How and when Liberia makes money from oil under its PSC system

**Production Phase**
- Exploration and appraisal
- Development
- Abandonment
- Financing & overheads

**Revenue for Liberia**
- Signing Bonus (to MoF)
- Sale of data (to NOCAL)
- Surface Rental (to MoF)
- SD Fund (varies by PSC)
- Taxes (to MoF)

**Activities of the Companies**
- Bidding, negotiation, signing of PSC
- Buying Seismic Data and analysing
- Hiring drill-ships and drilling exploratory wells
- If a discovery is made, building well platform and infrastructure

**Timeline**
- Sign PSC
- Phase 1
- Phase 2 Exploration
- Development

**Production Sharing starts, and in some PSCs State also receives 10% Equity in Block**

**Total Production of oil**
- Cost Oil (Cost recovery up to 70%)
  - Exploration and appraisal
  - Development
  - Abandonment
  - Financing & overheads

**Profit Oil**
- Split according to PSC

**Annual**
- Taxable Income (minus tax-deductible costs)

**Royalties (to MoF)**
- Taxes (to MoF)
  - Income Tax
  - Dividend Withhold’ Tax
  - Interest Withhold’ Tax
  - Import duties

**Equity Dividends (to NOCAL – much later)**

**Production Share (MoF)**