

Liberia Extractive Industries Transparency Initiative (LEITI)

13th Report Summary



List of Abbreviations

BO	Beneficial Owners
BOD	Beneficial Ownership Disclosure
CBL	Central Bank of Liberia
DP	Development Partners
EPA	Environmental Protection Agency
EU	European Union
EITI	Extractive Industries Transparency Initiative
FIU	Financial Intelligence Unit
FDA	Forestry Development Authority
GAC	General Auditing Commission
GW	Global Witness
LBR	Liberia Business Registry
LCAA	Liberia Civil Aviation Authority
LEITI	Liberia Extractive Industries Transparency Initiative
LISGIS	Liberia Institute of Statistics and Geo-Information System
LMA	Liberia Maritime Authority
LPRA	Liberia Petroleum Regulatory Authority
LRA	Liberia Revenue Authority
MOA	Ministry of Agriculture
MoC	Ministry of Commerce
MFDP	Ministry of Finance and Development Planning
MIA	Ministry of Internal Affairs
MoL	Ministry of Labor
MME	Ministry of Mines and Energy
NBC	National Bureau of Concession
NCSCCL	National Civil Society Council of Liberia
NLC	National Labor Congress
NOCAL	National Oil Company of Liberia
NPA	National Port Authority
PWYP	Publish What You Pay
SGS	Société Générale de Surveillance
SOE	State-Owned Enterprise

Executive Summary

Liberia is a resource-rich country with the potential to emerge as an oil and gas producer. Since 2017, LEITI has worked effectively under the EITI arrangements of a tripartite framework (comprised of CSOs, Government, and industry operators) to maximize the extractive resources for sustainable development. LEITI's successes have usually been realized through the increased publication of extractive sector information that has generated compelling public debates and increased accountability.

The broad objective of LEITI is to assist in ensuring that all benefits due to the Government and people of Liberia on account of the exploitation and/or extraction of the country's minerals and other resources are:

- Verifiably paid or provided
- Duly accounted for; and
- Prudently utilized for the benefit of all Liberians and based on equity and sustainability.

This summary report condenses the 13th EITI Report for FY 2019/2020 and captures the essential information contained therein. Summarizing and disseminating an EITI report is part of the requirements of the EITI Standard on public engagements and seeks to inform the public about activities in the extractive sector, generate public debates, and build a culture of transparency and accountability in Liberia.

LEITI Timeline: 2007-2022

Date	Event
2007	Liberia MSG Formed
2007	Liberia's Government announces commitment to EITI
2008	Liberia becomes Candidate country
January 2009	Liberia's 1st EITI Report published, covering July 2007-June 2008
July 2009	Liberia published the LEITI Act
2009	Liberia wins EITI Chair's Award at Doha Global Conference
2009	Liberia's First Validation Report Submitted
2009	LEITI Act requires disclosure of contracts and Payment from stakeholders
October 2009	Liberia designated a Compliant country
January 2010	Liberia's 2nd EITI Report published, covering July 2008 to June 2009
November 2011	Liberia's 3rd EITI Report published, covering July 2009 to June 2010
May 2013	Liberia's 4 th EITI Report published, covering July 2010 to June 2011
2013	Liberia 1 st Post-Award Process Audit reveals procedural violations in awarding of contracts
June 2014	Liberia's 5 th EITI Report published, covering July 2011 to June 2012
December 2015	Liberia's 6 th EITI Report published, covering July 2012 to June 2013
June 2016	Liberia's 7 th EITI Report published, covering July 2013 to June 2014
1 July 2016	Commencement of Liberia's second Validation
July 2016	Liberia's 8 th EITI Report published, covering July 2014 to June 2015
January 2019	Liberia's 9 th EITI Report published, covering July 2015 to June 2016
December 2019	Liberia's 10 th & 11 th EITI Reports published, covering July 2016 to June 2018
6 March 2020	Liberia's temporary suspension lifted
April 2021	Liberia's 12 th EITI Report published, covering July 2018 to June 2019
Sept 2021	Liberia joined the Opening Extractives Program
July 2022	Liberia's 13 th EITI Report published, covering July 2019 to June 2020
2022	Scoping Assessment report on BO in Liberia published

Liberia's Published EITI Reports 2007-2020

Report Title	Fiscal Year	In-Scope Companies	Fiscal Revenue	
13 th EITI Report	2019/20	70	67 million	
12 th EITI Report	2018/19	19	71million	
11 th EITI Report	2017/18	19	53million	
10 th EITI Report	2016/17	15	48million	
9 th EITI Report	2015/16	34	54million	
8 th EITI Report	2014/15	42	99million	
7 th EITI Report	2013/14	44	133million	
6 th EITI Report	2012/13	85	185million	
5 th EITI Report	2011/12	80	110million	
4 th EITI Report	2010/11	65	103million	
3 rd EITI Report	2009/10	71	72million	
2 nd EITI Report	2008/09	71	35million	
1 st EITI Report	2007/08	30	30million	

Key Findings of Liberia's 13th EITI Report-FY2019/2020

- This 13th EITI Report (FY2019-2020) covers 70 in-scope extractive companies across the four sectors of the LEITI. Of this number, 26 are mining companies, 27 are agriculture companies, 15 are forestry companies, and 2 are oil and gas companies.
- The extractive sector recorded a total of US\$70,915,618.00 in FY2019/2020. This amount reflects an 11% decrease in extractive revenue compared to US\$79,632,411.00 in FY2018/2019.
- Analysis of extractive revenue by sector shows that the mining sector continues to dominate extractive revenue, contributing US\$45,243,496.00 or 64% to Government's revenue. Agriculture follows with US\$17,455,249 or 25%, forestry US\$7,311,499 or 10%, and oil and gas with US\$905,374.00 or 1%.
- Analysis of revenue streams from the extractive sector for FY 2019/2020 indicates that withholdings and royalties were the two most significant contributors to Government revenue, accounting for 41% and 23%, respectively.
- Of the 70 in-scope extractive companies, sixteen contributed 90% of tax revenue from the sector. Arcelor Mittal alone accounted for 44% of tax revenue. Meanwhile, Firestone-Liberia and Bea Mountain Mining Company accounted for 9% and 8%, respectively. Additionally, MNG Gold and Sime Darby Plantation both accounted for 5% each.
- Social and environmental expenditures of extractive companies for FY2019/2020 amounted to US\$4,128,396.00. Of this amount, 79% represents cash contribution, while 21% represents in-kind contribution.
- Analysis of the contribution of the extractive sector to the economy shows that the extractive sector contributed 21% of tax revenue, 12% of the national budget, 96% of total exports, and 54% of GDP.
- The extractive sector contributed 18,265 employees to the labor force in FY 2019/2020. Of this number, the Agriculture sector is the largest contributor of employees (14,536) or 81% of total extractive workers. Firestone Liberia is the largest employer in the agriculture sector, while Arcelor Mittal and International Consultant Capital are the largest employers in the mining and forestry sector, respectively. The mining sector is the next contributor, with 2,781 or 15% of total employment. Females remain underrepresented in the extractive sector, accounting for 19% of total employment.
- Production data during the FY 2019/2020 reveals that the extractive sector produced 43,380 carats of diamonds, 2,926 ounces of gold, 4,788,038 tons of iron ore, 87,997 cubic meters of round logs, 66,260 metric tons of Rubber, 39,222 metric tons of crude palm oil and 4,021 metric tons of crude palm kernel oil.
- Export data for FY 2019/2020 shows the extractive sector exported 22,186 carats of diamonds, 110 ounces of gold, 4,333,066 metric tons of iron ore, and 230,642 cubic meters of round logs, all valued at US\$286,817,427.00. The total export value of Rubber, crude palm oil, and crude palm kernel oil is US\$142 172 803.

1.0 Approach and Methodology

The Extractive Industries Transparency Initiative (EITI) is the global standard to promote the open and accountable management of oil, gas, and mineral resources. It requires the disclosure of information along the extractive industry value chain from the point of extraction to how revenues make their way through the Government and how they benefit the public. The EITI's ultimate goals in all implementing countries, including Liberia, are to strengthen public and corporate governance, promote understanding of natural resource management, and provide the data to inform reforms for the two critical components of transparency and accountability in the extractives sector.

Specifically, EITI implementation has three core components:

Transparency: oil, gas, and mining companies disclose information about their operations, including payments to the Government, and the Government discloses its receipts and other relevant information on the industry. The Independent Administrator reconciled the figures and published them annually alongside additional information about the extractive industries per the EITI Standard.

Accountability: a multi-stakeholder group (MSG) with representatives from Government, companies, and civil society is established to oversee the process, communicate the findings of the EITI reporting, and promote the integration of EITI into broader transparency efforts in that country.

Communicate: the findings of the EITI reporting and promote the integration of EITI into broader transparency efforts in that country.

The EITI Standard encourages MSGs 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. The requirements for implementing countries are set out in the EITI Standard 1. Additional information is available via www.eiti.org.

It is understood that the EITI requires assessing whether the payments and revenues are subject to credible, independent audits, applying international auditing standards. The expectation is that government and company disclosures, as per Requirement 4, are subject to credible, independent audit, applying international auditing standards. The expectation is that disclosures as per Requirement 4 will include an explanation of the underlying audit and assurance procedures that the data has been subject to, with public access to the supporting documentation.

Methodology

The following methodology was adopted for this report:

- Conduct a scoping report to determine the scope of the report to inform the development of template and selection of participating entities and agencies
- Collect relevant and material unilateral data from participating government agencies and extractive companies based on EITI Standard Requirements 2, 3, 4, 5, and 6
- Conduct review and investigation into COVID 19 impacts on extractive sector development and industry outlook, including but not limited to commodity price shocks and global demand for extractive commodities
- Engage with MSG to review report and request for additional information and explanation where necessary

Document Reviewed

During the process of preparing the 13th EITI Report, the following documents were reviewed:

- List of all active licenses, contracts and concessions during the period under review.
- All revenue payments made by all extractive companies and receipts confirmed by participating government agencies (including those in Agriculture, mining, oil and gas, and forestry) during the period under review and the basis for the estimation of each revenue stream.
- Model PSC Agreement
- Petroleum Policy of Liberia
- Mining Policy of Liberia
- LEITI 2018/2019 (Flex)Report
- LEITI Validation Report (2022
- 2019 EITI Standard
- LEITI Workplan 2022
- Reports of seminars and workshops held on the EITI
- All policies, laws and regulations that govern the extractive sector
- Previous LEITI Reconciliation Report
- Liberia Revenue Code
- Previous reporting and data collection templates
- Audit regulations and reports on the extractive sector
- The Audited Financial Statement of NOCAL
- Relevant websites and articles

2.0 Scope of Liberia's 13th EITI Report

The scope of this report includes the following:

- Information about the impact of Covid-19 on the legal and fiscal terms governing the extractive industries.
- Information about actual and projected revenues from the extractive industries considering the shift in commodity prices.
- Identifying and mitigating possible corruption risks across the extractives value chain considering the Covid-19 pandemic.
- Monitoring revenue transfers, payments, and benefits to local communities
- Strengthening timely and regular government and company disclosures per the EITI Standard.
- Providing an assessment of the comprehensiveness and reliability of the disclosures and recommendations regarding audit practices and reforms needed to bring them in line with international standards.

- Support the MSG in agreeing to recommendations for strengthening government systems and natural resource governance.
- Progress in addressing recommendations from previous EITI reporting or corrective actions from Validation.

3.0 Overview of the Extractive Sector

Liberia is endowed with multiple natural resources, including mineral deposits such as gold, iron ore, diamonds, base metals, bauxite, manganese, fluorspar, kyanite and phosphate; oil and gas deposits which is yet to be discovered in commercial quantities; forestry products including timber; and agricultural cash crops such as Rubber and oil palm. For decades, these resources have remained a significant contributor to Liberia socioeconomic development. It contributes directly in terms of domestic government revenue, employment, merchandise exports, foreign exchange earnings and Foreign Direct Investment. Under the EITI Reporting framework, the main extractive sector includes activities in the upstream oil and gas sector, minerals sector, forestry, and agricultural sectors, including oil pal and rubber concessions.

3.1 Mining Sector

The mining sector comprises of a variety of mineral resources, both higher value metals and industrial minerals. The principal higher value metals include gold, diamonds, and iron ore, found in ancient greenstone belts in many parts of Liberia, as well as traces of platinum, uranium and niobium, and base metals such as nickel, cobalt, tin, lead and manganese. Key industrial rocks and minerals mainly include sulphur, phosphates, clays (kyanite), granite, silica sand, heavy mineral sands (rutile & ilmenite) and diabase/dolorite. These minerals exist in both smaller and large quantities across Liberia. During the 14 years of civil unrest between 1989 to 2003, the mineral sector contribution dipped and investment in the sector reduced significantly. Exports of diamonds, a significant mineral sector export, was banned. Large scale mines suspended operations, and some even closed due to the civil unrest.

A consequential effect from these happenings was the significant reduction in revenues, jobs, infrastructure worn out and environmental impacts and overall poverty were worsened. However, since 2005, investments in the sector have led to increased exploration and development of mines, especially in gold and diamond mines. As per the Minerals Policy of the Government of Liberia, the overarching strategy for the mineral sector is to institute appropriate policies and fiscal framework to attract investments to enhance its contribution to government revenues, foreign exchange earnings, employment creation, ancillary economic activities, human resources & technology development, and the improvement of social and physical infrastructure.

3.2 Oil & Gas Sector

Oil and gas exploration in Liberia dates to the 1940s when the Government awarded its first exploration contract, however no activity was performed by the contractor. In 1958, exploration

license was awarded to Liberian American Exploration Corporation; however no significant discoveries were made. After about 10 years of inactivity in the sector, subsequent exploration activities were conducted between 1960s and 70s by Union Carbide Petroleum Corporation, Frontier International Petroleum, and Chevron Oil Company, which resulted in a magnetic and seismic data acquisition. The USGS and LGS conducted a joint aeromagnetic survey which, after interpretation, exposed the presence of sedimentary basins on the continental shelf (up to 600 meters depth of Liberia).

A major milestone was achieved in 1968 when the Government of Liberia enacted the Liberia's Petroleum Code to form the basis for the division of its continental shelf into four main blocks (A, B, C, and D). Blocks A, B, and C were awarded to a few companies, however no major discoveries were made. This result diminished investors' interest in Liberia's petroleum sector for more than a decade. By 1971, about four wells had been drilled by Union Carbide, Frontier, and Chevron correspondingly. The Government continued its activities by requiring further geophysical data between 1972 and 1981. During the same time a total of 18,900 line-km of seismic data was acquired by the Ministry of Lands and Ministry of Energy as well as USGS, with support from the World Bank. Additional blocks were created including 5 shelf area and 4 deep water blocks.

Subsequent exploration activities by AMOCO proved futile and it relinquished all acreage and ceased operations in Liberia in 1989. Subsequent seismic surveys by various companies confirmed the presence of six sedimentary basins ranging in thickness from 4000 feet to approximately 20,000 feet. Discoveries in other West African countries has, has drawn much interest in the region including significant interest in Liberia¹⁶. As a result of this interest, exploration activities in Liberia's offshore territory recommenced in 2000 after a decade of dormancy with the conduct of extensive 2D and 3D seismic surveys (from 2000-2010) and the drilling of five exploratory wells between 2010 and 2012. The announcement in February 2012 of an oil discovery in Liberia intensified further investment interest. Between 2010 and 2016, ten (10) additional exploratory wells were drilled but no commercial discoveries were made.

Currently, Liberia has a total of 52 concessionary offshore acreage blocks, with a maximum area of 2000 sq-km per block. Deep-water blocks exist close to the continental shelf ranging from water depths between 2500 - 3000 meters. The blocks considered "ultra-deep" has water depths of as much as 4500 meters. Since 2010, the Government of Liberia has championed several governance reforms in in the oil and gas sector including:

- A new Petroleum policy with the goal to "manage Liberia's petroleum resources in an environmentally responsible manner, to optimize returns for Liberia and ensure equitable benefits to the people of Liberia now and in the future.
- The enactment of a new Petroleum (Exploration and Production) Law to ensure the provision of legal basis for the conduct of petroleum activities both onshore and offshore in Liberia. The new law reflects the dynamism in the oil and gas industry as well as hinged on the attraction of investors in Liberia's oil and gas industry
- The establishment of the Liberia Petroleum Regulatory Authority to be given the mandate as the regulator of the sector. This enhances the role of the national oil company of Liberia (NOCAL) by focusing their mandate as a commercial player on behalf of the State.

The Table Below Presents the Major Developments in the Oil and Gas Sector Over the Years.

Year	Major Milestone Event
1958	Exploration License to Liberia American Exploration Corporation
1968	Chevron and Conoco acquire reconnaissance magnetic and seismic data
1969	Establishment of Liberia's Petroleum Code
1969 - 1972	Liberia Government divided the continental shelf into 4 concession blocks (A, B, C, and D)
1969	Union Carbide, Chevron, Frontier Oil awarded blocks A, B, and C respectively
1971	Wells A1-1 and A2-1 drilled by Union Carbide; well, 11B-1 by Chevron and well Cestos-1 by Frontier
1972	Approximately 13,000 line-km of offshore geophysical data acquired by USGS
1976 - 1981	Approximately 5,900 line-km of seismic data acquired by the Ministry of Lands, Ministry of Energy, in conjunction with GSI (1975) and World Bank (1981)
1982	New Liberian Petroleum Code enacted and creates 5 shelf area blocks and 4 Deep water blocks
1983	Amoco granted 4 offshore blocks: 2 on the continental shelf and 2 in deep water
1983 - 1984	7800 line -km of seismic acquired
1984	Amoco obtains 2 additional blocks
1985	Amoco drills 3 wells, S/1-1, S/3-1 and H3-1
1986	Amoco relinquished most of its acreage
1989	Amoco pulled out
1997 - 1998	Government of Liberia divides unlicensed offshore blocks into 8 (A-H)
2000	National Oil Company of Liberia Established by an Act of Legislature
2002	Enactment of the New Petroleum Law of Liberia
2000 - 2010	NOCAL contracts TGS-NOPEC Geophysical Company to conduct 2D seismic surveys
2008	Second bid rounds conducted for five offshore blocks
2012	African Petroleum announces 'significant' discovery at its deep water well, Narina-1, in Block LB-09
2012	Development of New Petroleum Policy of Liberia and a Model Production Sharing Contract
2014	New Petroleum (Exploration and Production) Law enacted. Liberia Petroleum Regulatory Authority established under the law as the main regulator for the oil and gas sector
2019	Amendments to Petroleum Law

2020	Launch of Liberia's third licensing rounds
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3.3 Forestry Sector

Liberia possesses significant forest resources within the West African Sub region. It is considered the most forested country in the region, with 68% of Liberia's land surface covered by forests and remains the only country that was historically covered entirely with rain forest. Liberia's forest is made up of approximately 6.69 million hectares (Mha) of lowland tropical forest that comprise 43% of the remaining Upper Guinea forests of West Africa.

The Table Below Shows Major Governance Reform Milestones That Have Taken Place in the Sector Since 1953.

Year	Major Event in the Forestry Sector
1953	Legislative framework (Forest Act, 1953) enacted for the creation of Bureau of Forest, Conservation and Wildlife. Establishment of National Parks and Reserves
1957	Supplementary Act passed to set Wildlife Refuges
1964 to 1968	First Forest Inventory conducted on approximately 10 percent or 1.6 million ha of Liberia's forest cover
1968	Liberia signs up to Africa Convention on the Conservation of Nature and Natural Resources by the African Union
1973	Liberia becomes a party to Convention on International Trade in endangered species of wild fauna and flora (CITES)
1976	Forestry Development Authority Act passed to establish Forestry Development Authority to replace Bureau of Forest Conservation and Wildlife
1977	Enactment of Revenue Code which empowers FDA to assess, collect and use forest charges
1988	Amendments to FDA Act to empower FDA to establish Government Forest Reserves, Native Authority Forest Reserves, Communal Forest and National Parks
2003	UN Sanctions Log exports from Liberia
2003	Establishment of East Nimba Nature Reserve and Sapo National Park
2005	Enactment of Public Procurement and Concession Committee which provides institutional structure for public procurements and concessions including forestry
2005	Liberia Forest Initiative launched with the aim to commence a new reform in the forestry sector
2006	National Forestry Reform Law Enacted as part of the reform process that led to the lifting of sanctions on the log's exports
2006	National Biodiversity Strategy and Action Plan developed and the development of National Forestry Policy and Implementation Strategy

2009	Community Forest Rights Law enacted
2010	Liberia Extractive Industry Transparency Act enacted to enhance transparency in Forestry sector, among others such as mining, oil and gas and Agriculture
2011	Liberia signs up to EU's Voluntary Partnership Agreement to allow for facilitation of trade on timber products between Liberia and EU
2018	National Forest Inventory conducted

3.4 Agriculture Sector

In Liberia, Agriculture is dominated by traditional subsistence farming systems, often characterized by labor intensive and less mechanized system of farming. The most common subsistence is the growth of food crops such as rice, cassava, vegetables, and other staples which aggregately accounts for about 87 percent of cultivated land. In addition, there are commercial agricultural activities that include plantation estates of Rubber, oil palm, coffee and cocoa. These cash crops are usually exported as raw materials with no or little value addition. The structure of Liberia's agriculture sector has remained the same since the beginning of cash crop (Rubber) exports in the 1920s.

The agriculture sector has historically been a significant contributor to Liberia's economy and socioeconomic development. It contributes directly in terms of domestic government revenue, employment, merchandise exports, foreign exchange earnings and Foreign Direct Investment. Agriculture sector contribution to Liberia's economic growth remains vital, even though in the last decade it has been declining compared to the service. Over 60% of Liberia's population depends on the sector for their livelihood. Agriculture, including forestry has remained the sector largest contributor to GDP after Services sector. Under LEITI, Agriculture is defined to mean Rubber and Oil palm subsectors. Historically, the sector has evolved through series of policies, from focusing on raw material and cash crop production to adoption of technology and innovation to modernize agricultural practices and strengthening linkages between agriculture sector and other sectors.

3.5 Legal & Institutional Frameworks for the Extractive Sector

The extractive sector in Liberia is governed by multiple pieces of legislation, policies, regulations, and other administrative guidance documents. There are multiple institutions involved in the governance of the extractive sector in Liberia, but the primary agencies are the Ministry of Mines and Energy, the Liberia Petroleum Regulatory Authority, the Forestry Development Authority, the Environmental Protection Agency and the Ministry of Agriculture.

The 1986 Constitution of the Republic of Liberia: The Constitution is the supreme law of Liberia. Under Article 7 of the Constitution, it requires the economy and natural resources of Liberia to be managed in a way that ensure the maximum feasible participation of Liberian citizens under conditions of equality to advance the general welfare of the Liberian people and the economic development of Liberia. This forms the basis of preferential reservations of Class C licenses for Liberian nationals as well as local content rules in the Mining industry.

Minerals and Mining Law (2000): The Minerals and Mining Law of 2000 is the primary law that governs the conduct of mineral activities, including exploration, development, and mining

operations on ground surface, soil or subsoil, streams, rivers, watercourses, territorial waters, and continental shelf of Liberia. Specifically, the Law provides or the basis for the definition of ownership of mineral resources in Liberia, allocation of rights (including reconnaissance, prospecting, and exploration licenses), allocation of rights for mineral operation, and environmental protection.

Mineral Policy of Liberia (2010): The Mineral Policy of Liberia provides the policy directions to ensure equitable and optimal exploitation of Liberia's mineral resources to achieve a broad-based sustainable growth and socio-economic development. In essence, it sets out the expectations for the sector to contribute to Liberia's economy and more broadly to social regeneration and the enhancement of a democratic culture

Revenue Code of Liberia (2000) and as Amended in 2011: The Law stipulates determinative legal provisions for mining taxation in Liberia. Specifically, Sections 700 to 739 covers overall taxation in the sector, including the definition of key mining taxation terms, corporate income tax, royalties, surface rents, withholding tax, dividends, capital allowance, and other tax related structures.

Environmental Protection and Management Law (2002): The Law establishes a legal framework for the overall protection and management of the environment by the Environment Protection Agency of Liberia in partnership with regulated Ministries and organizations and in a close and responsive relationship with the people of Liberia. Specifically, it provides the legal basis for the conduct of Environmental Impact Assessments, Audit and Monitoring of mining projects; setting of Environmental Standards that ensures safe and secure mining activities in Liberia; protection of biodiversity and national heritage sites, maintenance of pollution controls; implementation of International Environment Protocols; among other administrative processes in the mining sector.

Land Rights Act (2014): The Law provides a framework for the legal definition of land ownership, use, and overall administration, including dispute resolution and transfer of land ownership. Specifically, it prescribes means by which each land category in Liberia can be acquired, used, transferred, or otherwise managed.

Liberia Extractive Industries Transparency Initiative (LEITI) Act of 2009: The Law provides the legal basis for the implementation of EITI Standard in Liberia. It establishes LEITI to ensure enhanced transparency and accountability of extractive resources, including the publication of legal frameworks, allocation of rights, contracts, beneficial owners of extractive companies, state participation, reconciled information on production, exports, revenue receipts and payments, socioeconomic impact of extractives and environmental impacts of extractive activities. The primary objective of LEITI as per the Law is 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 based on equity and sustainability.

Model Mineral Development Agreement (2008): The model agreement provides a model contract to guide contract development and negotiation between the Government of Liberia and potential investors in the mining sector.

(Exploration and Production) Act (PEPA) is the primary legislation for the oil and gas sector in Liberia. It establishes a fiscal and legal regulatory framework for the management and regulation of petroleum activities in accordance with Articles 7 and 22(b) of the Constitution of the Republic of Liberia. Specifically, it provides the basis for ownership of petroleum and petroleum rights; institutional arrangements, including the establishment of the National Oil Company of Liberia (NOCAL) and Liberia Petroleum Regulatory Authority (LPRA); licensing, tendering for and granting of petroleum agreements; definition of forms and types of petroleum agreement, state participation; citizen participation; environmental health and safety; and local content and participation. Under the original law, the allocation of petroleum rights was only to be conducted through international competitive tendering. However, in 2019 the law was amended to include allocation of rights through direct negotiation with potential investors and executive allocation to NOCAL. In addition, new blocks were configured in the same year to align with international standards.

National Petroleum Policy of Liberia (2012): The Petroleum Policy of Liberia was developed in 2012 with the overall goal of directing the management of Liberia's petroleum resources in an environmentally responsible manner, optimizing returns to achieve equitable distribution of accrued benefits

The National Oil Company of Liberia Act (2000) and as Amended in 2014: The Law establishes NOCAL as the national oil company with the mandate to engage in petroleum exploration, development and production on behalf of the State; lift and market State's entitlement of crude petroleum taken in-kind; hold and manage all interests acquired by the State in all Petroleum agreements or production-sharing agreements; and encourage the development of national capabilities in all aspects of petroleum exploration, development and production, among other things.

Model Production Sharing Contract (2020): The model PSC is intended to guide contracting and negotiation processes between the Government of Liberia, NOCAL and potential investors. It provides look-alike terms and conditions of a PSC, including contractors' obligations of NOCAL and the Government of Liberia obligations; taxation and royalties; accounting methods and audit; State participation and Citizen Participation; among other relevant areas.

The Forestry Development Authority Act (1976), (As Amended): The Act (as amended) establishes the Forestry Development Authority (FDA) as a body corporate with its objectives as: establish a permanent forest estate made up of reserved areas upon which scientific forestry will be practiced; devote all publicly owned forest lands to their most productive use for the permanent good of the whole people considering both direct and indirect values; stop needless waste and destruction of the forest and associated natural resources and bring about the profitable harvesting of all forest products while assuring that supplies of these products are perpetuated; correlate forestry to all other land use and adjust the forest economy to the overall national. Further Amendments have been enacted to even improve the governance and ownership responsibility of the FDA in forest management in Liberia.

For instance, the National Forestry Reform Law further enjoins FDA with the responsibility to assure the sustainable management of the Republic's Forest Land, conservation of the Republic's

Forest Resources, protection of the Republic's Environment, and sustainable development of the Republic's economy, with the participation of and for the benefit of all Liberians, and to contribute to poverty alleviation in the Nation. The 2006 Law repealed Sections 16 to 23 of the Act creating the Forestry Development Authority.

■ **Conservation of the Forests of the Republic of Liberia (1953):** It provides the framework for the use of forest and wildlife resources and allows for the creation of government reserves, native authority reserves, commercial forests, national parks, and wildlife refuges.

■ **Supplementary Act for the Conservation of Forests (1957):** The Supplementary Law also provides the framework for the use of forest and wildlife resources and allows for the creation of government reserves, native authority reserves, commercial forests, national parks, and wildlife refuges.

■ **The Act that created the Forestry Development Authority (FDA) (1976):** The Act established the FDA as a semi-public autonomous corporation with the mandate to sustainably manage and conserve the forests and related resources of the country for the benefit of present and future generations. It also stipulated forest offences and penalties, made provisions for an Advisory Conservation Committee and specified powers of forest officers regarding trees in reserve areas.

■ **Wildlife and National Parks Act (1988):** This Law identifies several protected areas and specifies policies and objectives regarding wildlife and conservation in Liberia.

■ **National Forestry Reform Law (2006):** The Law provides for the management and conservation of the forest resources of Liberia. It covers the definition of ownership rights and other rights in forests, regulation of commercial and other use of forest resources, provision for the protection of the environment and wildlife in forest areas, regulation of the trade in forest products, and provision for various other matters relative to forestry and wildlife.

■ **Rubber Development Fund Incorporated Act (2016):** This Act provides the framework to ensure the development and modernization of Liberia's Rubber Industry in all aspects, including capacity building and manufacturing of rubber products as well as improving the performance and competitiveness of Liberian Rubber supply chain and value chain activities. The enactment of this law led to the repeal and replacement of the Rubber Industry Rehabilitation and Development Fund of Liberia (2003) and the Liberia Rubber Development Authority Act (2004).

3.5.1 Award of Licenses

The award of license in the mining sector is conducted in accordance with the Minerals and Mining Law (2000), under Chapters 5, 6, and 7. Liberia practice an open door negotiated system for allocating mineral rights on a first-come-first-serve basis. The types of licenses include Reconnaissance, Prospecting, Exploration and Mining Licenses. There are different classes of mineral licenses including Class A, B, and C.

License Type	Validity Requirements	Area (not to exceed)	Duration
Reconnaissance	Shall not engage in drilling or sinking of pits	Size does not exceed 2000 square kilometres	Maximum of 6 months tenure - renewable
Prospecting	Must Submit proposed prospecting plan Eligible for Class B or C applicant	Not exceed 100 acres	6 months and renewable for 6 months
Exploration	Eligible for Minerals exploration applicants	1000 sq. km	3 years and up to additional 2 years renewal
Class A	Large scale Mining Requires completing exploration program and detailed map and descriptions based on actual survey Complete feasibility study	As mapped	25 years tenure Renewable by additional 25 years

Class B	Industrial operations	An area not currently under a mineral right	5 years license tenure and renewable for additional 5 years
Class C	Operationally for small-scale operations	Up to 25 acres	1 year and continuous yearly renewal
Quarry	Building and Industrial Minerals	Up to 50 acres	5 years and continuous 5 years renewal

3.5.2 License Application Process – Class 'B' and 'C' Licenses

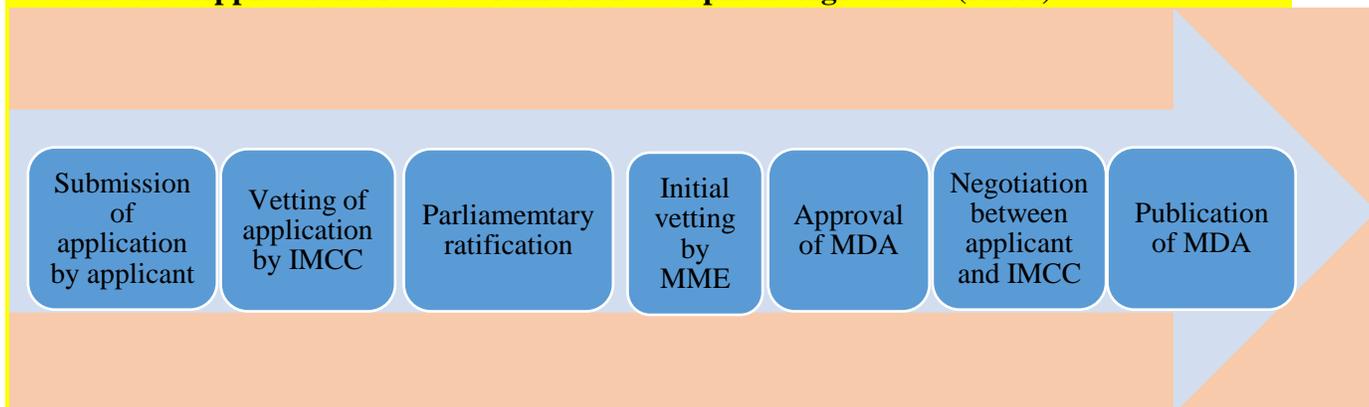
Stage/Activity	Responsible Agency/Person
Application submitted to Minister's office	Applicant
Application recorded by Cadastre office and uploaded on MCAS	MME
Vetting of application by GIS technician and recommendation for validation	MME
Application forwarded to bureau of Mines for further vetting	MME
Application reviewed, vetted, and validated by Director of Mines	MME
Assistant Minister of Mines reviews and issues approval	MME
Application is forwarded by Bureau of Mines to Cadastre office to effect payment process	MME
Request for Payment delivered to applicant	MME
Payment made to LRA by applicant and receipt submitted to Bureau of Mines	Applicant
Cadastre receives payment confirmation, and prints license and sends to Bureau of Mines for signing	MME
License is issued to applicant	MME
License filed and included in Cadastre	MME

3.5.3 License Application Process – Class 'A' Licenses

Stage/Activity	Responsible Agency/Person
----------------	---------------------------

Submitted application to Minister's office	Applicant
Application validated by Cadastre to ensure proposed land is not encumbered	MME
Submission of feasibility report	Applicant
Ministerial Vetting and approval of feasibility report	MME
License Granted	MME

3.5.4 License Application Process – Mineral Development Agreement (MDA)



3.5.5 Mineral License Transfer Process

The Minerals and Mining Law, 2000 provides a basis for the transfer of mineral rights acquired by an applicant to another, upon approval by the Government, except for an assignment to an affiliate of the Holder of Mineral Rights. Similarly, mineral right can be transferred from a holder to an affiliate without needing a government approval on the condition that the mineral right holder and the affiliate remains jointly and severally liable for all obligations assumed under the mineral rights.

3.5.6 Active Mining Licenses as of June 2020

The Ministry of Mines reported 56 active licenses in Class A (5), Class B (36), Exploration (9), and Prospecting (6) categories.

N0.	Commodity	Class A	Class B	Exploration	Prospecting	Total
1.	Base metals			6		6
2.	Corundum		1			1
3.	Diamond		1			1
4.	Gold	2	14	1	6	23
5.	Graphite			1		1
6.	Iron ore	3		1		4
7.	Quarry		1			1
8.	Rock		5			5

9.	Sand		9			9
10.	Zircon		5			5
Total		5	36	9	6	56

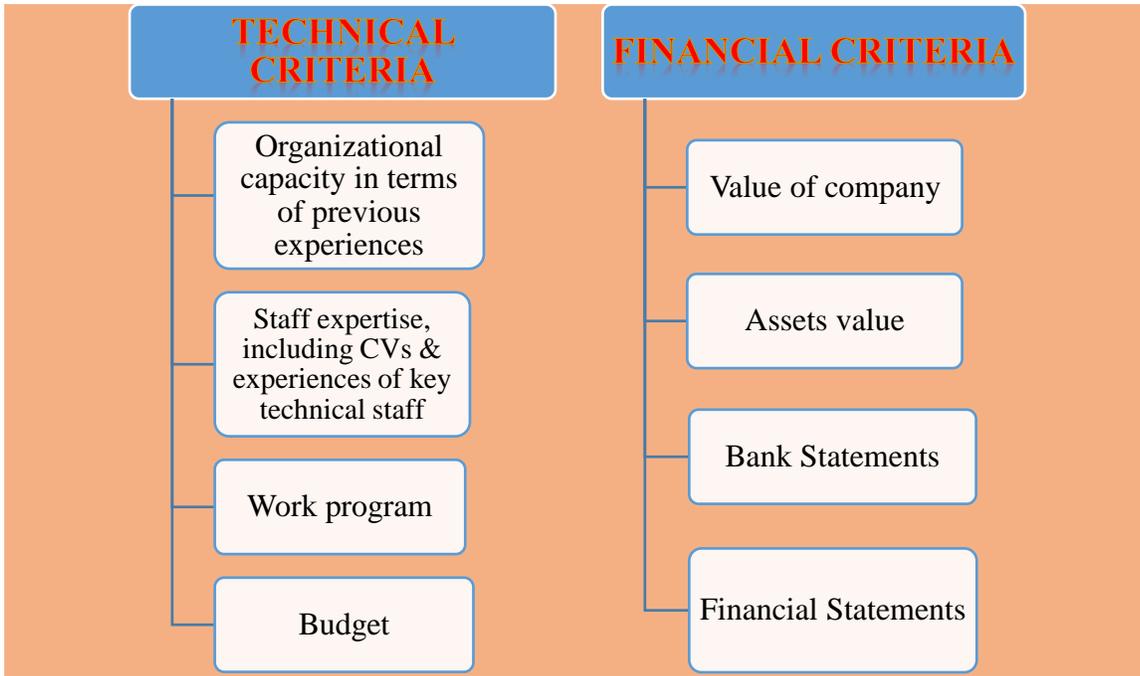
3.5.7 Technical and Financial Criteria Used in Mineral License Allocation

Section 4.2 requires both financial and technical capacity of the licensee. This section stipulates that information furnished by the Licensee demonstrates to the reasonable satisfaction of the Minister that:

- in accordance with Schedule 4.2(c)(i) the Licensee possesses or has access to the technical capacity to carry out its proposed work program.
- in accordance with Schedule 4.2(c)(ii) the Licensee possesses or will possess the financial capacity to carry out its approved work program and comply with its obligations under this regulation and the Mining Law.

Hence, financial criteria which require MME to carry out financial checks on the licensee and, where appropriate, on the corporate group to which the licensee belongs. There is no set guidance on the determination of financial capabilities yet apart from background checks on licensee or its parent company other criteria such as technical including the licensee's managerial competence is required. Further, request for the qualification and experience of senior management is to be complied.

3.5.8 Technical and Financial Criteria for Assessing License Application



3.5.9 Types of Oil and Gas Licenses or Agreements

License Type	Key Sections in Legislation
Reconnaissance License	The reconnaissance license shall confer upon the holder non-exclusive and non-transferable rights to conduct reconnaissance operations in an area specified in the license. Duration is two (2) years
Petroleum Agreement	<p>A petroleum agreement shall grant the contractor an exploration authorization for a maximum period of seven years, divided into an initial phase, followed by extension periods, which shall be granted to the contractor, at the contractor's request, provided that the exploration work commitment to be carried out in the preceding phase was fulfilled.</p> <p>Petroleum agreements grants the Contractor, an exclusive right to explore for petroleum in the contract area and to carry out such operations and execute such works as may be necessary for that.</p>

3.5.10 Processes for Application of Oil and Gas License or Petroleum Agreements

License Type	Key Sections in Legislation
International Competitive Tendering	Sections 15 of New Petroleum (Exploration and Production) Act provides details on processes for competitive tendering. https://www.lpra.gov.lr/index.php/publication/laws-regulations
Direct Negotiation	Section 14 provides details on how to allocate petroleum rights through Direct Negotiation https://www.lpra.gov.lr/index.php/publication/laws-regulations
Executive Allocation to NOCAL	Section 14 (c) provides details on how to allocate petroleum rights to NOCAL https://www.lpra.gov.lr/index.php/publication/laws-regulations

3.5.11 Process for Transfer of Ownership Interests in the Oil and Gas Sector

Process for the Transfer of Ownership Interests in the Oil & Gas Sector

Legal Basis

Section 65 of the National Petroleum Law provides the legal basis for the transfer of ownership interests or rights.

Authority's Consent

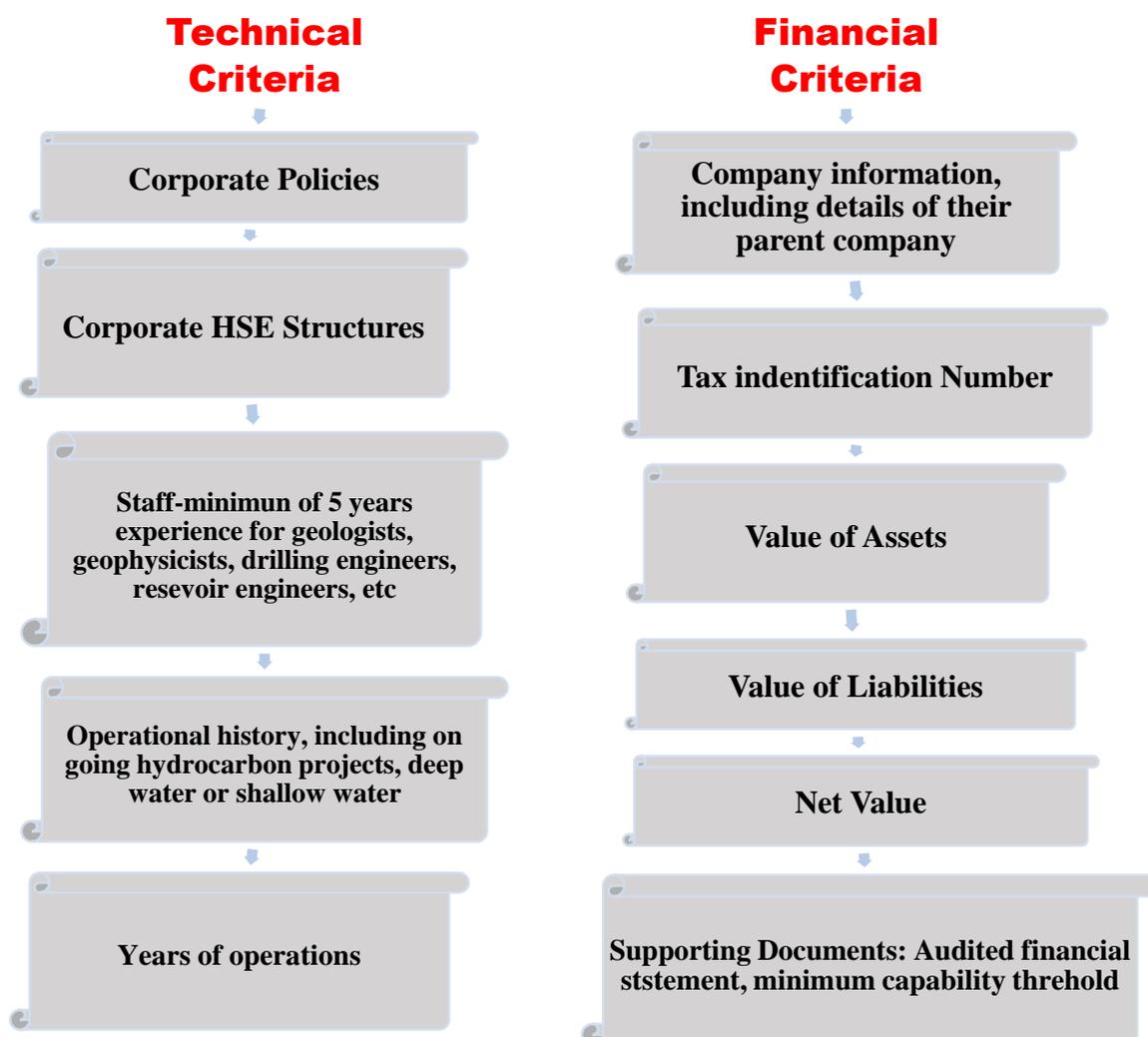
Section 65(2) requires ownership transfers to be done at the consent of the Director General of the LPRA.

NOCAL's Right to Refuse

Any contractor wishing to assign, sell, or transfer interest will give NOCAL the right of first refusal to acquire interest at the same price under the same terms and conditions as agreed with the potential purchaser.

3.5.12 Technical and Financial Criteria Used in the Award of Oil and Gas Contract or License

The Petroleum (Exploration and Production) law requires the LPRA to ensure prospective investors in the upstream sector possess the necessary technical and financial capacity to deliver on their obligations. The figure below shows the technical and financial criteria applied to bid evaluations in the latest licensing round:



3.6 Fiscal Regime in the Extractive Sector

The legal basis for the fiscal regime in the extractive sector is the Revenue Code of Liberia, 2000 and as Amended in 2011. The table below provides a description of the key fiscal terms in the extractive sector.

Fiscal Term	Rate
Royalty	A payment made in reference to the amount of value of commodity produced. Hence the basis of royalties is either production volume, or value.
Corporate Income Tax	Taxes are assessed as a percentage of the net profits of a project after deducting allowable expenses. These vary most often based on what deductions are allowed and how they are calculated and monitored.
Government equity participation	The State's negotiated interest in an extractive project, either under free carried interest or paid participating interest arrangements. Further, this can be based on share of distributed profits of a company (dividends) or the right to distribute some portion of the petroleum or mineral output.
Surface Rents	Payment based on fixed acres or hectares per fee
Bonuses	A lump sum payment charged at a point in a project timeline
Cost Recovery for mining production assets	An amount of money spent on asset that can be deducted from tax owed to the Government. This is often based on a maximum allowable deduction
Exploration license fees	Fees paid for authorization and permit to conduct exploration
Application processing fees	Processing application or extending a license term – US\$ 5000 Suspension of exploration – US\$ 2500 Application to amend approved work program and budget - US\$ 2500 Application for pilot mining and recovery program – US\$ 10,000 Application for transfer or change of control - US\$ 2500
Stability Provisions	Contractual provisions that mandate that changes in legislation or regulation enacted after a contract is signed or enters into force will not apply to the parties'

3.7 Concession Allocations in the Forestry Sector

The allocation of concessional rights and licenses in the Agriculture and Forestry Sectors are governed by the Public Procurement and Concessions Act (PPCA) of 2005 as amended and restated in 2010.

3.7.1 Types of Forestry Licenses and Concessions

The forestry sector has three (3) main types of forestry license, namely: Forestry Management Contracts (FMC); Timber Sales Contract (TSC); Community Forest Management Agreement (CFMC). The details of each license and validity have been presented in the table below:

License Type	Requirement	Area (not to exceed)	Duration
Forestry Management Contract	Long term contracts for large areas	Large FMCs - 400,000 ha Small FMCs - 50,000- 100,000 ha	25 years
Timber Sales Contract	For small areas and usually short-term contracts	Less than 5000 ha	3 years
Community Forest Management Agreement	Issued to communities for community-based management forest with specific community-based governance structures	50 ha	15 years

3.7.2 License and Concession Application Process in the Forestry Sector

As per the National Forestry Reform Law, 2006 and the Public Procurement and Concession Act, 2010, the allocation of concessions requires the following process and requirements. All license applications are expected to be conducted under competitive bidding process. Below are the key requirements for application for forestry licenses:

3.7.3 Forest Management Contracts Requirements

- The land area involved must be identified as a potential concession in the National Forest Management Strategy and must be validated to the suitability of the area for the proposed land use as per Section 4.5 of the Forestry Act.
- The land involved must not include private land.
- The contract must require the Holder to perform actions necessary for sound, long-term forest management, including inventories, preparation of management plans, and annual operations plans.
- The contract must require the Holder to prepare all environmental impact assessments required under the laws governing environmental protection.
- The contract must require the Holder to submit a business plan to the Authority and to demonstrate to the Authority's satisfaction that the Holder has the technical and financial capacity to manage the forest sustainably.
- The contract must require the Holder to establish a social agreement with local forest-dependent communities, approved by the Authority that defines these communities' benefits and access rights.
- The contract must require the Holder to pay the Government the fee that the Holder bid in the concession process, in addition to any other applicable taxes and fees, for the privilege of harvesting or using Forest Resources.
- The basic terms of the contract must approximate the length of a forest rotation on the land based on a sustainable yield of timber products, although the contract may be terminated sooner for cause.
- The land area subject to the contract must be at least 50,000

3.7.4 Timber Sale Contracts Requirements

The contract must be consistent with the National Forest Management Strategy in effect when the contract is awarded, and the area must be validated for the suitability of the area for the proposed land use as per Section 4.5 of the Forestry Act.

- The land involved must not include private land.
- The basic terms of the contract must not be more than three years.
- The land area subject to the contract must be no more than 5,000 hectares.

3.7.5 Processes for License or Ownership Transfers

The basis for ownership transfer in the forestry sector is enshrined in Section 6.2 of the National Forestry Law, 2006. The transfer of ownership requires prior approval by the FDA and the new owner must also satisfy the basic qualification as detailed in the Act.

3.8 Beneficial Ownership Disclosure

3.8.1 Updates on BO Implementation

Liberia is considered a new player in terms of the implementation of BO disclosure. BO is implemented across different sectors; however, all stakeholders have agreed to one comprehensive central register to be hosted and managed by the Liberia Business Registry.

LEITI has taken a proactive step and demonstrated its unrelenting effort towards the establishment of a BO register. Consultations of stakeholders began in 2015 when the Liberia Business Registry was 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.

The legislative frameworks that guide the implementation of beneficial ownership disclosure in Liberia partly follow international requirements/standards but are fragmented between multiple agencies of the Government. The administration of BO disclosure takes place across numerous government agencies with different regulatory frameworks and intended objectives.

LEITI, LPRA, FIU, LBR, and LRA all have some form of legislative or administrative mandates that require the collection and maintenance of BO information. Each agency is at a different BO implementation level. The common goal is to enhance tax administration by minimizing tax avoidance and evasion and adhere to international standard requirements, including EITI, EU Anti-money laundering, and FATF standards. It enhances transparency in doing business and improves the investment climate.

Despite the different intended aims for BO disclosure implementation, it is understood from discussions with these agencies that the BO register's particulars and details they expect to maintain bears similar features.

3.8.2 Summary of key BO information

BO Standard	Details on Liberia's Regime
Liberia's definition of Beneficial Owner	Business Corporation Act as Amended in 2020 provides definition LPRAs Regulations on Ultimate BO provides definition for BO: Beneficial Owner means the natural person(s) who ultimately owns directly or indirectly (shares or voting rights), exercises ultimate effective controls, or economically benefits from the income or assets of a company including a Politically Exposed Person (PEP).
BO Disclosure Thresholds	LPRAs Regulations provides details on shareholding threshold but it is limited as per standard practice:
Sector Coverage of BO Disclosure Regime	BCA Amendments is an economy wide BO disclosure requirement whiles LPRAs regulations only applies to upstream oil and gas
Politically Exposed Persons	LPRAs Regulations provide clear definition of PEP and PEP family and close associates
Public Accessibility	BO information collected by LPRAs is expected to be public however no decision has been made as to how that will be in practice
Sanctions and Enforcement	LPRAs law provides clarity on sanctions and penalties

3.8.3 BO Implementation under Opening Extractive Program

In 2021, Liberia signed up to the Opening Extractive Program (OEP), a program implemented by the International EITI Secretariat and Open Ownership. OEP is intended to assist Liberia to implement a BO regime that discloses high quality and accurate information; enhance the access to and use of BO information. OEP has conducted an initial scoping report that examines the state of play of BO reforms in Liberia. It aims to identify specific gaps in beneficial ownership (BO) implementation and make context-specific recommendations on how Liberia can advance beneficial ownership reforms.

3.9 State Participation

3.9.1 Oil & Gas Sector

The Petroleum (Exploration and Production) Law provides the legal basis for the State's participation in the oil and gas sector. In the oil and gas sector, the 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.

3.9.2 Mining Sector

Similarly, the Minerals and Mining Act, 2000 provides the legal basis for the State's participation in the mining sector. According to this law, the Government is entitled to free equity interest of not less than 10 percent and not more than 15 percent.

Based on the review of information submitted by stakeholders, the following table presents Government's ownerships in the mining sector during the fiscal year 2020.

Name of Company	Government of Liberia's Ownership Interest
Arcelor Mittal	15%

3.9.3 Forestry Sector

The National Forestry Reform Law, 2006 does not mention any State participation in forestry companies' equity or interests when contracts are concluded. It is understood that the State does not have any equity interest in forestry concessions.

3.9.4 Agriculture Sector

It is understood that the State does not have any equity interest in Rubber or Oil Palm Concessions.

4.0 Production and Export Data

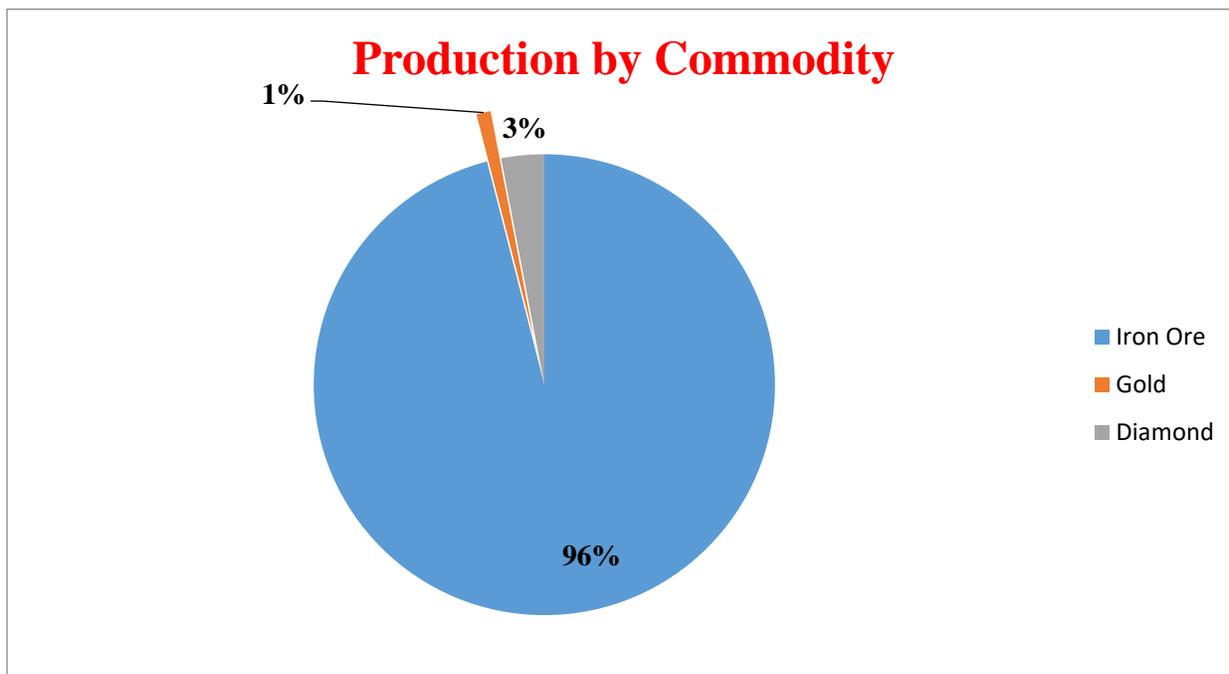
4.1 Production Data

4.1.1 Mineral Production Data for FY 2019/2020

Artisanal & Small Scale Mining (ASM) is the sole producers of diamonds, with 43,380 karats. On gold production, Bea Mountain was the largest producer of gold, with 71.6% of production. Arcelor Mittal was the sole producer of iron ore. The table below shows the production of three key commodities in the mining sector

Commodity / Company	Production
Diamond	43,380
Artisanal & Small Scale Mining (ASM)	43,380
Gold	2,926
Artisanal & Small Scale Mining (ASM)	509
Bea Mountain Mining Company(BMMC)	2,095
MNG Gold -Liberia	322
Iron Ore	4,788,038
Arcelor Mittal (Liberia) Ltd	4,788,038

The pie chart below shows the share of production of the three key commodities in the mining sector.



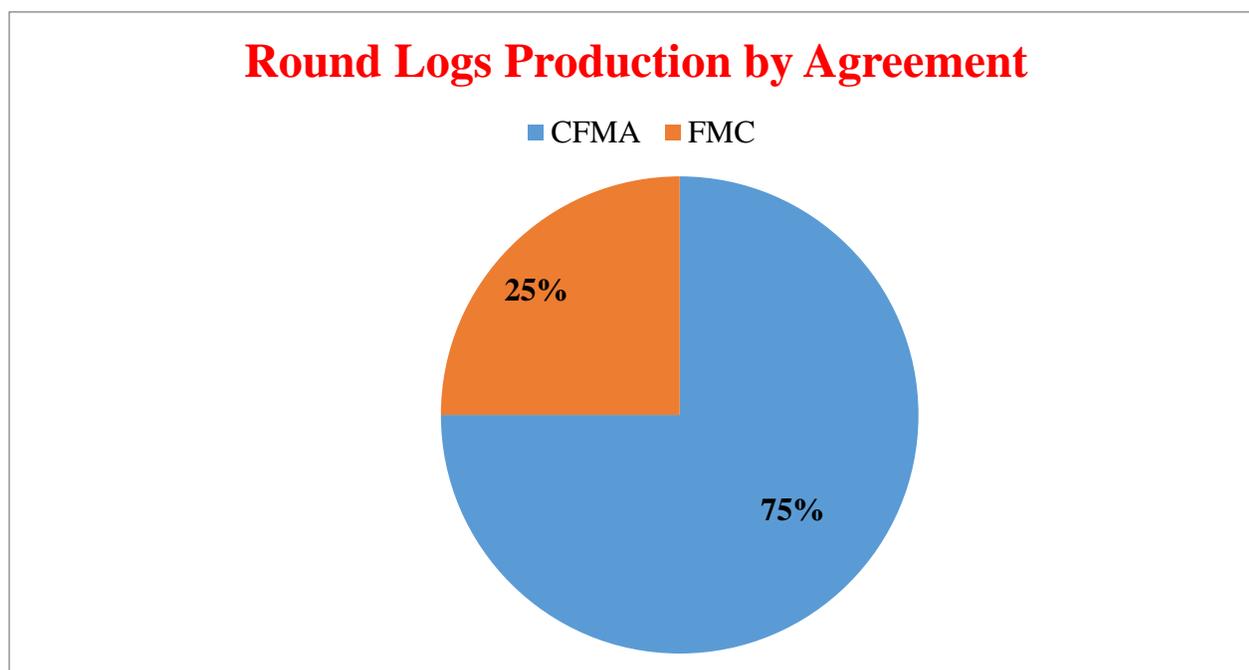
4.1.2 Forestry Production by Company

According to data submitted by the FDA, the forest sector produced 87,996.7 m³ of round logs in FY 2019/2020. Of this amount, five companies (Mandra Forestry Liberia Ltd, 21.5%; Brilliant Maju Inc., 13.3%; Alpha Logging and Wood Processing Inc., 14.4%; L&S Resources Inc., 10.1%; and West African Forestry Development Inc., 8.5%) accounted for 63.9% of round log production.

N0.	Company	Production(cubic meter)
1.	Mandra Forestry Liberia	18,935.4
2.	Brilliant Maju Inc.	11,725.7
3.	Alpha Logging & Wood Processing, Inc.	9,137.3
4.	L&S Resources, Inc.	8,921.9
5.	West Africa Forestry Dev. Inc.	7,482.0
6.	Euro Liberia Logging Company	7,334.9
7.	Geblo Logging, Inc.	5,748.6
8.	Tetra Enterprise Inc.	5,428.6
9.	Westnaf Limited	5,073.4
10.	African Wood & Lumber Company	3,006.9
11.	Booming Green	2,471.0
12.	Masayaha Logging	1,241.7
13.	Sing Africa Plantation Liberia, Inc.	1,120.9
14.	Regnals International, Inc.	202.6
15.	Build Liberia	165.8

4.1.3 Forestry Production by Agreement

FMC and CFMA are the two types of agreement in the forest sector that produce round logs. CFMA produced 75% of the round logs, while FMC produced 25%.



4.1.4 Agriculture Production by Company

Five agriculture companies holding concessions submitted production data for FY 2019/2020. Firestone Liberia, Liberia Agriculture Company, and Salala Rubber Corp are producers of Rubber. Firestone with a total land area of 118,990 ha, produced 84,470,850 pounds of natural Rubber, followed by Liberia Agriculture Company 26,269 mt, and Salala Rubber Corp with 1,676 mt. Golden Veroleum and Libinc Oil Palm are the producers of crude palm oil. Golden Veroleum is the largest producer of crude palm oil, accounting for 71.1% of production.

N0.	Company	Commodity	Unit	Total
1.	Firestone Liberia, Inc.	Rubber	IBS	84,470,850
2.	Liberia Agriculture Company	Rubber	MT	26,269
3.	Salala Rubber Corporation	Rubber	MT	1,676
Total				84,498,795
4.	LIBINC Oil Palm Inc.	Fresh Fruits Bunches	MT	47,299
Total				47,299
5.	Golden Veroleum Liberia	Crude Palm Oil(CPO)	MT	27,892
6.		Crude Palm Oil(CPO)	MT	10,233
7.		Crude Palm Kernel Oil	MT	1,097
Total				39,222
8.	Golden Veroleum Liberia	Palm Kernel	MT	4,021
Total				4,021

4.2 Exports Data

In FY 2019/2020, the mining sector exported iron ore, diamonds, and gold. Iron ore's total export value was US\$271,296,906 or 96% of total export value of the mining sector. Arcelor Mittal is the sole exporter of iron ore in FY 2019/2020. Europe is the primary destination of Liberia's iron ore shipment, accounting for 78.6% of export value. Diamonds accounted for 3% of export value for the mining sector. Royal Company accounted for (28.9%) of diamonds exports, West Africa Diamonds (21.7%) and Lee Yam Diamond (19.5%). While Israel is the key destination for diamonds exported from Liberia, Dubai, Belgium, Germany other destinations. According to MME's data, Dubai UAE was the destination for Liberia's gold. Note that MME did not provide export values for other key players in the production and exploration of gold, including MNG Gold and Bea Mountain.

4.2.1 Mineral Exports Data 2019/2020

Exports by Company and Commodity

Commodity	Volume	Value(USD)
Diamond	22,182	8,556,737
Royal Company		2,475,414
West Africa Diamonds	4,744	1,858,322
Lee Yam Diamond	1,230	1,667,459
Blue Sky Corp	7,749	1,552,725
West Africa Gold & D	8,459	1,002,817
Gold	110	2,957,504
Lee Yam Diamond	110	2,957,504
Iron Ore	4,333,066	271,279,906
Arcelor Mittal	4,333,066	271,279,906
Grand Total	4,355,359	282,794,147

Export by Destination

Commodity	Volume	Value (USD)
Diamond	22,182	8,556,737
Israel	5,731	3,429,051
N/A		2,475,414
Belgium	11,294	1,591,174
Dubai UAE	4,932	1,014,386
Germany	195	26,569
Turkey	31	20,143
Gold	110	2,957,504
Dubai UAE	110	2,957,504
Iron Ore	4,333,066	271,279,906
Asia	765,371	49,034,760
Europe	3,567,695	222,245,146
Total	4,355,359	282,794,147

4.2.2 Forestry Exports Data 2019/2020

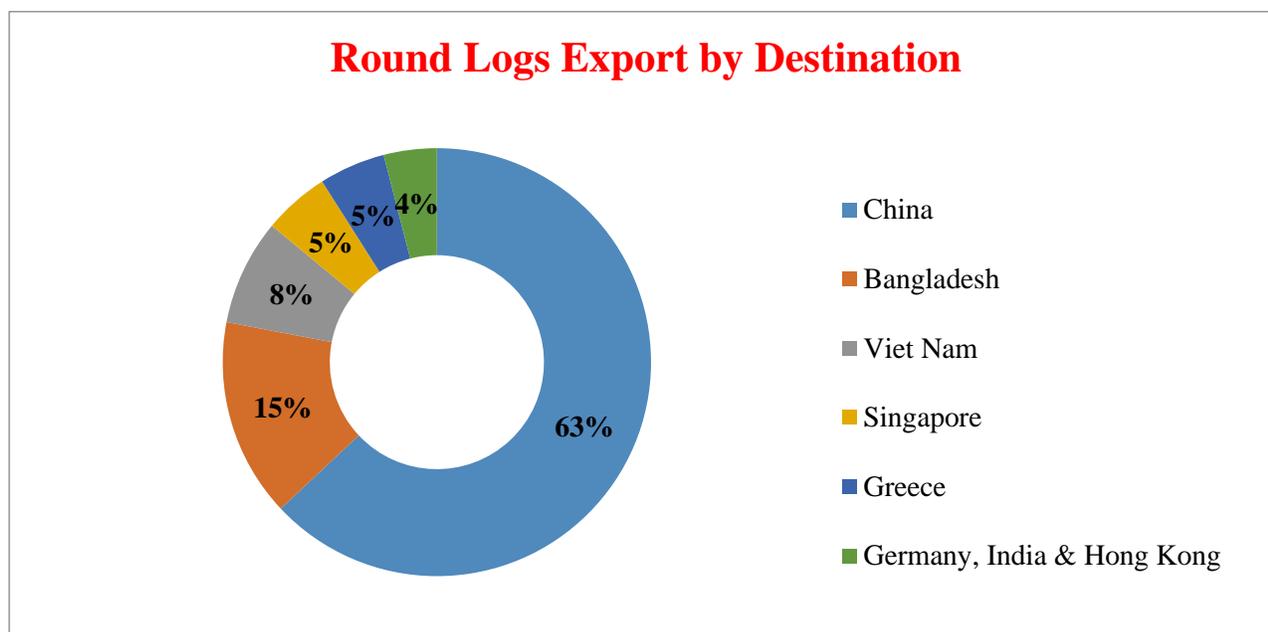
FDA provided export values of round logs in the forest sector. The total export value amounted to US\$4,023,280, representing exports from 20 forest companies. Mandra Forestry is the lead exporter of round logs (21.9%). Other key contributors are International Consultant Capital (16.6%), Booming Green (14.1%), Geblo Logging (13.1%), and Alpha Logging and Wood (11.8%)..

Export Volume and Value by Forest Company

N0	Company	Volume	Value(US\$)	Percentage
1.	Mandra Forestry	45,517	881,022	21.9%
2.	International Consultant Capital	37,809	625,626	15.6%
3.	Booming Green	37,064	568,287	14.1%
4.	Geblo Logging	31,459	526,028	13.1%
5.	Alpha Logging and Wood	24,741	475,600	11.8%
6.	Euro Liberia Logging	8,823	191,168	4.8%
7.	Brilliant Maju Inc.	8,618	157,929	3.9%
8.	African Wood & Lumber Co	8,596	151,466	3.8%
9.	Sing Africa Plantations	5,713	109,328	2.7%
10.	Freedom Group	4,479	98,098	2.4%
11.	Westnaf Limited	9,418	88,294	2.2%
12.	L&S Resources Inc	2,573	50,436	1.3%
13.	West African Forestry	1,857	40,044	1.0%
14.	Magna Logging Corporation	1,832	20,837	0.5%
15.	Liberia Tree & Trading Corporation, Inc.	671	14,701	0.4%
16.	Alma Wood	699	14,068	0.3%
17.	Starwood Inc	271	4,477	0.1%
18.	Stadium Inc.	243	3,447	0.1%
19.	East Atlantic Ridge Ltd	197	1,846	0.0%
20.	Regnals Internationals	62	577	0.0%
Total		230,642	4,023,280	

4.2.3 Forestry Export by Destination

China is the primary destination for Liberia's round logs, representing 63% of export value. Other destinations are Bangladesh (15%), Viet Nam (8%), and Singapore (5%), Greece, Germany, India and Hong Kong. Combined, Asia is the destination for over 90% of Liberia's round logs



4.2.4 Agricultural Exports Data

Based on data received from reporting companies in the agriculture sector, Rubber has the largest export value in FY 2019/2020. It accounts for 81% of total export value for the sector. LAC is the largest exporter of Rubber, representing 56.7% of rubber export value, while Firestone holds 43.3%. Salala Rubber did not provide export data. One hundred percent of Firestone's Rubber is sold to its parent company. The USA is the primary destination for Firestone's Rubber, accounting for it 95.6% of its export value. Crude Palm Oil and Kernel are other exports in the agriculture sector. Libinc Oil Palm and Golden Veroleum have a combined export value of US\$27,036,163. India, Cameroon, and Senegal are destinations for crude palm oil and kernels.

Commodity / Company	Value (USD)
Crude Palm Kernel Oil (CPKO)	256,365.20
LIBINC Oil Palm Inc	256,365.20
Crude Palm Oil (CPO)	11,776,945.00
LIBINC Oil Palm Inc	11,776,945.00
RUBBER	115,146,640.53
Liberia Agriculture Company	65,339,105.06
Firestone Liberia	49,807,535.47
Crude Palm Oil(CPO)	14,992,853.04
Golden Veroleum	14,992,853.04
Grand Total	US\$142,172,803.77

5.0 Revenue Collection

5.1 Disclosure of Taxes and Revenue: The table below shows the flow of payments in the extractive sector from the receiving entity to the final destination.

Sector	Type of Payment	Receiving Entity	Final Account or Receiving Entity
All Sectors	Signature bonus/fees; Corporate Income Tax; Withholding tax including personnel, non-resident, board fees, third parties; ECOWAS Trade levy; Import Levy; Fines; Work permit fees; vehicle registration fees; Resident permit fees; Pre shipment/destination inspection; General Services Tax; Dividend to GOL; Research vessels tonnage tax; supply vessels annual tonnage tax; Aircraft inspection fees; customer user fees; other administrative fees	LRA	Consolidated Fund
All Sectors	Fees and Charges paid to NPA	NPA	NPA
All Sectors	Annual Social Contribution (County and Community)	Comm.	Communities
Forestry	Auction fee; stumpage fee; bid premium; log export fees; chain of custody management fees; Area fees; forest product fees; waybill fee; non timber forest products fees; Timber Export License fees; Block inspection fees	LRA	Consolidated Fund
Agricultural Companies	Rubber sales tax; surface rentals; block inspection fees;	LRA	Consolidated Fund
Mining Companies	Royalty; Surface rental; Mineral License fees	LRA	Consolidated Fund
Mining Companies	Contribution to the scientific Research Fund	LRA	MME
Oil and Gas Companies	Social Welfare Contribution; Surface Rentals; Annual training and technology fees; JOC fees; Hydrocarbon Development Fund	NOCAL	Consolidated Fund
Oil and Gas Companies	Contribution to Rural Energy Fund	NOCAL	REFUND
Oil and Gas Companies	License Application Fees	LPRA	LPRA
Oil and Gas Companies	Contribution to the University of Liberia (UL)	NOCAL	UL

5.2 Analysis of Revenue

5.2.1 Analysis of Government Revenue by Sector

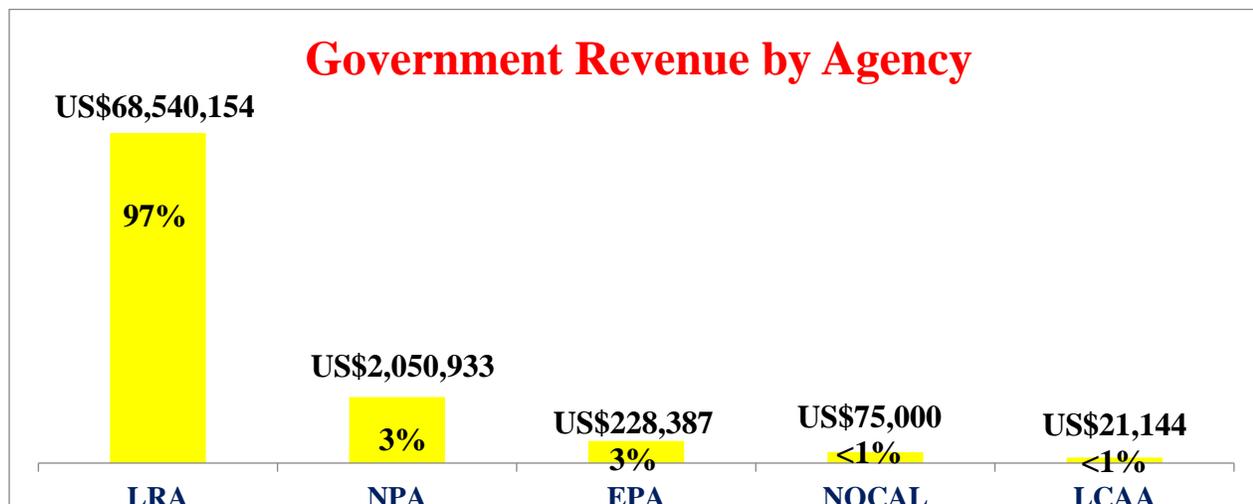
The four sectors under the LEITI scope recorded a total of US\$70,915,618 in FY 2019/2020. The amount reflects an 11% decrease in extractive revenues compared to FY 2018/2019. Except for mining, oils and gas, agriculture, and forestry showed decreased in tax revenues in 2019/2020. Mining continues to dominate extractive revenues, accounting for 64% of revenues, followed by agriculture (25%), forestry (10%), and oil and gas (1%).

Extractive Revenue by Sector for the FY 2019/2020

Sector	Total (US\$)	Percentage
Mining	45,243,496	64%
Agriculture	17,455,249	25%
Forestry	7,311,499	10%
Oil and Gas	905,374	1%
Grand Total	70,915,618	100%

5.2.2 Analysis of Government Revenue by Agency

The Liberia Revenue Authority (LRA) collected 97% of extractive revenues during the FY 2019/2020 and deposited same into the Consolidated Account at the Central Bank of Liberia (CBL) in keeping with the Public Financial Management (PFM) Law. Tax revenues collected from extractive companies by EPA, LCAA, and NPA are deposited into each agency's account for purposes described by each agency's governing law.



5.2.3 Analysis of Extractive Revenue by Company FY 2019/2020

LRA, EPA, LCAA, NOCAL, and NPA submitted payment information for 80 companies in the oil and gas, mining, forestry, and agriculture sectors. Sixteen companies (23.2%) represent 89.5% of tax revenues from the extractive sector. Arcelor Mittal accounted for 43.7% of tax revenue, while Firestone Liberia (8.9%), Bea Mountain (7.9%), MNG Gold (4.9), and Sime Darby Plantation (4.7%) are key revenues contributors.

N0.	COMPANY	LRA	NPA	EPA	LCAA	NOCAL	TOTAL	%
1.	Arcelor Mittal	30,350,460	616,360				30,966,820	44%
2.	Firestone Liberia	5,913,301	404,233				6,317,533	9%
3.	Bea Mountain	5,493,925		81,350			5,575,275	8%
4.	MNG Gold	3,439,357		31,500	8,200		3,479,057	5%
5.	Sime Darby Plantation	3,319,497					3,319,497	5%
6.	Golden Veroleum	2,338,936	172,860		12,944		2,524,740	4%
7.	Liberia Agricultural Company	1,874,892					1,874,892	3%
8.	Hummingbird Resources	1,705,153					1,705,153	2%
9.	Mandra Forestry	1,464,652	130,520				1,595,172	2%
10.	Alpha Logging & Wood Processing	816,343	154,292				970,635	1%
11.	Geblo Logging	848,567	33,143				881,710	1%
12.	CGGC Mining Services	2,025		2,025			877,108	1%
13.	International Consultant Capital	649,721	215,836				865,557	1%
14.	Deko Mining Corp	855,128					855,128	1%
15.	Chevron Liberia Block D (Holding) Limited	830,374					830,374	1%
16.	Libinc Oil Palm	614,198	159,273				773,471	1%
17.	Others	7,150,567	164,471-	113,152		75,000	7,503,496	11%
Total		68,540,154	2,050,933	228,387	21,144	75,000	70,915,618	100%

5.2.3 Analysis of Extractive Revenue from the Mining Sector FY2019/2020

Thirty-nine mining companies reported a total of US\$45,243,496 in tax revenues across four agencies of Government, namely EPA, LRA, LCAA, and NPA. Of the total amount collected in tax revenues from the mining sector, 4 companies (Arcelor Mittal, Bea Mountain, MNG Goal, and Hummingbird Resources) accounted for US\$41,726,305 or 92.2% of total sector revenues. Arcelor Mittal is engaged in the extraction of iron ore, while Bea Mountain, MNG Gold, and Hummingbird are involved with the exploration or extraction of gold.

5.2.4 Analysis of Revenue Streams in the Mining Sector FY 2019/2020

The mining sector reported 68 distinct revenue streams for FY 2019/2020. Fourteen out of the 68 revenue streams (20.5%) accounted for 93.2% of all tax revenues in the mining sector. Royalties on Iron Ore 4.5% (Mineral Mining) which accounted for US\$13,573,695 (30%) is the largest contributor, followed by Wh (Res.) On Salaries and Wages , US\$12,900,695 (28.5%), and Social Contributions (Mineral Mining) US\$3, 360,000 (7.4%).

Tax Kind	Total	Percentage
Royalties on Iron Ore 4.5% (Mineral Mining)	13,573,694.6	30.0%
Wh (Res.) On Salaries and Wages	12,900,695.4	28.5%
Social Contributions (Mineral Mining)	3,360,000.0	7.4%
Wh (Res.) On Payments for Serv. Rendered	3,196,532.4	7.1%
Royalties Gold and Other Base Metals 3% (Mineral Mining)	1,707,216.9	3.8%
Signature Bonuses (Mineral Mining)	1,500,000.0	3.3%
Wh (Non-Res.) On Payments for Services Rendered	1,412,528.8	3.1%
Royalties Gold and Other Base Metals 3% (Mineral Mining)	1,347,215.7	3.0%
Customs User Fees	842,993.4	1.9%
Surface Rental - Land in Mineral Exploration Area \$0.20/Acre (Mineral Mining)	600,813.2	1.3%
Marine Operations	556,359.7	1.2%
Other Import Duties	444,033.3	1.0%
Royalties Gold and Other Base Metals - Other (Agreements) (Mineral Mining)	387,781.6	0.9%
ECOWAS Trade Levy	353,293.7	0.8%
Others	3,060,337.3	6.8%
	Total	\$45,243,496

5.2.5 Analysis of Oil & Gas Revenue FY 2019/2020

Chevron Liberia Block D (Holding) Limited is the sole contributor in the oil and gas sector for FY 2019/2020, contributing US\$830,374, in tax revenues. NOCAL received \$75,000 from TGS NOPEC for corporate social responsibility initiatives as per a December 2017 agreement relating to storage, marketing, and licensing of 3D seismic data.

Analysis of Oil and Gas Revenue by Company

Company	Total
Chevron Liberia Block D	US\$830,374

Analysis of Oil & Gas Revenues by Revenue Streams

Tax Kind	LRA	NOCAL	Grand Total
CIT Regular (25%)	830,374		830,374
Corporate Social Responsibility Cash Payment		75,000	75,000
Grand Total	830,374	75,000	905,374

5.2.6 Analysis of Forestry Revenue by Company for FY 2019/2020

Twenty-seven companies reported a total of US\$7,311,499 in the forest sector for FY 2019/2020. Twelve companies accounted for US\$6,533,964 or 89.4% of total tax revenues from the forest sector. Mandra Forestry accounted for US\$1,595,172 (21.8%), Alpha Logging & Wood Processing US\$970,635 (15.3%), Geblo Logging US\$881,710 (12.1%), and International Consultant Capital US\$865,557 (11.8%).

Taxpayer	Total	Percentage
Mandra Forestry	\$1,595,172	21.8%
Alpha Logging & Wood Processing	\$970,635	13.3%
Geblo Logging	\$881,710	12.1%
International Consultant Capital (ICC)	\$865,557	11.8%
Booming Green	\$649,472	8.9%
Sing Africa Plantation	\$430,032	5.9%
Brilliant Maju	\$349,408	4.8%
African Wood & Lumber Co.	\$215,455	2.9%
Tetra Enterprise	\$183,989	2.5%
Westnaf Limited	\$152,562	2.1%
Shangyou Wood	\$127,632	1.7%
Renaissance, Inc.	\$112,340	1.5%
Others	\$777,535	10.6%

Grand Total	\$7,311,499
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5.2.7 Analysis of Forestry Revenue by Revenue Stream for FY 2019/2020

Thirty-six revenue streams characterized the forest sector. Eight revenue streams accounted for 91.2% of tax revenues in the sector. Log And Wood Product Export Fee, Stumpage Fees (Government of Liberia Share), Wh (Res.) On Salaries and Wages, and Handling Of Logs accounted for 35.0%, 33.3%, 5.9%, and 9.5% respectively.

Revenue Stream	Total	Percent
Log And Wood Product Export Fee	2,559,648	35.0%
Stumpage Fees (Government of Liberia Share)	2,437,623	33.3%
Wh (Res.) On Salaries and Wages	431,461	5.9%
Handling Of Logs	695,202	9.5%
Import Duties on Goods Other Than Rice and Petroleum	200,033	2.7%
CIT Regular (25%) (200B2C)	173,388	2.4%
GST On Imported Goods (Excluding Petroleum)	168,799	2.3%
Others	645,344	8.8%
Grand Total	7,311,499	100%

5.2.8 Analysis of Agriculture Revenue by Company for FY2019/2020

The agriculture sector recorded the second largest tax revenue (US\$17,455,259), next to mining. Firestone Liberia, whose primary commodity is natural Rubber, accounts for largest share (36.2%) of the sector's tax revenue, followed by Sime Darby Plantation (19%), Golden Veroleum (14.5%), and Liberia Agriculture Company (10.7%).

Taxpayer	Total	Percentage
Firestone Natural Rubber Company- Liberia	6,317,533	36.2%
Sime Darby Plantation	3,319,497	19.0%
Golden Veroleum-Liberia(GVL)	2,524,740	14.5%
Liberia Agricultural Company (LAC)	1,874,892	10.7%
Libinc Oil Palm	773,471	4.4%
Cavalla Rubber Corporation(CRC)	623,855	3.6%
Maryland Oil Palm Plantation(MOPP)	565,034	3.2%
Golden Sifca Inc.	421,440	2.4%
The Lee Group of Enterprises	318,502	1.8%
Salala Rubber Corporation(SRC)	288,681	1.7%
Mano Palm Oil	254,310	1.5%
SONIT (Liberia)	173,294	1.0%
Total	17,455,249	

5.2.9 Analysis of Agriculture Revenue by Revenue Stream for FY 2019/2020

Forty-two revenue streams accounted for the US\$17,455,249 tax revenues in the agriculture sector for FY 2019/2020. Wh (Res.) On Salaries and Wages accounted for nearly half (44%) of all tax payments. Sime Darby's Payment on Signature Bonuses (\$2,000,000) represented 11% of revenue streams, while Wh (Res.) On Payments for Serv. Rendered and Wh (Res.) Of Income on Rubber Sales 4% accounted for 10% and 7%, respectively.

Revenue Stream	Total	Percentage
Wh (Res.) On Salaries and Wages		44%
Sime Darby's Payment on Signature Bonuses		11%
Wh(Res) on Payment for Services Rendered		10%
Wh(Res) of Income on Rubber Sale		7%
Others		
Grand Total	US\$7,311,499	100%

5.3 Sale of State Share of Production & Other Revenue Collected in Kind

NOCAL is the sole state-owned enterprise in the mining, oil and gas, forestry, and agriculture sectors. There was no active exploration or drilling activities in Liberia during FY 2019/2020. Accordingly, NOCAL reported no share of production.

6.0 Revenue Allocation

6.1 Revenue Management and Expenditure

As per the Public Finance Management Act of 2009, all public funds, in the form of taxes, grants, loans and other finances are required to be deposited into the consolidated fund or government treasury. Further all expenditures from the consolidated fund are required to be approved through the national budget after the legislature has passed an appropriation. Hence, any spending by Government or to some extent SOEs outside of the national budgetary process is considered irregular or illegal.

7.0 Social and Environmental Spending

7.1 Social & Environmental Spending by Extractive companies

Reporting entities accounted for US\$4,128,396 in social and environmental expenditure for FY 2019/2020. Of this amount, Cash contribution represented 79% of total contribution and in-kind contribution, 21%. The agriculture sector is the largest contributor of social and environmental expenditure and accounts for 69% of the total. Environmental expenditures are highlighted in the

agriculture and mining sectors. It accounts for 59% (US\$1,942,269) of total cash contribution, followed by voluntary cash payments for projects undertaken by extractive companies, 34%.

Sector/Type	Cash	In-Kind	Total (US\$)
Agriculture	2,071,679	760,358	2,832,037
Environmental	857,638		857,638
Mandatory	226,307		226,307
Voluntary	987,734	760,358	1,748,092
Forestry	32,570		32,570
Voluntary	32,570		32,570
Mining	1,173,308	90,481	1,263,789
Environmental	1,084,630		1,084,630
Voluntary	88,677	90,481	179,158
Total	3,277,557	850,839	4,128,396

8.0 Contribution of the Extractive Sector to the Economy

During the 2020 fiscal year, the extractive sector contributed to 54% of GDP, with Agriculture and Fisheries contributing 30%, followed by Mining and Panning, 15% and Forestry, 9%.

Sectors	Value	Share of GDP
Real GDP		3,186.6
Agriculture and Fisheries	960	30%
Forestry	285.3	9%
Mining and Panning	462.3	15%
Total Contribution	1,707.6	54%

8.1 Contribution of the Extractive Sector to Government Revenue

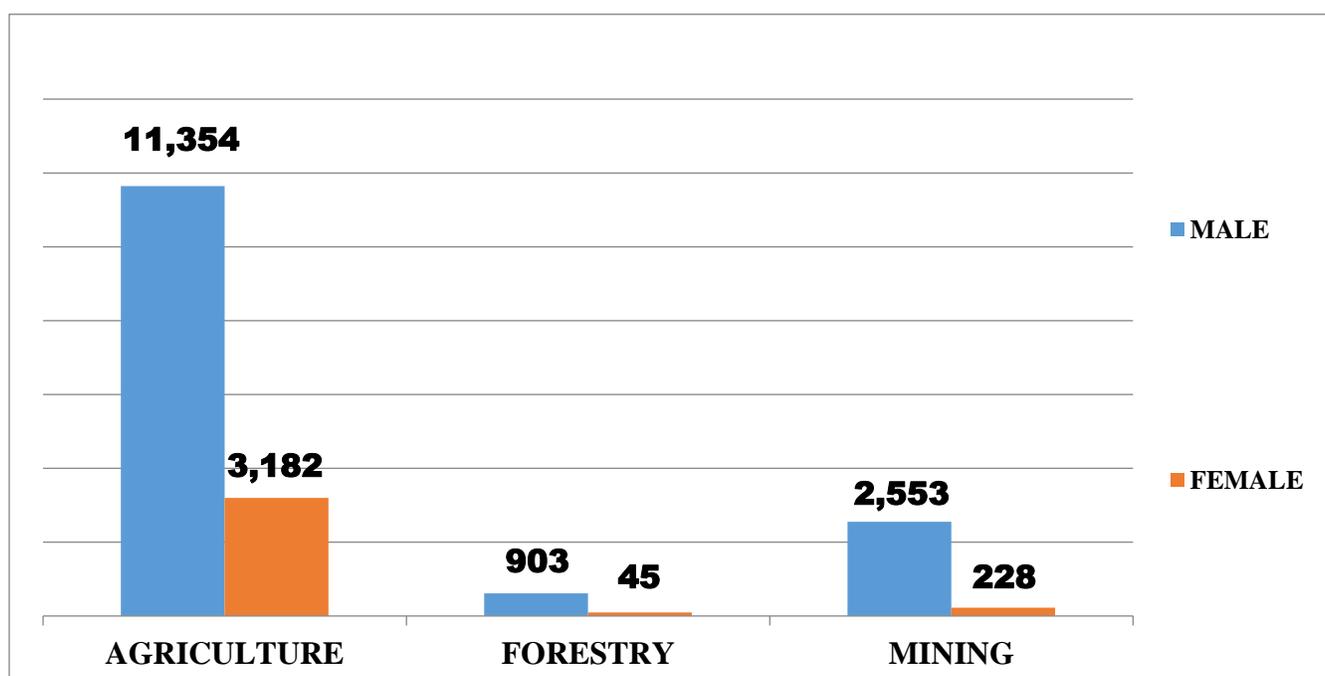
The extractive sector contributed 12% of total government revenue and 21% of total tax revenues in FY2019/2020.

Revenue	Amount	%	Revenue	Amount	%
Total Revenue(Tax & Non Tax)	650.32		Tax Revenue	385.47	
Total Extractive Revenue	81.04	12%	Total Extractive Revenue	81.04	21%

8.2 Contribution to Employment for FY 2019/2020

The extractive sector contributed 18,265 employees to the labor force in FY 2019/2020. Agriculture sector is the largest contributor of employees (14,536) or 80% of total extractive workers. Firestone Liberia is the largest employer in the agriculture sector, while Arcelor Mittal and International Consultant Capital are the largest employers in the mining and forestry sector, respectively. The mining sector is the next contributor with 2,781 or 15% of total employment. Females remain underrepresented in the extractive sector, accounting for 19% of total employment.

Employment Data by Sector-2019/2020



Employment Data by Sex-2019/2020

Agriculture		Forestry		Mining	
Male	Female	Male	Female	Male	Female
11,354	3,182	903	45	2,553	228

Employment Data by Nationality and Sex-2019/2020

Liberian	Other African	Non-African
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17,584		106		572	
Male	Female	Male	Female	Male	Female
14,147	3,437	104	2	558	14

8.3 Contribution to Merchandise Exports

Extractives accounted for 96% of Liberia's total exports in FY2019/2020, with iron ore contributing the largest at 48%, followed by gold and diamonds with a share of 34%.

Commodity	Export (US\$)	Share of Export
Total Export Value		607.68
Minerals (Gold and Diamond)	206.57	34%
Rubber	82.19	14%
Palm oil	3.94	1%
Iron Ore	289.03	48%
Total	581.73	96%

8.4 Social Expenditure by Company for FY 2019/2020

Company	Arcelor Mittal-Liberia	Social Expenditure	
Projects		Voluntary In Cash	Voluntary In-Kind
1.	Covid-19 Incident Management System/IMS Nimba		US\$40,000.00
	Covid-19 Response		US\$29,620.00
	Covid-19 Response/CHO Bong County		US\$16,421.00
	Local Youth Employment	US\$ 24,772.00	
	MME Mining Conference	US\$12,500.00	
	Ministry of Foreign Affairs	US\$ 5000.00	US\$425.00
	National County Sports Meet	US\$7,500.00	
	Liberia Government Hospital		US\$ 3,515.00
	Induction Ceremony/Nimba Superintendent	US\$750.00	
	Community Support		US\$500.00
		US\$50,522.00	US\$90,481.00
	Grand Total:	US\$141,003.00	

Company	Firestone-Liberia	Social Expenditure	
Projects		Voluntary In Cash	Voluntary In-Kind
2.	Community Clergymen	US\$ 19,220.00	
	Community Dwellers	US\$650,115.00	
	Construction of Bridge & Rice Institutions, Communities, etc.		US\$10,325.00
	Kparnyah Community	US\$ 32,160.00	
	Rice subsidy, plants supplies, etc.		US\$2,000.00
	Right Holder Network	US\$2,400.00	

	School of the Blind	US\$800.00	
		US\$706,695.00	US\$33,445.00
	Grand Total :	US\$740,140.00	

Company		Golden Veroleum Liberia	Social Expenditure	
		Projects	Voluntary In Cash	Mandatory In Cash
3.	Community Development Funds-CDF			US\$129,266.00
	Community Schools		US\$255,585.00	
	CSR		US\$17,315.00	
	Liberian Student			US\$97,041.00
		Total	US\$272,900.00	US\$226,307.00
		Grand Total	US\$499,207.00	

Company		LIBINC	Social Expenditure	
		Projects	Voluntary In Cash	Voluntary In-Kind
1.	Buchanan Highway road works			US\$45,977.00
	Clinical Outreach & Covid-19 items			US\$2,530.00
	Community hand pumps rehabilitation			US\$2,290.00
	Public road culverts			US\$1,490.00
	Public road maintenance works @Gio, Taigbo & Krahpogleh			US\$3,743.00
	Public road maintenance @Buchanan Highway			US\$2,000.00
	Public road works			US\$26,254.00
	Road repairs-Civil Compound #4			US\$ 5,292.00
	Road repair-Gio Town/Timber River			US\$15,749.00
	Unstated		US\$8,139.00	
		Total	US\$8,139.00	US\$105,345.00
		Grand Total	US\$113,484	

Company		Salala Rubber Corporation	Social Expenditure	
		Projects	Voluntary In Cash	Voluntary In Kind
3.	Health Clinic activities			US\$ 331,083.00
	School activities			US\$ 290,484.00
		Total		US\$621,567.00

9.0 Impact of Covid-19 on the Extractive Sector

The effects of COVID 19 on economies have been multidimensional. To control the virus, many countries introduced lockdown and movement restrictions, some of which were sustained for months. These affected livelihoods, agricultural production, extractives, global manufacturing, supply chain and haulage systems, which in turn created shortage of goods and services and thereby inflation. The economic difficulties caused by the pandemic have eroded decades of economic gains in the fight against poverty.

The pandemic has affected every sector and every industry globally, but the extent of the impacts is at varying levels. The extractive industry, in the early days of the pandemic was hit with a double whammy. The oil and gas sector for instance faced crude oil price plunged to 20-year lows in April 2020.

The nature of the extractive sector, being capital intensive and reliant on global supply chain for its processing and sales, made the sector more vulnerable to the impacts of the pandemic. It presented uncertain further for the industry and companies to adjust to a new normal. Several of the world's biggest mining multinationals and oil and gas majors announced major cuts (of about 25%) to their exploration and development investments, while other projects in the Africa region postponed or cancelled their projects that had not commenced production.

Summary of Global Trends in 2020

Global energy demand declined by over 6 percent in 2020 compared to 2019, equivalent to the combined energy demand of France, Germany, Italy, and the UK in 2019. This was the largest relative decline since the Second World War. Specifically, global oil consumption declined on the average of over 8% across the year with the highest decline happening in April by as much as 25%. In essence, global oil supply declined by an unprecedented 8.8 million barrels of oil per day.

- Natural gas demand is also fell on the average by 4 percent – the first decline since 2009 and the largest on record. This was equivalent to 6.6 million bpd
- Crude oil prices plummeted to record low, plunging 20-year low in April 2020 due to disruption in activities and further reduction in demand, however gold, Rubber, palm oil and iron ore experienced significant increases because of disruption in more commodity producing countries and for gold due to the volatility in other financial assets because of economic uncertainties effected by COVID 19.
- Crude oil prices declined by 32.7%
- Iron ore price increased by 16.1%
- Rubber price rose by 5.5%
- Palm oil price increased by 20%
- Despite the increases in the process of base metals and gold, investments and exploration and development activities in the mining sector slowed. Similarly, major cuts were made to crude oil projects, especially those that were in exploration and development phases.

10.0 Outcomes & Impact of EITI Process in Liberia

10.1 Public Debate

LEITI does not have a stand-alone data policy but has adopted the Government's data sharing policies (http://www.undp.org/content/dam/liberia/docs/docs/Data_Sharing_Policy.pdf.) Further, Section 4.d.e of the LEITI Act 2009 grants the authority to promptly publish reports of all audits, investigations, and/or reconciliations conducted pursuant to the provisions of Section 4.1(c) and Section 4.1(d) hereof and to disseminate such published reports through widely accessible media. Liberia partners with the Open Government Partnership program and has been making efforts to make sure all its data are so operable. The policy covers anti-corruption, gender, digital governance, civic space, justice, education, extractive industries, and health.

10.2 Data Accessibility

LEITI disclosures are available online and in hard copies. LEITI undertakes annual dissemination activities where printed materials are distributed to communities across the country, especially in mining affected communities. Mainstreaming efforts are underway to improve on the quality and timeliness of EITI disclosures.

11.0 Findings and Recommendations

Findings	Recommendations
<p>Disclosure of Contracts As per the LEITI Act, all extractive contracts are required to be published, including annexes and terms and conditions. However, the IA noticed that some mining contracts were not publicly disclosed on any of the agency's platform. In addition, while all mining licenses have been disclosed on a license portal, the terms and conditions associated with the licenses are not disclosed.</p>	<p>To satisfy EITI requirements on Contract disclosures, LEITI should work with the relevant agencies to ensure contracts from the mining sector (including all class A, B, and Mineral Development Agreements) are disclosed on the responsible agencies' website as well as LEITI's website.</p>
<p>Mining Equity Investments As per the Minerals and Mining Law, 2000, the Government of Liberia is entitled to a free equity interest at a minimum of 10 percent and a maximum of 15 percent in all mining agreements. The consultant only received information on government equity interest in two mining agreements, namely Arcelor Mittal and Bea Mountain. Information disclosure on Government's equity interests in the mining sector is inadequate. The consultant is of the view that this may deprive the public to effectively monitor companies and government delivery of their respective obligations on dividend payments and receipts under each mining agreement</p>	<p>LEITI MSG should work with MME to produce and publish a list of all government active equity interest in the mining industry to enhance transparency and further empower the citizens to monitor both government and company obligations under each agreement.</p>
<p>Incoherence in Oil and Gas Sector Fiscal Regime and Overlaps in Legislations The Revenue Code of Liberia stipulates a set of fiscal regimes for the Oil and Gas sector; however the recently published Model Petroleum PSC of Liberia presents a separate set of fiscal regime including differences in the royalty, corporate income tax rate, differences in states participation, and other fiscal terms. This creates incoherence and potential confusion with investors on the which kind of fiscal regime applies to them</p>	<p>LPRA and LRA should work to harmonize oil and gas fiscal regime to reduce incoherence and regulatory overlaps</p>
<p>Inter-Agency Coordination The IA noticed incoherence in the categorization of companies under sectors between LRA and LPRA. We identified companies being categorized as mining even though their original objects were in sectors other than mining. This demonstrates lack of coordination between the regulatory authority and the LRA</p>	<p>LEITI MSG should work to enhance coordination between all regulatory bodies and LRA</p>

Timeliness and Data Submission The IA observed that timeline from procurement to production is short. It undermines the quality of work and the amount of information received from reporting entities. Further, the delay in response by reporting entities should be addressed. reluctance of reporting	LEITI should allocate adequate time from procurement to production of report. LEITI should periodically update the contact list/database for reporting entities to ensure effective distribution of reporting templates. LEITI should enforce its LEITI Regulation 001 (Sanction Regime).
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Annexes List of 2019/2020 In-scope Companies

Mining		Forestry		Agriculture	
1.	Arcelor Mittal Liberia	1.	Mandra Forestry	1	Firestone Liberia Incorporated
2.	Euro Nimba Liberia Ltd.	2.	Alpha Logging & Wood Processing Inc	2	Mano Palm Oil Plantation (Liberia)
3.	Bea Mountain	3.	International Consultant Capital	3	Golden Veroleum (Liberia) Inc
4.	MNG Gold	4.	Geblo Logging, Inc	4	Liberia Agricultural Company
5.	Hummingbird Resources	5.	Booming Green Liberia Inc	5	Liberia Oil Palm
6.	CGGC Mining	6.	Sing Africa Plantation Liberia	6	Cavalla Rubber Corporation
7.	Deko Mining Corporation	7.	Brilliant Maju Inc.	7	Maryland Oil Palm Plantation Inc
8.	China Union Investment	8.	African Wood & Lumber Co.	8	Golden Sifca
9.	Medina Rock Crusher	9.	Tetra Enterprise, Inc	9	The Lee Group Of Enterprises, Inc
10.	Afric Diam Company	10.	Westnaf Limited	10.	Salala Rubber Corporation
11.	Tieto Minerals (Liberia) Ltd	11,	West African Forest Development Inc	11	Mano Palm Oil
12.	Gold Global Technology Inc.	12.	Shangyou Wood Ind. Dev. Lib	12	Welth Hunger Hilfe
13.	Bem Investment Ltd. (Lib.)	13.	L & R Resources Inc.	13	Equatorial Palm Oil
14.	Kapeks Liberia	14.	Renaissance, Inc	14	Sonit (Liberia), Inc
15.	Ever Bright	15.	Euro- Liberia Logging Company	Oil And Gas Sector	
16.	Gold Business Center (Gbc)	16.	BBR Overseas, Inc.	1	Chevron ,Iberia D Liberia Limited
17.	Maya Diam Gold Inc.	17.	Liberia Estate Development, Inc.	2	Chevon Liberia (Holding) Limited
18.	West Africa Gold & Diamond Inc.	18.	Liberia Ruby Light Forestry		
19.	Golden Bar Trading	19.	Coveiyalah Investment Enterprises, Inc		
20.	Lee Yam Diamond Manufacurer	20.	Akewa Group Of Companies Lib, Inc		
21.	Alex Gee Group Of Companies	21.	Innovations For Poverty		
22.	Stellar Diamonds Liberia	22.	Kris Int'l Liberia Ltd		
23.	Golden View Trading Inc	23.	Nagrifor Company Limited		
24.	Kbl Mining Company	24.	Liberia Tree And Trading		

			Company Inc		
25.	Blue Sky Corporation	25.	Power Star Trading Liberia		
26	Redlight Ali Trading Group, Inc.	26.	Magna Logging Corporation Inc		
		27.	Green Wood Resource Company		