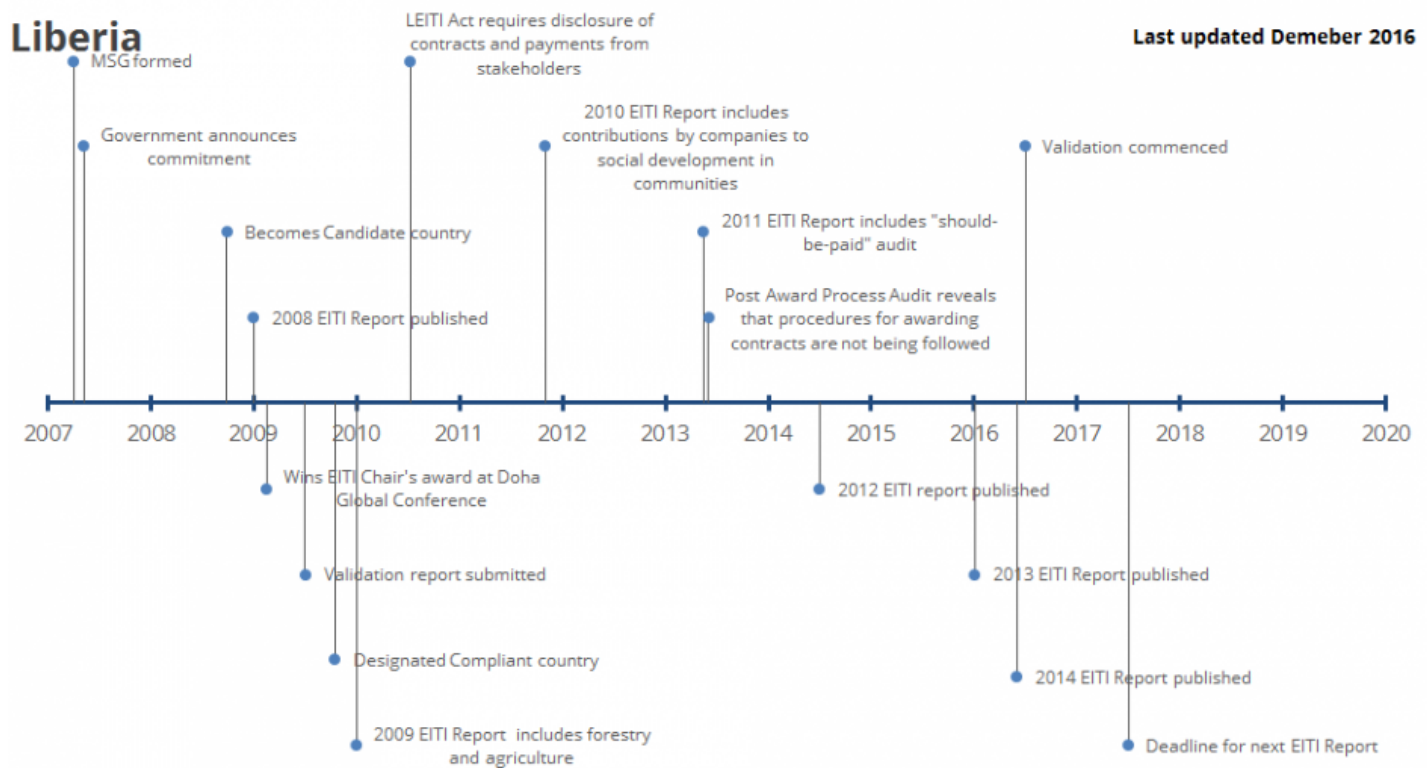
Liberia has an impressive record of EITI implementation and has been using the process innovatively to investigate such key areas of concern – particularly whether contracts were allocated correctly, but also whether companies paid what they owed and whether earmarked funding went where it should. However, these efforts were only marginally successful in answering those broad questions since other data collection systems are weak.

Liberia's workplan for FY2015/16 is on track, although several of the activities outlined in the five year strategic plan remain unfunded. Liberia is aiming to produce both the 7th and 8th report together in order to improve the timeliness of its reports.

Governance

Liberia's EITI is governed by the 2009 LEITI Act and its regulations. The LEITI has also published an MSG policy manual, a five-year strategic plan for FY2015/16-FY2019/20, a communications strategy, and an LEITI operations manual.

Timeline



(https://eiti.org/sites/default/files/inline/image-timeline-liberia_0.png)

Validation

Liberia's Validation (<http://eiti.org/validation>) against the Standard (<https://eiti.org/standard>) commenced (<https://eiti.org/document/validation-schedule>) on 1 July 2016. The country is compliant under the 2011 Rules (<https://eiti.org/node/4862>).

EITI Reports and other key documents



2013-2014 Liberia EITI Report

Published Date: June, 2016

Publisher: Liberia EITI

This EITI Report covers Liberia's extractive sector in 2013 and 2014. It was published in June 2016.

[Read more](#)



2012-2013 Liberia EITI Report

Published Date: December, 2015

Publisher: Liberia EITI

This EITI Report covers Liberia's extractive sector in 2012 and 2013. It was published in December 2015.

[Read more](#)



Liberia EITI 2014-2015 work plan

Published Date: June, 2014

Publisher: Liberia EITI

This is the Liberia EITI 2014-2015 work plan (in accordance with Requirement 1.5).

[Read more](#)



2009 Liberia EITI Validation Report

Published Date: July, 2009

Publisher: Liberia EITI

This Liberia EITI Validation report was published in July 2009.

[Read more](#)

➔ [View all documents related to Liberia in our publications library](https://eiti.org/publications?search_api_views_fulltext=&field_doc_type_public=All&field_doc_country%5B%5D=LR&field_doc_publisher=&field_doc_published_date%5Bmonth%5D=&field_doc_published_date%5Byear%5D=&field_doc_published_date_1%5Bmonth%5D=&field_doc_published_date_1%5Byear%5D=) (https://eiti.org/publications?search_api_views_fulltext=&field_doc_type_public=All&field_doc_country%5B%5D=LR&field_doc_publisher=&field_doc_published_date%5Bmonth%5D=&field_doc_published_date%5Byear%5D=&field_doc_published_date_1%5Bmonth%5D=&field_doc_published_date_1%5Byear%5D=)

Contacts

National Coordinator

**Konah KARMO**Head of Secretariat kdkarmo@leiti.org.lr[Read more](#)**International Secretariat****Pablo Valverde** (<http://twitter.com/@pablovalv>)  [p.valverde](#)Country Manager pvalverde@eiti.org

Pablo is Country Manager at the EITI International Secretariat working with the Middle East and North Africa and Anglo/Lusophone West Africa.

Prior to joining the EITI he was Senior Advisor at the Council on Ethics for the Norwegian Government Pe

[Read more](#)**Ines Schjolberg Marques** [ines.schjolberg.marques](#)Country Officer imarques@eiti.org

Ines Schjolberg Marques is part of the Anglophone and Lusophone Africa team and supports wider policy work at the EITI International Secretariat. She holds an MSc in Development Studies from London School of Economics,

[Read more](#)

Promoting public awareness about how countries manage their oil, gas and mineral resources

EITI International Secretariat
Ruseløkkveien 26, 0251
Oslo, Norway
+47 222 00 800
secretariat@eiti.org

HOME ([HTTP://EITI.ORG/](http://EITI.ORG/))**MAP** ([HTTPS://EITI.ORG/COUNTRIES](https://EITI.ORG/COUNTRIES))**ABOUT** ([HTTPS://EITI.ORG/ABOUT/WHO-WE-ARE](https://EITI.ORG/ABOUT/WHO-WE-ARE))**NEWS** ([HTTPS://EITI.ORG/NEWS](https://EITI.ORG/NEWS))**PUBLICATIONS** ([HTTPS://EITI.ORG/PUBLICATIONS](https://EITI.ORG/PUBLICATIONS))**DATA****GLOBAL CONFERENCE** ([HTTPS://EITI.ORG/CONFERENCE](https://EITI.ORG/CONFERENCE))

CONTACT US

JOBS

PRIVACY POLICY

Content Use Policy

Unless otherwise noted, you may republish our content for free. Please give credit to our source (for web, with direct link, for print with EITI International Secretariat, eiti.org).

