

Liberia Extractive Industries Transparency Initiative (LEITI)

12th Report Summary



Covering the Fiscal Period July1, 2018 to June 30, 2019

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Incorporates Information up to April 2021

LIST OF ABBREVIATIONS

BO	Beneficial Ownership
CBL	Central Bank of Liberia
CFDC	Communities Forest Development Committee
CFMA	Community Forest Management Agreement
CIT	Company Income Tax
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
EPA	Environmental Protection Agency
ETL	ECOWAS Trade Levy
FAP	Fundamental Auditing Principles
FDA	Forest Development Authority
FMC	Forest Management Contract
FY	Fiscal Year
GAC	General Auditing Commission
GCA	Guidelines for Compliance Audit
GDO	Government Diamond Office
GDP	Gross Domestic Product
GoL	Government of Liberia
HDF	Hydrocarbon Development Fund
HR	Human Resources
HTC	Hydrocarbon Technical Committee
IA	Independent Administrator
IFMIS	Integrated Financial Management Information System
IMCC	Inter-Ministerial Concession Committee
IOC	International Oil Company
JOC	Joint Operating Committee
LCAA	Liberia Civil Aviation Authority
LEITI	Liberia Extractive Industries Transparency Initiative
LGS	Liberia Geological Survey
LICPA	Liberian Institute of Certified Public Accountants
LMA	Liberia Maritime Authority
LRA	Liberia Revenue Authority
LRC	Liberia Revenue Code
m ³	Cubic metre
MDA	Mineral Development Agreement
MFDP	Ministry of Finance and Development Planning
MLME	Ministry of Lands, Mines and Energy
MMA	Mineral and Mining Law
MoA	Ministry of Agriculture
MOCI	Ministry of Commerce and Industry
MSG	Multi-stakeholder Steering Group
MTDS	Medium-Term Debt Strategy
MTEF	Medium Term Expenditure Framework
NA	Not Applicable
NUCFDC	National Union of Community Forestry Development Committee
NBC	National Bureau of Concessions
NC	Not Communicated
NIC	National Investment Commission
NOCAL	National Oil Company of Liberia
NPA	National Port Authority
PEP	Politically Exposed Person
PFM	Public Financial Management
PPCA	Public Procurement and Concessions Act
PSC	Production Sharing Contracts
REFUND	Rural Energy Fund
RGDP	Real Gross Domestic Product
RT	Reporting Template
SA	Social Agreement
SAP	Sustainable Action Plan
SIGTAS	Standard Integrated Government Tax Administration System
SOE	State-Owned Enterprise
TIN	Taxpayer Identification Number
TSC	Timber Sale Contract
UL	University of Liberia
UN	United Nations
USD	United States dollar

LEITI PROCESS TIMELINE

YEAR	EVENT
2007	Liberia MSG Formed
2007	Government of Liberia Announces Commitment to EITI
2008	Liberia Becomes Candidate Country
January 2009	Liberia First EITI Report Published
July 2009	Liberia Published the LEITI Act
2009	Liberia Wins EITI Chair's Award at Doha Global Conference
2009	Liberia Validation Report Submitted
2009	LEITI Act Requires Disclosure of Contracts and Payments from Stakeholders
October 2009	Liberia Designated Compliant Country
January 2010	Liberia 2 nd EITI Report Published
November 2011	Liberia 3 rd EITI Report Published
May 2013	Liberia 4 th EITI Report
2013	Post Award Process Audit
June 2014	Liberia 5 th EITI Report Published
December 2015	Liberia 6 th EITI Report Published
30 June 2016	Liberia 7 th EITI Report Published
1 July 2016	Commencement of Validation
July 2016	Liberia 8 th EITI Report Published
January 2019	Liberia 9 th EITI Report Published
December 2019	Liberia 10 th and 11 th EITI Report Published
6 March 2020	Liberia's Temporary Suspension Lifted

1.0 INTRODUCTION

1.1 Background

1.1.1 The EITI International

The Extractive Industries Transparency Initiative (EITI) is a global Standard to promote the open and accountable management of natural resources. It seeks to strengthen government and company systems, inform public debates, and enhance trust. In each implementing country, it is supported by a coalition of governments, companies and civil society organizations working together to promote open and accountable management of natural resources. The Extractive Industries Transparency Initiative (EITI) was first announced at the World Summit on Sustainable Development in Johannesburg in 2002 (the Earth Summit 2002) and was officially launched in London in 2003. EITI is currently being implemented in 55 countries in Africa, Asia, Europe and America.

The EITI Standard sets out the requirements which countries need to meet in order to be recognized first as EITI Candidates, and subsequently as EITI Compliant country. The Standard is overseen by the International EITI Secretariat, which comprises members from governments, extractive companies, and civil society organizations. The 43rd EITI Board meeting held in Paris on June 17, 2019 adopted the new 2019 EITI Standard. From 1 January 2020 onwards, only the 2019 EITI Standard shall be applied. It is the sixth version since the EITI Principles were agreed in 2003.

1.1.2 Liberia Extractive Industries Transparency Initiative (LEITI)

The Republic of Liberia was admitted as an EITI candidate country in 2008 and was the first African country to become EITI compliant in 2009. The LEITI Act requires that all extractive companies and covered Government MACs disclose, at least once every year, the data of all payments made and revenues received in respect of the extraction of Liberia's forest and mineral resources. This initiative is in support of the Government's effort to promote transparency and accountability over the management of revenues from Liberia's extractive resources, ensuring that all citizens benefit from such resources. The EITI process for Liberia covers four sectors, namely: **mining, oil and gas, forestry, and agriculture**. To date, **twelve (12)** Liberia annual EITI Reports have been published covering the period from **1 July 2007 to 30 June 2019**.

The purpose of these EITI reports is to reconcile the data provided by extractive companies with the data provided by relevant agencies of the Government of Liberia.

This Summary Report covers information received from within the reporting period from **MACs** of the Government of Liberia and companies, providing an opportunity for the public to get a clear insight of the 12TH EITI Report of Liberia which they might find laborious to read due to its volume. LEITI is required to disseminate its Summary Report throughout the country to citizens as a means of empowering them with the right information on the extractive sectors.

1.2 Executive Summary

LEITI has summarized its 12th EITI Report of Liberia. This report covers the fiscal year **July 1, 2017 to June 30, 2019**. It incorporates information received up to **12 April 2021**. Any information received after this date has not, therefore, been included in this Report. In this summary, there are key findings, recommendations and observations of the extractive sector's contributions to the overall Liberian economy.

The findings of EITI Report from Liberia contribute meaningfully to national debates surrounding natural resource governance in Liberia. Further, this Report seeks to inform citizens about activities along the extractive industry value chain between companies and government, taking into account the negative effects the COVID 19 pandemic placed on extractive activities in the sectors and the country's economy.

It also includes tax payments made by companies to government; voluntary in-kind contributions by companies to communities, organizations and institutions; in-cash and in-kind mandatory social contributions from oil, mining, agriculture and forestry companies that are engaged in the exploration and exploitation of the country's extractive and other natural resources.

The goal is to ensure that citizens have the right information they need to engage concessionaires and government on what are their benefits from these concessions. In this 12th Report, total revenues generated from the extractive industries in Liberia for FY2018/19 amounted to USD79.6 million while total direct revenues amounted to USD70.5 million.

The mining sector contributed the highest of total extractive revenues, contributing approximately 54% while the oil and gas sector contributed the least, contributing approximately 4% of total extractive revenues. For fiscal year 2018/19, the extractive sector contributed 15% of total government revenues of 469.7 million; 93% of Liberia's total exports; less than 1% of Liberia's total labor force. It is our expectation that all citizens who will come in contact with this Summary will find the information contained therein useful in many ways.

1.3 Presentation of Key Findings of Liberia's 12th EITI Report for FY 2018/19

- The 12th Report (FY 2018/19) shows that nineteen (19) extractive companies were selected to report as per the thresholds set by the MSG for each extractive sector. Of the nineteen (19) extractive companies that met the thresholds, seven companies representing 37% did not submit their reporting templates, while 12 companies representing 63% submitted their reporting templates.
- The 12th Report shows that the Government of Liberia generated USD70.52million as direct revenues in FY 2018/19 from the extractive sectors while the total revenues generated for FY 2018/19 amounted to USD 79.63million.
- Analysis of Government direct revenues from the extractive industries by sector indicates that the mining sector contributed 58.9% of direct Government revenues from the extractive industries during the FY 2018/19. This is followed by the agriculture sector with 25.5%, the forestry sector with 11.5% and the oil & gas sector with 4.1 %.
- Breakdown of extractive revenues collected by Government's Agencies shows that LRA collected USD67, 858,398 representing 96.2% of Government direct revenues, NPA collected USD2, 354,880 representing 3.3%; EPA collected USD293, 977 representing 0.4%, while LCAA collected USD11, 200 representing 0.02%.
- Compared to the previous fiscal year, the 12th Report shows that Government direct revenues from the extractive sectors increased from US\$61.53million in FY 2017/18 to US\$70.52million in 2018/19, showing a net difference of US\$8.99million. Similarly, total revenues from the extractive sectors increased from US\$ 68.98 million in FY 2017/18 to US\$ 79.63 million in the FY 2018/19, resulting in a difference of US\$10.65million.
- Analysis of social and environmental payments shows that mandatory cash payments totaled USD3, 947,091, voluntary cash payments totaled USD810, 496, voluntary in-kind payments totaled USD14, 000, and environmental cash payments totaled USD4, 342,369. These add up to USD 9,113,956 in total social and environmental payments for FY2018/19.
- Social and environmental payments made by reporting companies for FY2018/19 amounted to USD9, 113,956. Of this amount, the mining sector contributed USD1, 047, 301; the forestry sector contributed USD58, 000, and the agriculture sector contributed USD8, 008,655. There were no social and environmental payments from the oil and gas sector.
- Total employment in the extractive sectors amounted to 12, 539 representing 0.56% of Liberia's total labor force of 2,232,405 persons during FY 2018/19. Additionally, Personal Income Withholding Taxes from the extractive sectors amounted to USD22, 810,845, representing approximately 29% of total extractive revenue.
- Further analysis shows that the extractive sectors contributed approximately 52% of total GDP for FY 2018/19, while revenues from the extractive sector represent approximately 15% of total Government receipts (tax and non-tax receipts).

1.4 Recommendations

- The MSG should ensure that Government Agencies maintain disaggregated data regarding the extractive sectors on production and exports as per commodity, company, Project, and Region. And should include volumes.
- It is recommended that Government Agencies improve transparency by publishing production and exports data regularly on a timely basis on their institutions' website.
- MME, FDA, MOA and NOCAL should keep up to date information of the ongoing activities in the above sectors. The data should include information about:
 - the resource being explored; the region of the main exploration activities;
 - the mining companies involved in such activities;
 - the estimated reserves in case of a discovery;
 - an estimate of the expected volumes of production per year in case of a discovery
- MME should maintain a list of the recent legal and regulatory reforms in the mining sector and should also regularly publish an update regarding the progress made with regards to the ongoing mining law review.
- The MME should maintain a list of the active mining agreements list with updated information on agreements awarded or signed. This systematic update would ensure the comprehensiveness of mining agreements being publicly disclosed and at the same time ensure compliance with the EITI Requirement 2.4.
- The MME, MOA, NOCAL and FDA should maintain up to date information regarding the level of Government of Liberia's ownership in companies operating within the country's extractive sectors.
- The LEITI MSG should appoint permanent focal points for each Government Agency and extractive sector, to facilitate the IA in obtaining reliable data and information. It would at the same time allow the IA to obtain comprehensive explanations and confirm statements made in the EITI report.

2.0 CONTEXTUAL INFORMATION ON THE EXTRACTIVE SECTORS

2.1 OIL & GAS SECTOR

The history of oil and gas in Liberia started more than 70 years ago when the first seismic data was acquired. In the late 1960s, licenses were awarded to **Union Carbide Petroleum Corporation, Frontier International Petroleum** and **Chevron Oil Company**. By 1972, these companies had drilled four wells without making any commercial discoveries.

However, hydrocarbon exploration has been active in the Liberian basin since the 1940s. Early exploration was focused on the shelf. At that time, the shelf wells did not reach commercial volumes of oil; notwithstanding, there were two phases of exploration activities before the civil war, the first phase was from 1970-1972 and the second phase 1983-1989.

During these two phases, four (4) companies drilled seven (7) wells. Exploration activities ceased in Liberia waters due to the civil war and other issues. The **National Oil Company of Liberia (NOCAL)** was set up in 2000 by the Legislature for the purpose of holding all rights, titles, and interest of the Republic of Liberia in the deposits and reserves of liquid and gaseous hydrocarbons within the territorial limits of the Republic of Liberia, whether potential, proven or actual with the aim of facilitating the development of the oil and gas industry in the Republic of Liberia.

The Liberian basin is divided into 30 concessionary blocks, 17 of which form the continental shelf and 13 are ultra-deep. In fiscal year 2016/2017, **ExxonMobil, COPL, Chevron and Oranto** had contracts for two of the continental shelf blocks. They had production sharing contracts (PSCs) with NOCAL for both oil and gas. In FY 2017/2018, only **Chevron and Oranto** had PSC with NOCAL for both oil and gas.

The PSC between ExxonMobil, COPL and NOCAL has already expired and the steep decline in oil prices beginning in the middle of 2014 has intensely changed the prospects of many oil companies including NOCAL.

2.1.1 LEGAL FRAMEWORK

Oil & Gas exploration and production activities in Liberia are governed by the following main legislations:

- ✓ **New Petroleum Law of Liberia, 2014 (adopted 05 October 2016);**
- ✓ **National Petroleum Policy 2012; and**
- ✓ **National Oil Company of Liberia Act 2014**

According to the National Petroleum Policy of 2012, the Government of Liberia shall adhere to the principles and procedures of the Liberia Extractive Industry Transparency Initiative (LEITI) and shall comply with reporting and other requirements of this initiative as well as other transparency and accountability initiatives undertaken by the Government. The principles of LEITI applicable to the petroleum sector include amongst others, disaggregated reporting on all material payments, requiring all petroleum companies to join LEITI, in conducting reconciliations of company

payments and Government receipts, and the publication of contracts, concessions, licenses and audit reports.

2.1.2 LEGAL REFORMS

Below are the recent legal reforms in the oil & gas sector in Liberia that are used as working tools for smooth activities implementation in the sector:

- ✓ Amended Petroleum Law 2019 (an act to amend certain provisions of the new petroleum reform Law of 2014);
- ✓ New Regulatory Instrument on Reconnaissance License Fees & Application requirements for onshore Areas;
- ✓ New Regulation concerning pre-qualification requirements for granting of petroleum rights offshore Liberia;
- ✓ Regulatory instrument on the disclosure of Ultimate Beneficial Owners, 2020;
- ✓ New Liberian Model Production Sharing Contract (PSC).

2.1.3 INSTITUTIONAL FRAMEWORK

The Oil & Gas sector in Liberia is governed by:

- ✓ The Liberia Petroleum Regulatory Authority (LPRA);
- ✓ The National Oil Company of Liberia (NOCAL); and
- ✓ The Hydrocarbon Technical Committee (HTC).

The key responsibilities of each entity in the managing of the oil & gas sector are summarized as follows:

- ✓ **Liberia Petroleum Regulatory Authority (LPRA)** – the key responsibilities of the **LPRA** are to conduct technical evaluation of all petroleum operations in the country; reviewed and enter into agreements with investors or operators of the sector; monitor and inspect all operation in relation to the sector. In addition to the exercise of its functions, the Authority shall consult and cooperate on a timely basis with ministries and agencies having duties or functions related to those of the Authority.
- ✓ **National Oil Company of Liberia (NOCAL)** - manages all participation interests in petroleum agreements and contracts entered into by the State for the construction or operation of petroleum facilities; lift and market the State's entitlements of petroleum on account of the State's and on behalf of any citizen participation interest; provide technical assistance and advice as the Authority may request. NOCAL may also participate in reconnaissance, exploration, development and production activities in other jurisdictions at such time as it may have the resources and funds to do so.
- ✓ **Hydrocarbon Technical Committee (HTC)** - the inter-ministerial body created by the 2002 Petroleum legislation which empowers HTC to negotiate all contracts. According to the National Petroleum Policy of Liberia of 2012, HTC comprises the following eight members:

2.1.4 FISCAL REGIME FOR OIL & GAS SECTOR

The fiscal regime specific for oil & gas sector is set by the Petroleum (Exploration and Production) Reform Law of Liberia (2014). The main revenue streams paid by oil & gas companies are: **royalties, surface rentals, bonuses and special contributions.**

2.1.5 TYPES OF LICENSES

According to Liberia **New Petroleum Law of 2014**, there are two types of petroleum licenses in operation in the Oil and Gas Sector of Liberia. They are:

a) 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 and this license is for two years.

b) Petroleum Agreement

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.

2.1.6 LICENSE ALLOCATION

The process of license allocation is regulated by the New Petroleum Law (2014) and the process is described below for each type of oil & gas license:

1. Reconnaissance License

According to sub-section 11.1 of the New Petroleum Law (2014), a company may, upon payment of the prescribed fee, apply to the Authority for a reconnaissance license in a designated area for conducting surveys, excluding drilling activities, assessing the geological, geophysical, and geochemical and geotechnical characteristics of that designated area.

2. Petroleum Agreement

A petroleum agreement may be granted in three (3) forms, namely:

- a) **International Competitive Bidding**-A petroleum agreement may be awarded on the basis of an international competitive bidding process conducted in accordance with the provisions of sections 15 to 17 of the Exploration and Production Act.
- b) **Direct Negotiations**-the Authority may grant petroleum rights through direct negotiations in special cases with the approval from the President that such blocks require separate pre-qualification guidelines
- c) **Executive Allocation to NOCAL**- the Authority shall grant petroleum rights to NOCAL through Executive Allocation in consultation with National Legislature.

2.1.7 OIL& GAS LICENSE REGISTER

The New Petroleum Law of 2014 does not require the maintaining of public register of oil & gas licenses. However, the 2009 LEITI Act required that all companies operating in the oil, mining, agriculture, and forestry sectors in Liberia must be registered in a public database.

2.1.8 PRODUCTION SHARING CONTRACT (PSC)

Production Sharing Contract (PSC) is the only type of Petroleum agreement in Liberia. In February 2020, the **LPRA**, in collaboration with **NOCAL**, conducted a 3-day Round Table Consultations on the model petroleum sharing contract (MPSC). There were two active PSCs during FY 2018/19, as shown in the table below:

#	Production Sharing Contract(PSC)	Block
1.	ExxonMobil Exploration and Production Liberia Limited	13
2.	Chevron	14

No PSCs were awarded or signed during the FY 2018/19.

2.1.9 STATE PARTICIPATION IN THE OIL & GAS SECTOR

NOCAL is the only state-owned enterprise (SOE) operating in the oil & gas sector in Liberia. **NOCAL** was set up in April 2000 for the purpose “of holding all of the rights, titles and interests of the Republic of Liberia in the deposits and reserves of liquid and gaseous hydrocarbons within the territorial limits of the Republic of Liberia, whether potential, proven, or actual, with the aim of facilitating the development of the oil and gas industry in the Republic of Liberia.”

The new petroleum law of 2014 spelled out that regulatory power has been transferred from **NOCAL** to the **Liberia Petroleum Regulatory Authority (LPRA)** which means licenses registry, production sharing contracts, bid Rounds and contract awards are now handled by the **LRPA**. **NOCAL** now plays a commercial role instead. **NOCAL** may also participate in reconnaissance, exploration, development and production activities in other jurisdictions at such time as it may have the resources and funds to do so.

2.2 MINING SECTOR

The mining sector in Liberia is primarily driven by contribution from iron ore, gold and diamond. Liberia’s main mineral products are gold and diamonds, although iron ore is a major commodity too. Liberia remains largely unexplored, even though it has been shown that the country possesses a wide variety of minerals besides its currently known high potential of primary alluvial gold and diamonds, however other minerals include beryl, tin, columbite-tantalite, phosphates, zinc, copper, lead, rare earth minerals, nickel, molybdenum, beach sand (zircon, rutile, ilmenite, and monazite), and bauxite, kyanite, chromite, uranium, and silica sands.

By comparison with most other countries in West Africa, the geology of Liberia is poorly known and there has been very little systematic exploration carried out for most commodities other than gold, iron ore and diamonds since the 1960s and 1970s. Historically, mineral extraction – particularly of iron ore, gold, and diamonds – has been a leading export sector. The major minerals are exported mainly in raw or semi-finished forms.

2.2.1 LEGAL FRAMEWORK

The Minerals and Mining Act, adopted in 2000, regulates all mining operations and related activities within the territory of Liberia and the sector is mainly governed by the following:

- a) An act adopting a new minerals and mining law approved in April 2000 and published by the Ministry of Foreign Affairs on September 20, 2000;
- b) Regulations governing exploration under a mineral exploration license of the Republic of Liberia and these Regulations become effective on and after March 2010;
- c) Mineral Policy of Liberia- this Policy became effective in March 2010;
- d) An Act adopting the environment protection and management law of the republic of Liberia approved on November 26, 2002, published by authority Ministry of Foreign Affairs on April 30, 2003; and
- e) The Revenue Code of Liberia Act of 2000

2.2.2 LEGAL REFORMS IN THE MINING SECTOR

The **LEITI** has been informed by the **Ministry of Mines and Energy** that there are two fundamental legal reforms of the mining sector:

- The Minerals and Mining Act of 2000 which is under revision
- The Act that established the Land Rights Law of Liberia

2.2.3 INSTITUTIONAL FRAMEWORK

The Ministry of Mines and Energy is the entity responsible for the promotion and control of exploration and mining activities in Liberia. It also implements and monitors government policies and the development of legislative and regulatory provisions applicable to the mining sector. The key responsibilities of each entity in the managing of the mining sector can be summarized as follow:

1. **The Ministry of Mines & Energy** is the statutory agency of government responsible for administering the mining sector in Liberia. It implements and monitors government policies and the development of legislative and regulatory provisions applicable to the mining sector and was established by an act of Legislature as part of an executive branch of government. The fundamental legal instrument used to administer the minerals sector is the **New Minerals and Mining Law of Liberia** which was approved and became effective in April 2000.
2. **Mining Cadaster Information Management Unit** is a principal public institution that achieves mining titles in the MME and serves as the key feature for the advancement of investments within the **Ministry of Mines & Energy**.
3. **Minerals Technical Committee** is a team that is empowered under the chairmanship of the Minister of MME to negotiate and conclude agreements for Class “A” Mining Licenses. However, the President of Liberia may from time to time designate such other persons not more than three (3), who shall not be officials of the Government to serve as members of the Minerals Technical Committee.

2.2.4 FISCAL REGIME

The fiscal regime specific for the mining sector is set by:

- a) the Liberia Revenue Code as Amended 2011;
- b) Regulations governing exploration under a mineral exploration license.

The main revenue streams paid by mining companies are: **Income tax, Royalties, Surface rentals, License fee and Application processing fees.**

2.2.5 MINING LICENSES

All persons or operators desiring to participate in the mineral sector of Liberia are required to be licensed before they can engage in mining activities. There are several types of mining licenses in Liberia, namely: **Reconnaissance License, Prospecting License, Exploration License, Class “C” Mining License, Class “B” Mining License, Class “A” Mining License and Quarry License. Other licenses are: Diamond & Gold Dealer/Exporter License and Diamond & Gold Broker License.**

2.2.6 LICENSES ALLOCATION

We present in the table below the allocation process of each type of mining licenses:

Type of License	Process of Granting License
Class “A” Mining License	The Minister of the MME upon receipt of notice from the Operator or license applicant during or at the end of the exploration period shall grant a Class A Mining License. However, the Government and the Operator shall have concluded, and the eligible applicant must materially be in compliance with all terms and conditions of a Mineral Development Agreement and possesses the necessary technical skills and experience.
Class “B” Mining License	The Minister will upon submission of a production plan that is crafted to fully adhere to all standards set forth herein, and the other requirements of this Law issue a “ Class B ” mining license to the operator or license applicant who is henceforth permitted to conduct industrial mining activities in the confines of the laws governing the Mining Sector of Liberia.
Class “C” Mining License	Eligible applicant for a “Class C” Mining License shall be granted by the Minister, a Class C Mining License over a production area not subject to a Mineral Right granted another person in accordance with following terms and condition: <ul style="list-style-type: none"> ✓ That the Holder of a “Class C” Mining License shall conduct predominantly small-scale mining operations, venturing out of said scope of operation, the license holder will be penalized to the full extent of the laws governing this sector.
Exploration License	The Minister, upon receipt of an application from a person who is an Eligible Applicant for a Class A Mining License as defined herein in Chapter 6 of this Law shall grant such Person an Exploration License, subject to the following terms and conditions:

	<ul style="list-style-type: none"> ✓ That the area shall not already be subject to a valid Mineral Right granted to another person; ✓ That Government and the Eligible Applicant shall have concluded an Exploration Agreement, or other agreement, which has become effective, pursuant to its terms, covering the area applied for; ✓ That the Holder shall submit a proposed exploration program to the Minister within ninety (90) days after the issuance of the Exploration License.
Prospecting License	<p>A Person who is an Eligible Applicant for a Class B Mining License or Class C Mining License over an area to be specified in the application. The Minister shall grant the Prospecting License to such Eligible Applicant(s) if the application conforms to the requirements set forth in this Law or in the Regulations, subject to the following terms and conditions:</p> <ul style="list-style-type: none"> ✓ That the area shall not already be subject to a valid Mineral Right granted to another person; b. that the area granted under this Prospecting License shall not exceed one hundred (100) acres; ✓ That the Holder shall file and submit to the Minister a proposed work plan for prospecting; ✓ That the Minister, upon receipt of the Prospecting Plan and application, shall grant to the Holder the Prospecting License provided that said Holder shall have paid all relevant fees and met all requirements in compliance with this Law and the Regulations; ✓ That the Prospecting License granted herein to prospect shall not be interpreted as the right to conduct commercial mining. However, a Holder of a Prospecting License shall have the right to dispose of Minerals extracted in the course of Prospecting subject only to declaration of such Mineral finds to the Minister.

2.2.7 REGISTER OF MINING LICENSES

The Minerals and Mining Act (2000) does not require that a public register of mining licenses is kept. However, the 2009 LEITI Act stipulates that all companies operating in the oil, mining, agricultural and forestry sectors in Liberia must be registered in a public database.

In 2016, the MME introduced an electronic system to manage mining licenses which maps the industrial, middle and small-scale mining licenses. This Online Repository of mining licenses contains data of all issued mineral rights, exploration, mining, dealers and exporters licenses, as well as, related payments (type of license, license holder, license code, status active/non active, coordinates, start date, expiry date, application date, the commodity being produced, etc.)

Open to the public, the system is further linked to the tax authority's system. This system allows them to publish revenues from the sector online and therefore makes a significant contribution to transparency efforts in license management.

The data is published directly from the MME Mining Cadaster Administration System (MCAS), where all licenses are managed by the Mining Cadaster Management Unit (MCIMU).

2.2.8 MINING DEVELOPMENT AGREEMENTS (MDAs)

The Mining Development Agreements (MDAs) are legally binding agreements between mining companies and the Government of Liberia. They are established in the Amended Mineral Law of Liberia. Eligible Applicants shall have concluded a Mineral Development Agreement or other agreement with the Government in order to be granted either an Exploration License or a "Class "A" Mining License.

A Mineral Development Agreement shall be effective and binding on the Republic pursuant to its terms when: (1) signed by the Minister of Lands, Mines & Energy, the Minister of Finance and the Chairman of the National Investment Commission, or by their successors in office or function of any of the foregoing; (2) attested to by the Minister of Justice or by his or her successor in office or function; and (3) approved by the President of Liberia.

MDAs established clear rules regarding local content requirements – namely employment, training and local procurement requirements and technology transfer. These are negotiated on a case-by-case basis, with each mining firm, while targets and objectives are set according the jointly agreed criteria and conditions.

2.2.9 STATE PARTICIPATION IN THE MINING SECTOR

There were no state-owned enterprises (SOEs) operating in the mining sector in Liberia during FY 2018/19. However, Section 9.22 of the Mining and Minerals Law of 2000 prescribes that the Government shall receive free of charge an equity interest in all Class “A” Mining Operations as defined in Chapter 6 of the Act, equal to but not less than ten percent (10%) or not more than fifteen percent (15%) of its authorized, issued and outstanding share capital existing at any time and from time to time without dilution.

2.3 FORESTRY SECTOR

The Forestry Development Authority (FDA) has the legal responsibility to manage Liberia’s forests and its related biodiversity sustainably as required by the National Forestry Reform Law of 2006, its regulations, and international best practices. In the wake of emerging growing threats to mankind as a result of dramatic climate change, Liberia remains the only country in the West African sub-region where a significant portion (about 42%) of the remaining Upper Guinea Forest ecosystem can be identified and measured. Liberia has around 4.2 million hectares of forested land and represents over half of the remaining rainforests in West Africa, and they are dominated by moist evergreen forests and semi-deciduous forests, the National Forestry Reform Law of 2006 mandates the FDA to administratively and technically restructure its operational procedures to incorporate and maintain the relevant stakeholders’ participation in all Sustainable Forest Management Programs.

During Liberia’s prolonged civil war, timber revenues were misappropriated and used to sustain the conflict. In 2003 the United Nations (UN) Security Council attempted to deal with this by imposing sanctions on all imports of timber from Liberia. Since then, Liberia has made significant efforts to reform the forestry sector including completing a comprehensive review of the regulatory framework.

2.3.1 CURRENT LEGAL FRAMEWORK

The main laws and regulations governing the forestry sector in Liberia are listed below:

- ✓ National Forestry Reform Law of 2006;
- ✓ Act creating the Forestry Development Authority (FDA) of 1976;
- ✓ Forestry Core Regulations - FDA Ten Core Regulations⁴⁶ (effective September 2007);
- ✓ Act to Establish the Community Rights Law with respect to Forest Lands of 2009;
- ✓ FDA Regulations to the Community Rights Law with Respect to Forest Lands, July 2011;
- ✓ Guidelines for Forest Management Planning in Liberia;
- ✓ National Forest Management Strategy, 2007.

- ✓ Amendment and restatement of the public procurement and concessions Act 2005, 2010

The 2006 National Forestry Reform Law is the current legal instrument that guides the management of forestry resources in Liberia.

2.3.2 LEGAL FRAMEWORK REFORMS

The new regulations and reforms relating to the Forestry sector which entered into force during 2018/2019 are:

- ✓ Regulation on Abandoned Logs, Timber and Timber Products;
- ✓ Regulation on Confiscated Logs, Timber and Timber Products;
- ✓ Regulation on Wood-based Biomass Energy;
- ✓ Regulation on Third Party Access to Resource Area; and
- ✓ Revised Codes of Forest Harvesting Practices, 2017.

The new 'Land Rights Act' (09/2018) sets out the four categories of land ownership now recognized and protected in Liberia and their associated use rights and also identified Protected Land as common to all categories of land rights. All forestry resources are however owned by the state, except for those that are located in communal forests and those that have been developed on private or deeded lands through artificial regeneration. Existing forest concessions located on newly recognized customary land will remain valid, but no more large concessions (FMCs) will likely be newly allocated. The communities will own the lands, not the forestry resource and now be part of all forest logging contracts: the community may lease customary land to a concessionaire for up to 50 years.

2.3.3 INSTITUTIONAL FRAMEWORK

The **Forestry Development Authority (FDA)** is a state corporation established by an Act of Legislature in 1976 with the mandate of ensuring the sustainable management and conservation of Liberia's forests and related natural resources for the benefit of current and future generations. This mandate was further strengthened through the National Resource Law of 1979.

FDA has the legal responsibility to manage Liberia's forests and their related biodiversity sustainably as required by the National Forestry Reform Law of 2006, their regulations and international best practices. In the wake of emerging growing threats to mankind as a result of dramatic climate change, the challenges confronting FDA are enormous and require immediate reactions.

The National Forestry Reform Law of 2006 mandates FDA to administratively and technically restructure its operational procedures to incorporate and maintain the relevant stakeholders' participation in all Sustainable Forest Management Program.

The main structures involved in the forestry sector as well as their functions are summarized as follows:

- ✓ **The Forestry Development Authority(FDA)**

FDA is mandated to sustainably manage and conserve all forest resources for the benefit of present and future generations. The National Resource Law and recent National Forestry Reform Law are legal instruments that strengthened its mandate and served as guides for the management of forest resources in Liberia. FDA works to conserve and sustainably manage forest resources to enable them to continue provide complete range of goods and services for the benefit of all Liberians and thereby contributing to the reduction of poverty.

✓ **The Environmental Protection Agency(EPA)**

EPA is mandated to protect the environment and sustainable use of natural resources in consultation with relevant line Ministries, Agencies and organizations, and other relevant stakeholders. EPA ensures that the environment is clean, safe and healthy.

2.3.4 FISCAL REGIME

The fiscal regime specific for the forestry sector is set by the Liberia Revenue Code as Amended in 2011 and Regulations governing exploration under a mineral exploration license. The main revenue streams paid by mining companies are: **Income tax, Royalties, Surface rentals, License fee, Application processing fees.**

2.3.5 TYPES OF FORESTRY LICENSES

We present in the table below the main types of forestry licenses, the rights transferred and the validity period of each type:

- ✓ **Forest Management Contracts (FMC):** long-term contracts for large areas of up to 400,000 hectares. Small FMCs (50, 000-100,000 hectares) are reserved for majority-owned (51%) Liberian companies – although they represent an opportunity for joint ventures between domestic and foreign partners. There are no restrictions on company ownership for larger FMCs and this is for 25 years.
- ✓ **Timber Sale Contract (TSC):** short-term (less than 3 years) contracts for smaller areas (less than 5,000 hectares) TSCs are focused on areas that will likely be cleared for plantations or farming, and as such, the management requirements for harvesting the timber is less onerous. Thus, TSCs require less planning and are also reserved for majority-owned Liberian companies.
- ✓ **Community Forest Management Agreement:** It is issued to communities for the purpose of community-based forest management and covers an operational area of less than 50 hectares.

2.3.6 FORESTRY LICENSE ALLOCATION

The Authority may award Forest Management Contracts (FMCs) and Timber Sale Contracts (TSCs) in accordance with the requirements of:

- ✓ The National Forestry Reform Law of 2006; and
- ✓ The Public Procurement and Concessions Act of 2010.

The forestry license award process is stated in the Public Procurement and Concessions Act (PPCA) of 2005 as amended and restated in 2010.

All contracts—both FMCs and TSCs—awarded by GoL must be awarded on the basis of competitive bidding. The Public Procurement and Concessions Act is designed so that the process is fair and open to the public. The National Forestry Reform Act 2006 stipulates that the contract must require the Holder to submit a business plan to the Authority and to demonstrate that they have the technical and financial capacity to manage the forest sustainably.

2.3.7 REGISTER OF FORESTRY LICENSES

The National Forestry Reform Law of 2006 does not require setting up a public register of forestry licenses. However, sub-section 4.1 (f) of the LEITI Act 2009 stipulates that all companies operating in the oil, mining, agriculture, and forestry sector in Liberia must be registered in a public database.

An updated online cadaster is available on the Flexicadastre52 portal for the oil and gas, mining, forestry and agriculture licenses and is included in the interactive map.

We present in the table below the number of active licenses at 30 June 2019 for each type of forestry license:

#	FORESTRY LICENSE	NUMBER OF ACTIVE LICENSES
1.	Forest Management Contract (FMC)	7
2.	Timber Sale Contract (TSC)	7
3.	Community Forest Management Agreement (CFMA)	11
Total		25

2.3.8 FORESTRY CONTRACTS

Forestry contracts (FMC & TSC) prescribe the main following rules:

- ✓ Management plan
- ✓ Environmental responsibility
- ✓ Construction of infrastructure
- ✓ Fiscal and tax obligations
- ✓ Reporting requirements
- ✓ Social agreements
- ✓ Protection measures for plants, animals, and cultural resources; and
- ✓ Reforestation.

No Forest Management Contract is effective unless the contract has been:

- ✓ Signed by the President; and
- ✓ Ratified by Legislature during the legislative session in which the contract has been presented.

No Timber Sale Contract is effective until it is signed by the Authority.

2.3.9 STATE PARTICIPATION IN THE FORESTRY SECTOR

There were no state-owned enterprises (SOE) operating in the Forestry sector in Liberia during FY 2018/19. The National Forestry Reform Law 2006 does not mention any State participation or shares in any forestry companies.

2.4. AGRICULTURAL SECTOR

Agriculture, including forestry, is the primary livelihood for more than 60% of Liberia's population and accounted for 36% of Liberia's 2019 real gross domestic product (GDP). It

contributes significantly to export trade and earnings and serves as a major source of livelihood for a significant proportion of Liberia's population. Based on estimates from the 2008 National Population and Housing Census, about 53% of Liberia's population lives in rural areas of whom 70% are economically engaged in agricultural activities, however, this sector is characterized by the lack of modern technology. This lack of technology makes traditional subsistence farming prevalent. As a result, Liberia imports more than 80% of its rice, and the sector lacks basic infrastructure such as machines, farming equipment/tools, farm-to-market roads, fertilizers and food storage capacity. The main cash crops and foreign exchange earners are rubber, oil palm, cocoa, and timber.

Rubber is one of the dominant revenue generators, accounting for 16.5% of the total export receipts in 2019. Various estimates put the number of people employed by commercial rubber farms at 20,000 and the number of smallholder households involved in growing rubber trees at 40,000. However, no baseline study provides definite statistics. The Firestone Natural Rubber concession, covering almost 200 square miles, is the largest contiguous natural rubber operation in the world and the biggest private sector employer in Liberia.

As with the agricultural sector in general, smallholder farmers and local cooperatives suffer inadequate farm-to-market roads, lack of familiarity with measurement and quality standards, lack of storage facilities, and limited access to up to date price and market information.

2.4.1 LEGAL FRAMEWORK

Agricultural activities in Liberia are governed by the main following legislations:

- ✓ Agricultural Law (1973)
- ✓ Public Procurement and Concessions Act (PPCA) 2010
- ✓ An act to establish the Liberia Agriculture Commodity Regulatory Authority (2014).

2.4.2 LEGAL REFORMS IN THE AGRICULTURE SECTOR

There were no data to inform us whether Government of Liberia is undertaking reforms to the fiscal framework.

2.4.3 INSTITUTIONAL FRAMEWORK

The agriculture sector in Liberia is administered by the Ministry of Agriculture (MoA). The key responsibilities of MOA can be summarized as follow:

- ✓ **The Ministry of Agriculture (MoA)** has the mandate to develop the agricultural sector calls for putting in place an effective organizational structure and manned by staff capable of planning, coordinating, implementing, monitoring and evaluating agricultural development programs. In addition, MOA ensures that agricultural challenges that impede production are investigated; lasting solutions found and farmers are provided with support services and the enabling environment to produce.
- ✓ **The Liberia Agriculture Commodity Regulatory Authority (LACRA)** is hereby empowered to transparently, equitably fairly administer and to promote the agricultural export trade of Liberia to the highest extent possible. To increase agricultural productivity, competitiveness, value chain development and environmental sustainability, especially for

small holders, including women and youth. Promote a robust, competitive and modernized agriculture sector support of sustainable economic growth and development.

2.4.4 FISCAL REGIME

The tax regime is set out in the Liberia Revenue Code (LRC). The main revenue streams paid by agricultural companies in Liberia are. There were no fiscal regime reforms in the agricultural sector during the FY 2018/19.

2.4.5 LICENSE ALLOCATION

The process of concession allocation is regulated by the Public Procurement and Concessions Act 2010 as referred to in Section 4.3.7 of the report.

2.4.6 REGISTER OF AGRICULTURE LICENSES

We understand that existing legislations do not require that a public register of agricultural licenses is kept. However, the LEITI Act 2009 stipulates that all companies operating in the oil, mining, agricultural and forestry sectors in Liberia must be registered in a public database. An updated online cadaster is available on the Flexicadastre60 portal for the oil and gas, mining, forestry and agriculture licenses. These licenses are included in the interactive map.

2.4.7 AGRICULTURE CONTRACTS OR CONCESSION AGREEMENT

Agricultural contracts promulgate the main following rules:

- ✓ Condition of Concession
- ✓ Investor construction of infrastructure and use of support systems
- ✓ Public health
- ✓ Public health, medical care, education, employment and training
- ✓ Environmental measures
- ✓ Taxation; and
- ✓ Reporting requirements- Public disclosure of Agriculture contracts

All agriculture contracts are disclosed on the LEITI website at: <https://fr.scribd.com/lists/4297678/Agriculture>

2.4.8 STATE PARTICIPATION IN THE AGRICULTURAL SECTOR

We understand that there is no State-Owned Enterprises (SOE) operating in the agricultural sector in Liberia or state ownership in agricultural companies or interests in agricultural agreements.

We understand that the legislation does not require State participation in agricultural companies' equity or interests in the agricultural contracts.

2.4.9 BENEFICIAL OWNERSHIP

Beneficial owner is “the natural person(s) who directly or indirectly ultimately owns or controls a corporate entity”. Requirement 2.5 of the 2019 EITI Standard requires that implementing countries maintain a publicly available register of the beneficial owners of the corporate entity (ies) that apply for or hold a participating interest in an exploration or production oil, gas or mining license or contract, including the identity (ies) of their beneficial owner(s), the level of ownership and details about how ownership or control is exerted. There are some provisions in Liberian Legislation backing the disclosure of Beneficial Owner or to maintain a public register of the beneficial owners of extractive companies operating in Liberia.

As of 1st January 2021, all implementing countries were required to develop and publish a comprehensive BO Register and to disclose of up to 5% beneficial ownership in companies operating in the agriculture, mining (only for those with MDAs) and the oil sectors; and up to 10% disclosure for companies in the forestry sector including companies holding other rights below MDA in the mining sector. Liberia on 14 December 2015 launched its first Beneficial Ownership (BO) Report in the extractive sectors. The 12th EITI Report contains information on BO provided by 49 extractive companies.

2.4.10 EMPLOYMENT DATA

The data collected from the Ministry of Labor (MoL) indicates that the extractive sector employment represented 0.56% of the country’s 2018-2019 total Labor force in Liberia. The table below shows the contribution from the extractive sector to total Labor force in Liberia:

Sector	Male	Female	Total Employment	% of Total Employment in Liberia
Agriculture	7,167	2,218	9,385	0.42
Mining	2,326	189	2,515	0.11
Forestry	610	29	639	0.03
Oil& Gas	0	0	0	0.00
Total	10,103	2,436	12,539	0.56
<i>Total Labor Force in Liberia(2019) is 2,232,405 @Source: World Bank</i>				

3.0 DATA PRESENTATION AND ANALYSIS

3.1 Production and Export Data

3.1.1 PRODUCTION (VOLUME)

We present below the primary mining, agricultural and forestry production by commodity for FY2017/2018 in comparison to FY2018/2019:

Commodity	Unit	FY2018/19	FY2017/18
Key Industrial Mining Production			
Iron ore	Mt	4,823,193	3,878,619
Gold	Ounce	5,636	185,688
Diamond	Carat	27,619	74,882
Key Agricultural & Forestry Production			
Rubber	Mt	88,811,742	89,867,979
Round Logs	M3	446,109	298,622
Palm Oil	Mt	20,932	31,627
Fresh Fruit Bunches	Mt	27,815	-

3.1.2 EXPORTS (VALUE)

We present below the main mining, agricultural and forestry exports by commodity for 2017/18 in comparison to 2018/19:

Commodity	Unit	2018/19 (US\$ million)	2017/18 (US\$ million)
Key Industrial Exports			
Iron ore	Mt	226.22	41.88
Gold	Ounce	192.01	156.16
Diamond	Carat	13,14	25.68
Key Agricultural Exports			
Rubber	Mt	84.95	128.88

3.2 The table below summarizes contributions to the Government revenues by revenue streams received by Government agencies.

For FY 2018/2019

Amounts in USD

#	DESCRIPTION OF TAXES	RECEIVED BY GOVERNMENT(USD)	%
OIL & GAS			
1	WH (non-Res.) on payments for services rendered	1,585,896	55
2	WH (Res.) on salaries and wages	1,107,267	38
3	WH (Res.) Other	158,726	6
4	Company Income Tax	24,295	1
5	Business registration fees	1,800	0
6	Other revenue streams	136	0
	Sub-Total	2,878,119	100%
MINING			
7	Withholding tax on salaries and wages	12,629,428	30
8	Royalties	11,045,859	27
9	Social contributions (mineral mining)	6,300,000	15
10	Withholding tax Other	2,770,966	7
11	Surface rental	1,476,265	3
12	Other revenue streams	7,326,654	18
	Sub-Total	41,549,172	100%
FORESTRY			
13	Log and wood product export fee	2,324,847	29
14	Stumpage fees	2,082,915	26
15	Fees & charges paid to NPA	914,785	11
16	WH (Res.) on salaries and wages	680,753	8
17	Company Income Tax	413,339	5
18	Other revenue streams	1,673,920	21
	Sub-Total	8,090,559	100%
AGRICULTURE			
19	WH (Res.) on salaries and wages	8,393,398	47
20	WH (Res.) Other	2,794,120	16
21	Company Income Tax	1,482,837	8
22	Surface rental	970,726	5
23	Import duties	885,045	4
24	Customs user fees	3,474,480	19
	Sub-Total	18,000,606	100%
	Grand Total	70,518,456	100%

3.3 THE TABLE BELOW SUMMARIZES PAYMENTS TO THE GOVERNMENT REVENUES BY COMPANY.

For FY2018/2019

Amount in USD

#	DESCRIPTION OF PAYMENT	PAID BY COMPANY
MINING		
1	ARCELOR MITTAL	18,855,748
2	BEA MOUNTAIN MINING, INC	8,818,209
3	CHINA UNION LIB.INVESTMENT COMP.LTD	5,290,341
4	MNG GOLD LIBERIA, INC	3,607,799
5	ZWEDRU MINING INC.	578,523
6	CGGC MINING SERVICES (LIBERIA) COMPANY LTD	338,245
7	AFRIC DIAM COMPANY INC	283,812
8	ROYAL COMPANY	280,073
9	LEE YAM DIAMONDS, INC.	207,82
10	MADINA ROCK CRUSHER, INC	205,944
11	GOLDEN BAR TRADING	205,414
12	GOLD BUSINESS CENTER	158,716
13	CAVALLA RESOURCES (LIBERIA) INC.	158,663
14	HUMMINGBIRD RESOURCES (LIBERIA) INC	128,153
15	ASIA DEVELOPMENT INVESTMENT INC.	127,827

16	STELLAR DIAMONDS LIBERIA INCORPORATED	121,866
17	OTHER MINING COMPANIES	2,389, 839
FORESTRY		
18	INTERNATIONAL CONSULTANT CAPITAL (ICC)	1,831,995
19	MANDRA FORESTRY	1,706,720
20	ALPHA LOGGING & WOOD PROCESSING INC	1,145,726
21	SING AFRICA PLANTATIONS LIBERIA,INC	642,812
22	BOOMING GREEN LIBERIA, INC.	573,180
23	FOREST VENTURE.	548,234
24	TETRA ENTERPRISE, INC.	417,628
25	ATLANTIC RESOURCES LIMITED	249,089
26	GEBLO LOGGING, INC	173,358
27	LIBERIA RUBY LIGHT FORESTRY INVESTMENT INCORPORATED	101,861
28	OTHER FORESTRY COMPANIES	699,956
AGRICULTURE		
29	FIRESTONE LIBERIA INCORPORATED	7,029,989
30	GOLDEN VEROLEUM LIBERIA	2,851,277
31	LIBERIAN AGRICULTURAL COMPANY	2,089,575
32	SIME DARBY PLANTATION LIB	1,783,159
33	LIBINC OIL PALM, INC	841,612
34	CAVALLA RUBBER CORPORATION	831,093
35	MARYLAND OIL PALM PLANTATION	721,859

36	MANO PALM OIL INDUSTRIES LIMITE	354,794
37	SALALA RUBBER CORPORATION	299,796
38	MODERN OIL FACTORY LIMITED	273,288
39	EQUATORIAL PALM OIL	192,083
40	WELTHUNGERHILFF-GERMAN AGRO ACTION	170,924
41	AFRICA ZHONG SHENG HAI FISHING COMPANY	161,264
42	LIBERIA FOREST PRODUCT INC.	120,727
43	OTHER AGRICULTURE COMPANIES	279,166
OIL & GAS		
44	EXXONMOBIL EXPLORATION & PRODUCTION LIBERIA LTD.	1,857,299
45	CHEVRON LIBERIA C LIMITED	993,225
46	CHEVRON LIBERIA (HOLDING) LIMITED	14,757
47	CHEVRON LIBERIA B LIBERIA LIMITED	11,938
48	CHEVRON LIBERIA D LIBERIA LIMITED	900
Total		70,518,456

3.4 SOCIAL PAYMENTS AND IN-KIND CONTRIBUTIONS

These consist of all contributions made by extractive companies to promote local development and to finance social projects in the community. Social payments can be mandatory or voluntary.

The MSG resolved that social payments be included in the 12th EITI Report for Liberia through unilateral disclosures by extractive companies.

As detailed in the table below, the companies reported US\$4.77 million in FY2018/2019 as the total value of corporate social responsibility initiatives undertaken, amounting to 5.99% of total government revenue of US\$79.63 million for the fiscal period under review.

Description of Payment	FY2018/2019	
	Contribution	%
Corporate Social Responsibility in kind contributions	10,000	0.21%
Corporate Social Responsibility cash contributions	4,760,000	99.79%
Total Corporate Social Responsibility	4,770,000	100%

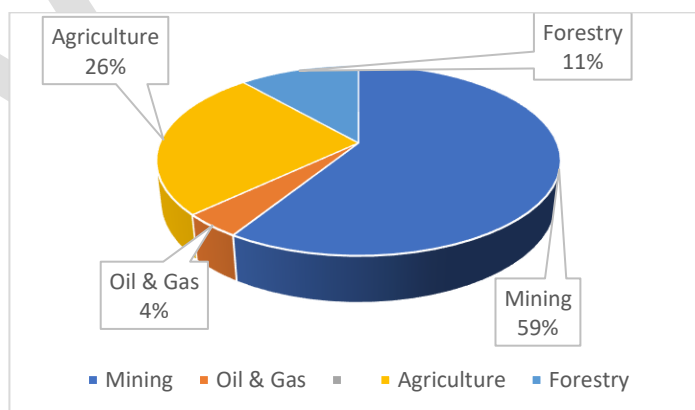
3.5 ANALYSIS OF DATA PRESENTED

3.5.1 Analysis of Payments by Sector's Contribution

The analysis of Government revenues by sector contribution for FY2018/2019 indicates that the mining sector contributed for 58.92% of the total direct Government revenues. The table below presents the contribution of each sector for the period:

FY2018/2019

Sector	Government Receipts (USD)	% of Total Payment
Mining	41,549,172	58.92%
Oil & Gas	2,878,118	4.08%
Agriculture	18,000,606	25.53%
Forestry	8,090,559	11.47%
Total	70,518,456	100%

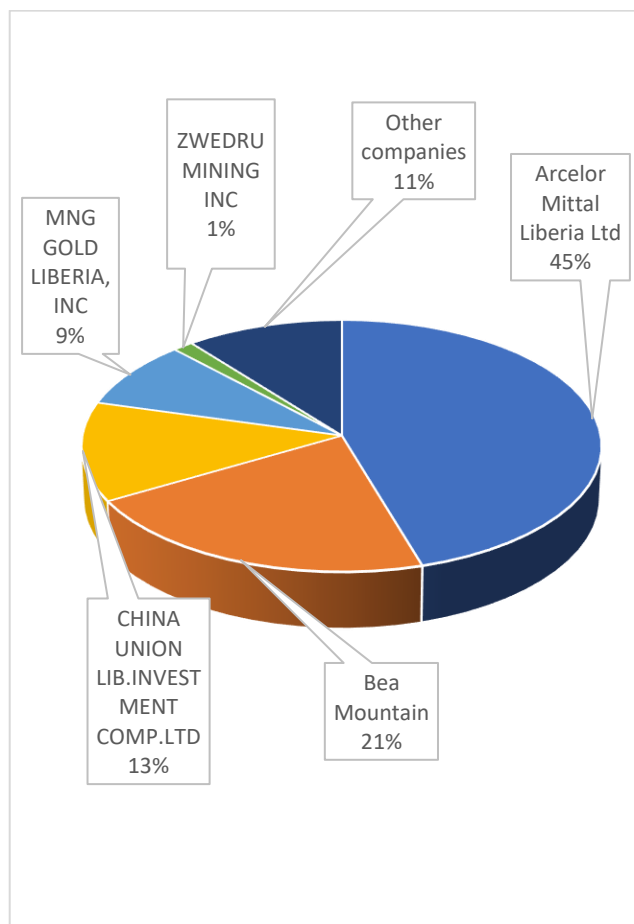


3.5.2 ANALYSIS OF PAYMENTS BY SECTORS' CONTRIBUTIONS

The analysis of Government revenues by sector indicates that 4 companies approximately contributed 65% to the total Government revenues during the FY18/19, and that Arcelor Mittal Liberia Ltd alone contribution accounts for 45.38% of the country's extractive revenues for the fiscal periods. The tables below present details of the contributions of the companies:

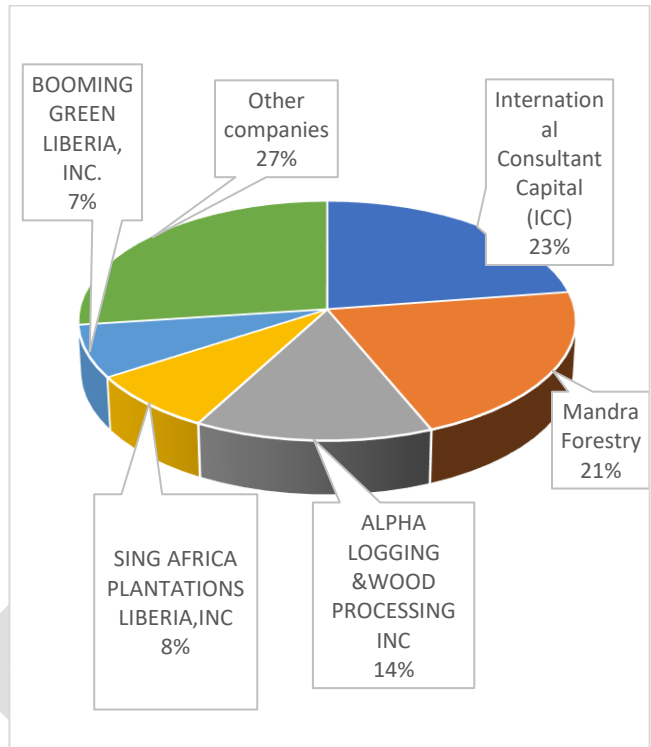
FY2018/2019 (MINING SECTOR)

Company by mining sector	Government receipts (USD)	% of total payment
ARCELOR MITTAL LIBERIA LTD	18,855,748	45.38%
BEA MOUNTAIN MINING CORPORATION	8,818,209	21.22%
CHINA UNION LIB.INVESTMENT COMP.LTD	5,290,341	12.73%
MNG GOLD LIBERIA, INC	3,607,799	8.68%
ZWEDRU MINING INC	578,523	1.39%
OTHER COMPANIES	4,398,552	10.59%
Total	41,549,172	100.00%



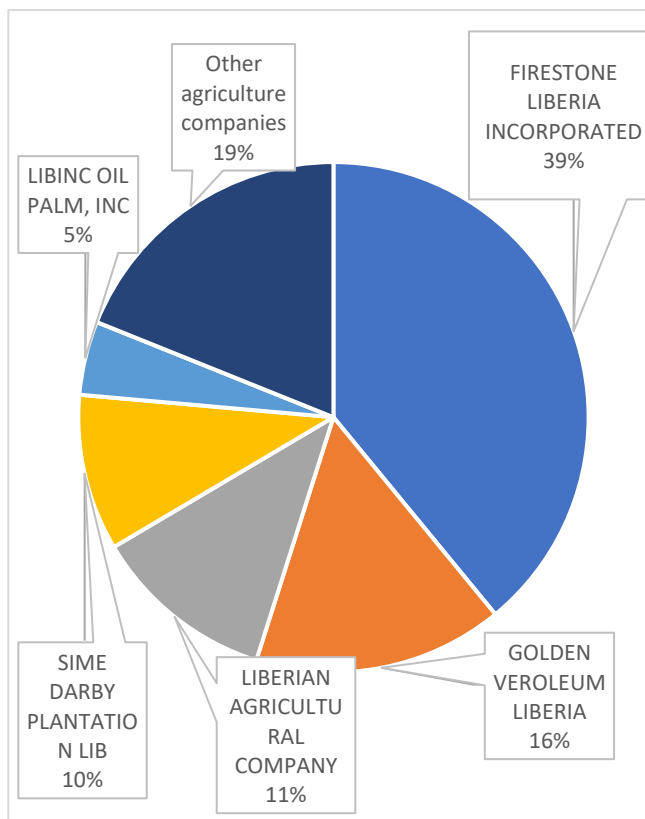
FY2018/2019 (FORESTRY SECTOR)

Company by mining sector	Government receipts (USD)	% of total payment
INTERNATIONAL CONSULTANT CAPITAL (ICC)	1,831,995	22.64%
MANDRA FORESTRY	1,706,720	21.10%
ALPHA LOGGING & WOOD PROCESSING INC	1,145,726	14.16%
SING AFRICA PLANTATIONS LIBERIA, INC	642,812	7.95%
BOOMING GREEN LIBERIA, INC.	573,180	7.08%
OTHER FORESTRY COMPANIES	2,190,126	27.07%
Total	8,090,559	100.00%

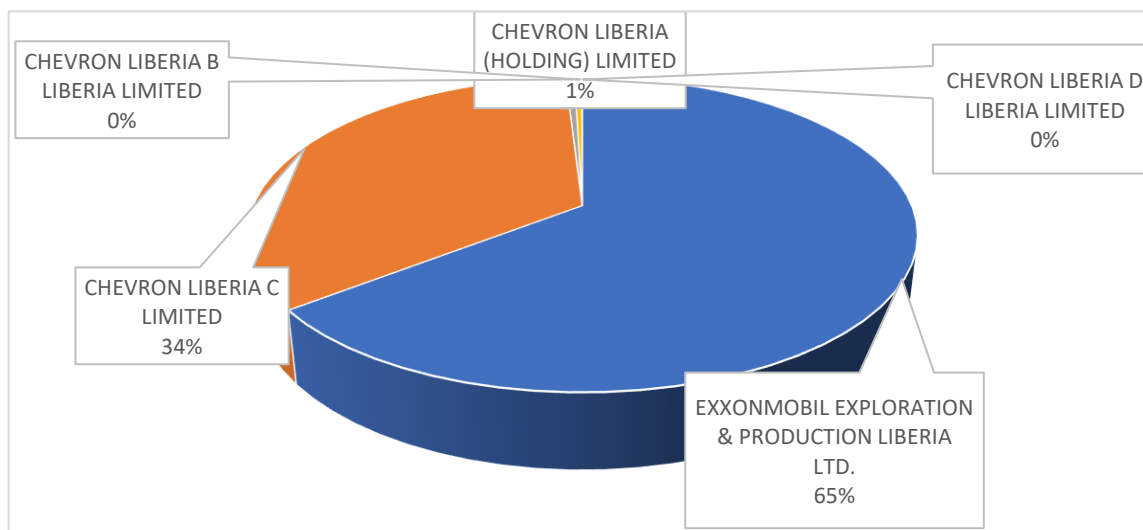


FY2018/2019 (AGRICULTURE SECTOR)

Company	Government receipts (USD)	% of total payment
FIRESTONE LIBERIA INCORPORATED	7,029,989	39.05%
GOLDEN VEROLEUM LIBERIA	2,851,277	15.84%
LIBERIAN AGRICULTURAL COMPANY	2,089,575	11.61%
SIME DARBY PLANTATION LIB	1,783,159	9.91%
LIBINC OIL PALM, INC	841,612	4.68%
OTHER AGRICULTURE COMPANIES	3,404,994	18.92%
Total	18,000,606	100.00%

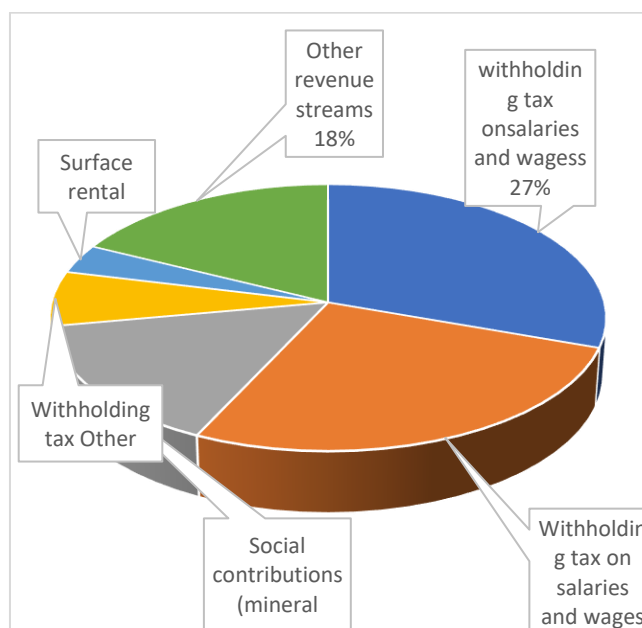


FY2018/2019 (OIL & GAS SECTOR)



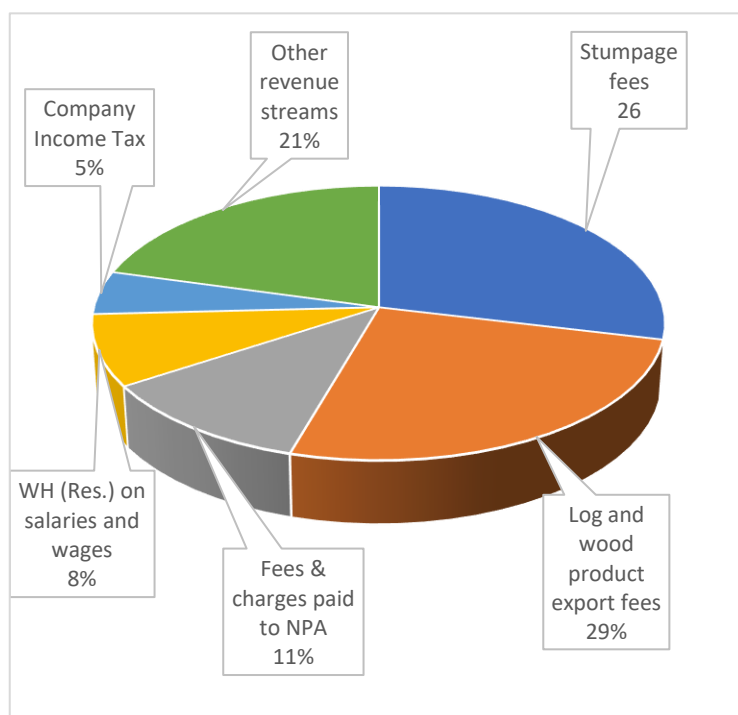
For FY 2018/2019 (MINING SECTOR)

Revenue stream	Government receipts (USD)	% of total payment
Withholding tax on salaries and wages	12,629,428	30.40%
Royalties	11,045,859	26.59%
Social contributions (mineral mining)	6,300,000	15.16%
Withholding tax Other	2,770,966	6.67%
Surface rental	1,476,265	3.55%
Other revenue streams	7,326,654	17.63%
Total	41,549,172	100.00%



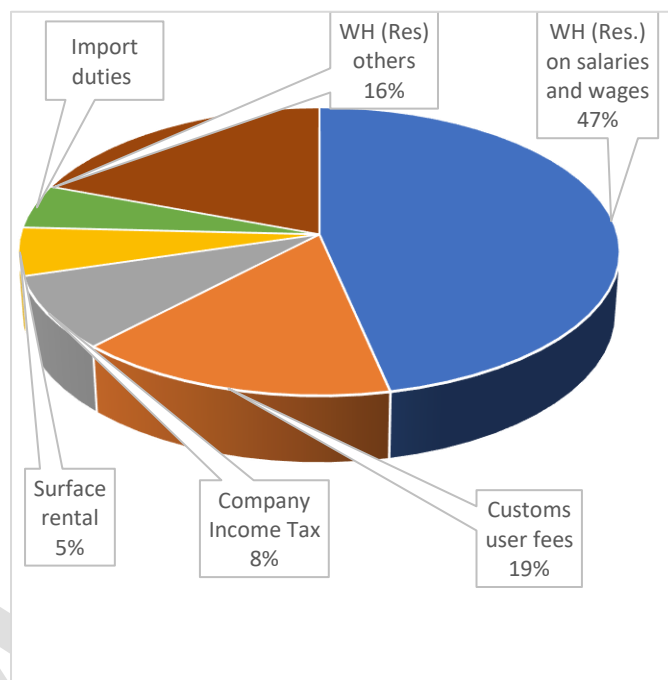
For FY2018/2019 (FORESTRY SECTOR)

Revenue stream	Government Receipts (USD)	% of total payment
Log and wood product export fee	2,324,847	28.74%
Stumpage fees	2,082,915	25.75%
Fees & charges paid to NPA	914,785	11.31%
WH (Res.) on salaries and wages	680,753	8.41%
Company Income Tax	413,339	5.11%
Other revenue streams	1,673,920	20.69%
Total	8,090,559	100%



For FY2018/2019 (AGRICULTURE SECTOR)

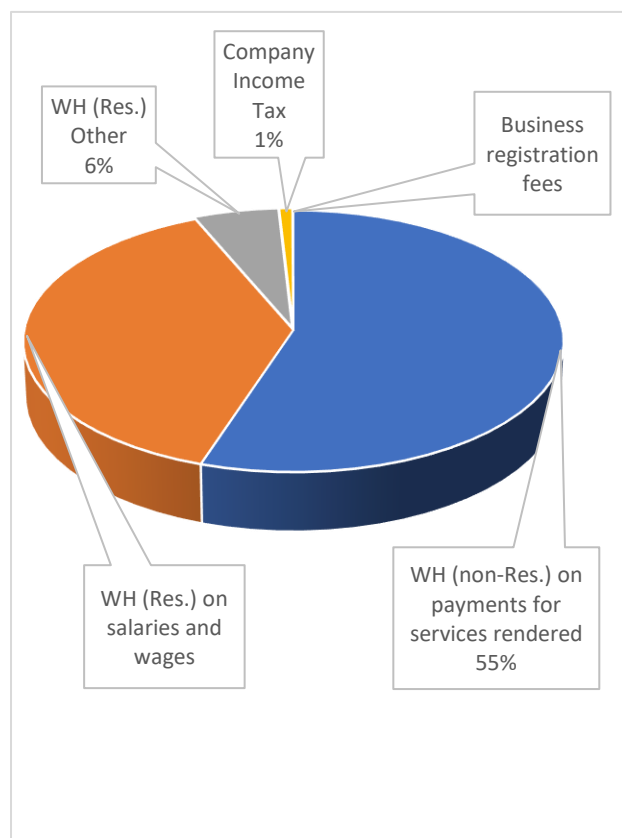
Revenue stream	Government Receipts (USD)	% of total payment
WH (Res.) on salaries and wages	8,393,398	46.63%
WH (Res.) Other	2,794,120	15.52%
Company Income Tax	1,482,837	8.24%
Surface rental	970,726	5.39%
Import duties	885,045	4.92%
Customs user fees	3,474,480	19.30%
Total	18,000,606	100.00%



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For FY2018/2019 (OIL & GAS SECTOR)

Revenue stream	Government Receipts (USD)	% of total payment
WH (non-Res.) on payments for services rendered	1,585,896	55.10%
WH (Res.) on salaries and wages	1,107,267	38.47%
WH (Res.) Other	158,726	5.51%
Company Income Tax	24,295	0.84%
Business registration fees	1,800	0.06%
Other revenue streams	136	0.00%
Total	18,000,606	100.00%

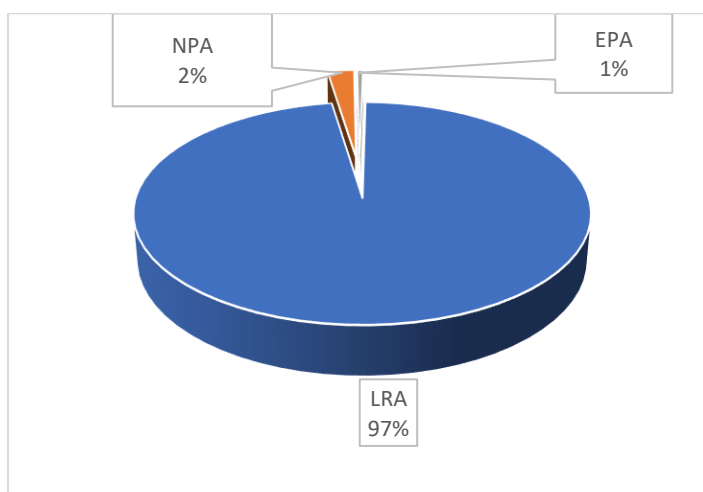


3.5.3 Analysis of payments by Government Agencies

The analysis of the payments by Government Agencies shows that 97.29%, 88.28%, 96.75% and 100.00% of the total Government extractive revenues for FY2018/2019 came through the LRA. Details are presented below:

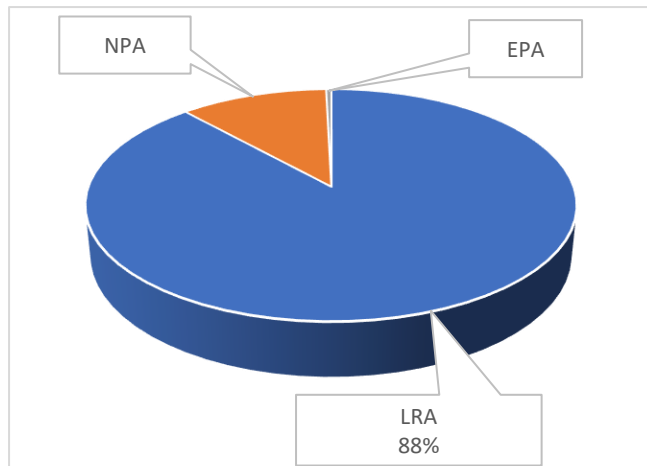
For FY2018/2019 (MINING SECTOR)

Revenue stream	Government receipts (USD)	% of total payment
LRA	40,421,872	97.29%
NPA	932,159	2.24%
EPA	195,141	0.47%
Total	41 549,172	100.00%



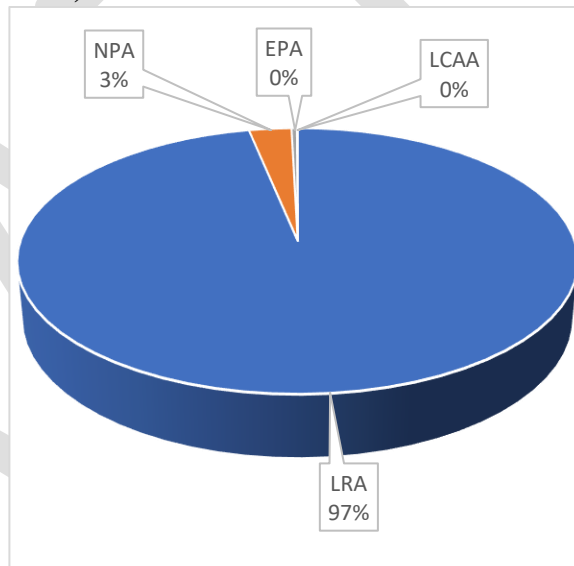
For FY2018/2019 (FORESTRY SECTOR)

Revenue stream	Government receipts (USD)	% of total payment
LRA	7,142,216	88.28%
NPA	914,785	11.31%
EPA	33,557	0.41%
Total	8,090,558	100.00%



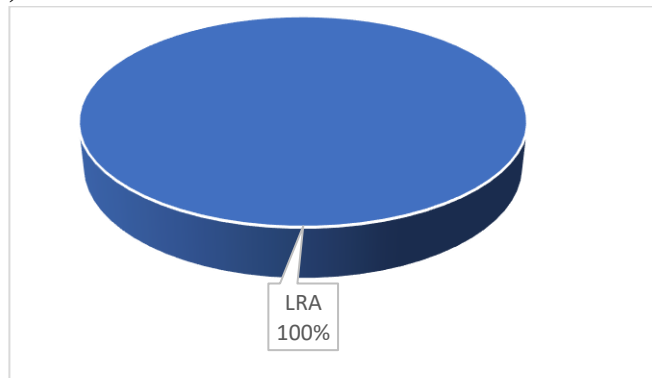
For FY2018/2019 (AGRICULTURE SECTOR)

Revenue Stream	Government Receipts (USD)	% of Total Payment
LRA	17,416,192	96.75%
NPA	507,936	2.82%
EPA	65,279	0.36%
LCAA	11,200	0.06%
Total	18,000,606	100.00%



For FY2018/2019 (OIL & GAS SECTOR)

Revenue Stream	Government Receipts (USD)	% of Total Payment
LRA	2,878,118	100.00%
Total	18,000,606	100.00%



3.3.4 Analysis of Social Payments Data

Disclaimer: Social payments reported by agriculture, mining and forestry companies were not reviewed by the Reconciler. These companies were requested to report social payments made during the FY 2018/19 unilaterally.

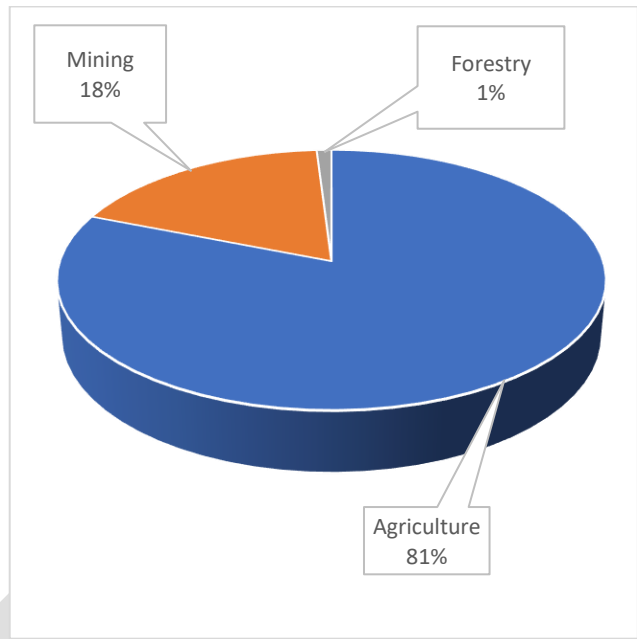
Social payments amounted to **USD 4.77** during FY 2018/19. They can be split into cash/in-kind contributions and mandatory/voluntary contributions.

The agriculture sector accounted for the highest proportion of total social contributions (81%) in all the four extractive sectors of Liberia.

No.	Company	Sector	Total Corporate Social Responsibility	Type of Payments
1	Firestone Liberia, Inc.	Agriculture	3,467,498	Cash
2	Golden Veroleum Liberia	Agriculture	265,234	Cash
3	Libinc Oil Palm, Inc.	Agriculture	119,717	Cash
4	Arcelor Mittal Liberia	Mining	235,000	Cash
5	Bea Mountain Mining, Inc.	Mining	578,756	Cash
6	MNG Gold Liberia, Inc.	Mining	47,383	Cash
	International Consultant Capital (ICC)	Forestry	39,000	Cash
7	Mandra Forestry	Forestry	3,000	Cash
8	Alpha Logging & Wood Processing Inc.	Forestry	2,000	Cash
			14,000	In kind
Total			4,771,588	

FY 2018/2019

Sector	Social contributions (USD)	% of Total Payments
Agriculture	3,852,449	81%
Mining	861,139	18%
Forestry	58,000	1%
Total	4,771,588	100.00%



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Annex 1: List of Companies by Sector

Mining Sector		
No	Company	Amount
1	ARCELOR MITTAL	18,855,748
2	BEA MOUNTAIN MINING, INC.	8,818,209
3	CHINA UNION LIB.INVESTMENT COMP.LTD	5,290,341
4	MNG GOLD LIBERIA, INC	3,607,799
5	ZWEDRU MINING INC.	578,523
6	CGGC MINING SERVICES (LIBERIA) COMPANY LTD	338,245
7	AFRIC DIAM COMPANY INC	283,812
8	ROYAL COMPANY	280,073
9	LEE YAM DIAMONDS, INC.	207,827
10	MADINA ROCK CRUSHER, INC	205,944
11	GOLDEN BAR TRADING	205,414
12	GOLD BUSINESS CENTER	158,716
13	CAVALLA RESOURCES (LIBERIA) INC.	158,663
14	HUMMINGBIRD RESOURCES (LIBERIA) INC	128,153
15	ASIA DEVELOPMENT INVESTMENT INC.	127,827
16	STELLAR DIAMONDS LIBERIA INCORPORATED	121,866
17	AFRO ANGLO AMERICAN RESOURCES,INC	96,536
18	SINOE EXPLORATION LTD	89,333
19	MAYA DIAM-GOLD, INC	88,588
20	WESTERN CLUSTER LIMITED	86,027
21	WEST AFRICA GOLD AND DIAMOND,INC	79,128
22	TIETTO MINERALS (LIBERIA) LTD	71,181
23	Z & C INVESTMENT CO.	66,953
24	WEST AFRICA DIAMONDS INC.	55,396
25	EVER BRIGHT INC	53,492
26	HUA LEE INTERNATIONAL CORPORATION (LIBERIA) LIMITED	49,499
27	GOLDEN VIEW TRADING INC	42,663
28	IRON RESOURCES LIBERIA LIMITED	41,246
29	TAWANA LIBERIA, INC.	39,582
30	EARTH SOURCE MINERAL INC.	38,530

31	S & K MINING CORPORATION LTD	38,036
32	HARD WORK IS THE ONLY WAY COOPERATIVE SOCIETY INC	35,571
33	GEM ROCK MINING RESOURCES, INC	35,483
34	WEST MINING LTD	35,331
35	KBL LIBERIA MINING COMPANY INC	35,292
36	ROAD CONSTRUCTION AND ENGINEERING COMPANY (RCEC)	34,472
37	LICHI INC	33,989
38	ALTA INTERNATIONAL GROUP	29,710
39	BLUE SKY CORPORATION	29,420
40	L & C INTERNATIONAL GROUP OF COMPANIES, INC.	27,937
41	SARDONYX INC	27,420
42	USA WEST AFRICA DIAMOND GROUP, INC	26,246
43	WESTERN QUARRY INC	26,144
44	SINO LIBERIA INVESTMENT COMPANY INC.	26,097
45	BRODIES HOLDINGS LIMITED	25,855
46	DA TANG MINING COMPANY INC	24,760
47	EZI, LTD	24,376
48	MELEKE SAND MINING CORPORATION (MSMC)	23,562
49	UPRIGHT INCORPORATED	23,368
50	VALLIS LIBERIA LIMITED	23,079
51	BSD MINING LIBERIA LTD	22,964
52	ZWEDRU MINERAL BUSINESS INC	22,697
53	WALKELY VENTURES INCORPORATED	22,537
54	JOK GROUP OF COMPANIES	20,026
55	SKG INC.	19,791
56	PUTU IRON ORE MINING INCORPORATED	18,134
57	NEWFIELD DRILLING & MINING COMPANY	18,125
58	A & G ENTERPRISE	17,300
59	BOART LONGYEAR LIBERIA CORPORATION	16,840
60	BAO CHICO RESOURCES LIBERIA LTD	16,077
61	GOLDEN ROME MINING COMPANY	14,941
62	WEST AFRICA ROCK AND CONCRETE PRODUCTS LLC	14,075
63	TIGER QUARRY (LIBERIA) INC	13,324
64	NEEKREEN BROTHERS INCORPORATE	13,060

65	S/S PROSPEROUS MINING COMPANY	13,026
67	TRISTAR (LIBERIA) JV INC.	12,253
68	LIMIN MINING CORPORATION LIMITED	12,073
69	GOLDEN CLOUDS LIMITED LIABILITY COMPANY (LLC)	11,919
70	WEST AFRICAN GEO SERVICES INC.	11,648
71	YOUSSEF DIAMOND MINING COMPANY	11,126
72	AUGER DRILLING SERVICE	10,234
73	UNIVERSAL (LIBERIAN) SURVEYORS INCORPORATED	10,138
74	MARKITON HARDWARE INTERNATIONAL (MAHAIN), LIB. INC.	10,000
75	OTHER MINING COMPANIES	345,402
	TOTAL	41,549,172

Forestry Sector		
No	Company	Amount
1	INTERNATIONAL CONSULTANT CAPITAL (ICC)	1,831,995
2	MANDRA FORESTRY	1,706,720
3	ALPHA LOGGING & WOOD PROCESSING INC	1,145,726
4	SING AFRICA PLANTATIONS LIBERIA, INC	642,812
5	BOOMING GREEN LIBERIA, INC.	573,180
6	TETRA ENTERPRISE, INC.	417,628
7	ATLANTIC RESOURCES LIMITED	249,089
8	GEBLO LOGGING, INC	173,358
9	LIBERIA RUBY LIGHT FORESTRY INVESTMENT	101,861
10	AKEWA GROUP OF COMPANIES LIB. INC	87,539
11	EURO-LIBERIA LOGGING COMPANY	81,841
12	LIBERIA ESTATE DEVELOPMENT, INC.	77,973
13	WESTNAF LIMITED	52,948
14	WEST AFRICA FOREST DEVELOPMENT INC	37,738
15	STARWOOD INC	37,322
16	ALMA WOOD CO. (LIBERIA) LTD	37,096
17	BRILLIANT MAJU, INC.	28,428
18	LIBERIA TREE AND TRADING COMPANY INC	24,413
19	NAGRIFOR COMPANY LTD	22,871

20	MARVOR BUSINESS IMPORT & EXPORT, INC.	20,849
21	MANDRA-LTTC, INC	16,824
22	LIBERIAN HARDWOOD CORPORATION	15,617
23	SUN YEUN CORPORATION LTD	15,442
24	LIBERIA HONGYUN WOOD INDUSTRY,INC.	14,247
25	HTSPE LIBERIA INCORPORATED	10,657
26	MG FOREST LIBERIA, INC	10,322
27	KRIS INTERNATIONAL LIMITED	12,040
28	WALTRADE INTERNATIONAL INCORPORATED	8,543
29	KPARBLEE TIMBER CORPORATION INC	6,753
30	CARY WOOD COMPANY, INC.	5,873
31	INDO AFRICAN PLANTATIONS LIBERIA,INC	4,841
32	COVEIYALAH INVESTMENT ENTERPRISES, INC	4,434
33	ELMCO GROUP OF COMPANIES	3,885
34	AFRICAN RESOURCES LIBERIA,INC	3,577
35	RENEW FORESTRY GROUP,LLC	2,811
36	TRADE LINKE, INC	2,625
37	AUZY INTERNATIONAL TRADING LTD	2,529
38	INTERGRATED TRADING AND INVESTMENT	2,511
39	MALAYSIA-LIBERIA FORESTRY CORPORATION	1,620
40	BAILI AFRICA INVESTMENT LTD	1,508
41	DELTA DEVELOPMENT CORPORATION	1,263
42	VIET LIB INVESTMENTS AND LOGGING COMPANY	1,125
43	FREEDOM GROUP (LIBERIA),INC	1,110
44	N.S.M.S LIBERIA LOGGING COMPANY, INCORPORATED	1,048
45	SHERMAN& SHERMAN / ALTA INT'L GROUP/ TAY SENG FATT	1,000
46	SHERMAN&SHERMAN/ALTA INT'L GROUP/YONG KEIN SANG	1,000
47	SHERMAN & SHERMAN/ALTA IN'L GROUP/ TAN TA FONG	1,000
48	SONIA INC. PHARMACY/ NARESH K. MULCHANDANI	1,000
49	MANDRA LTTC. INC/ INDAWAN	1,000
50	BAILI AFRICA INVESTMENT LTD/ LIN KAI QUAN	1,000
51	BAILI AFRICA INVESTMENT/ HUANG XUNPING	1,000
52	OTHER FORESTRY COMPANIES	580,967

TOTAL	8,090,559
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Agriculture Sector		
No	Company	Amount
1	FIRESTONE LIBERIA INCORPORATED	7,029,989
2	GOLDEN VEROLEUM LIBERIA	2,851,277
3	LIBERIAN AGRICULTURAL COMPANY	2,089,575
4	SIME DARBY PLANTATION LIB	1,783,159
5	LIBINC OIL PALM, INC	841,612
6	CAVALLA RUBBER CORPORATION	831,093
7	MARYLAND OIL PALM PLANTATION	721,859
8	MANO PALM OIL INDUSTRIES LIMITED	354,794
9	SALALA RUBBER CORPORATION	299,796
10	MODERN OIL FACTORY LIMITED	273,288
11	EQUATORIAL PALM OIL	192,083
12	WELTHUNGERHILFF-GERMAN AGRO ACTION	170,924
13	AFRICA ZHONG SHENG HAI FISHING COMPANY	161,264
14	LIBERIA FOREST PRODUCT INC.	120,727
15	LIB. ESTATE DEV, INC.	87,973
16	MAYA LIBERIA, INC	42,931
17	NAGRIFOR COMPANY LIMITED	22,871
18	HTSPE LIBERIA INCORPORATED	10,657
19	WEST AFRICA FOREST DEVELOPMENT INC. (WAFD INC.)	10,462
20	AGRIFIRST GROUP, INC.	9,041
21	GBUGBAY AGRI LTD.	7,884
22	JOEGUWOLEE FARM INCORPORATED	5,624

23	LIBERIA AGRICULTURE & ASSETS DEVELOPMENT CO.	5,587
24	L & S RESOURCES INCORPORATED	5,462
25	GLODEN VEROLEUM LIBERIA	5,025
26	COMMUNITY OF HOPE AGRICULTURE PROJECT (CHAP)	5,021
27	AMBOSELI ENERGY PARTNER (LCC), INC.	5,000
28	LIBERIA AGRICULTURE COMMODITIES REGULATORY AUTHORITY	4,865
29	INDO AFRICAN PLANTATIONS LIBERIA,INC	4,841
30	UP COUNTRY INC.	4,731
31	NIMBA RUBBER, INC.	4,085
32	COCOA PLUS INCORPORATED	3,930
33	CP AGRO INC.	3,814
34	BLUE OCEAN INTEGRATED FARMING SYSTEM, INC.	3,299
35	AGRICULTURE TODAY IN LIBERIA (ATI- LIBERIA)	2,579
37	WULKI FARMS, INC	2,278
38	MODERN ROBBER PLANTATION CO.	2,250
39	CP AGRO, INC	2,055
40	ASKON LIBERIA GENERAL TRADING,INC	1,672
41	OTHER AGRICULTURE COMPANIES	15,227
	TOTAL	18,000,606

Oil & Gas Sector		
No	Company	Amount
1	EXXON MOBIL EXPLORATION & PRODUCTION LIBERIA LTD	1,857,299
2	CHEVRON LIBERIA C LIMITED	993,225
3	CHEVRON LIBERIA (HOLDING) LIMITED	14,757
4	CHEVRON LIBERIA B LIBERIA LIMITED	11,938
5	CHEVRON LIBERIA D LIBERIA LIMITED	900
	TOTAL	2,878,118