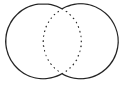


# Liberia

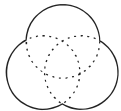
## Overview



### Transparency:

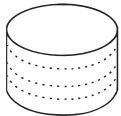
**45** /100

(Open Budget Index score)



### Public Participation:

**6** /100



### Budget Oversight:

**41** /100

## About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money is spent on public interests.

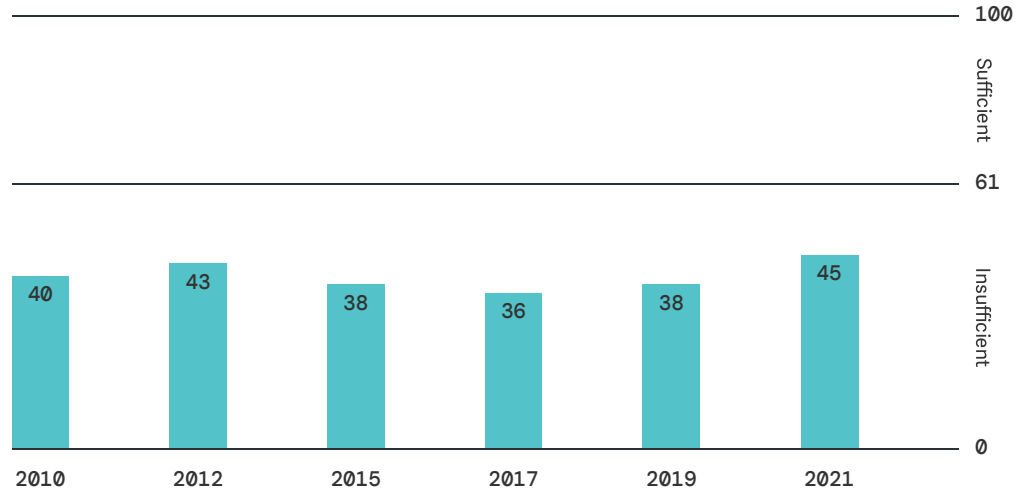
**The Open Budget Survey (OBS)** is the world’s only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions, such as legislatures and national audit offices, in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 8th edition of the OBS covers 120 countries.

Visit [www.internationalbudget.org/open-budget-survey](http://www.internationalbudget.org/open-budget-survey) for more information, including the full OBS methodology, the 2021 Global and Regional Reports, findings for all surveyed countries, and the Data Explorer.



# How has the transparency score for Liberia changed over time?



## Public availability of budget documents in Liberia

KEY	
<span style="color: green;">●</span>	Available to the Public
<span style="color: yellow;">●</span>	Published Late, or Not Published Online, or Produced for Internal Use Only
<span style="color: red;">⊘</span>	Not Produced

Document	2010	2012	2015	2017	2019	2021
Pre-Budget Statement	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>
Executive's Budget Proposal	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Enacted Budget	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Citizens Budget	<span style="color: red;">⊘</span>	<span style="color: red;">⊘</span>	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>
In-Year Reports	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>
Mid-Year Review	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>
Year-End Report	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: red;">⊘</span>	<span style="color: red;">⊘</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Audit Report	<span style="color: green;">●</span>	<span style="color: red;">⊘</span>	<span style="color: yellow;">●</span>	<span style="color: red;">⊘</span>	<span style="color: red;">⊘</span>	<span style="color: red;">⊘</span>

# How comprehensive is the content of the key budget documents that Liberia makes available to the public?

KEY	
<span style="color: #0070C0;">●</span> 61-100 / 100	
<span style="color: #00A651;">●</span> 41-60 / 100	
<span style="color: #90EE90;">●</span> 1-40 / 100	

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre-Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2020-21	Published Late
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2020-21	55
Enacted Budget	The budget that has been approved by the legislature.	2020-21	78
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2020-21	59
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2019-20 & 2020-21	59
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2019-20	Internal Use
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2018-19	48
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2018-19	Not Produced

Liberia's transparency score of **45** in the OBS 2021 is moderately higher than its score in 2019.

## What changed in OBS 2021?

Liberia has increased the availability of budget information by:

- Publishing the Citizens Budget and In-Year Reports online in a timely manner.

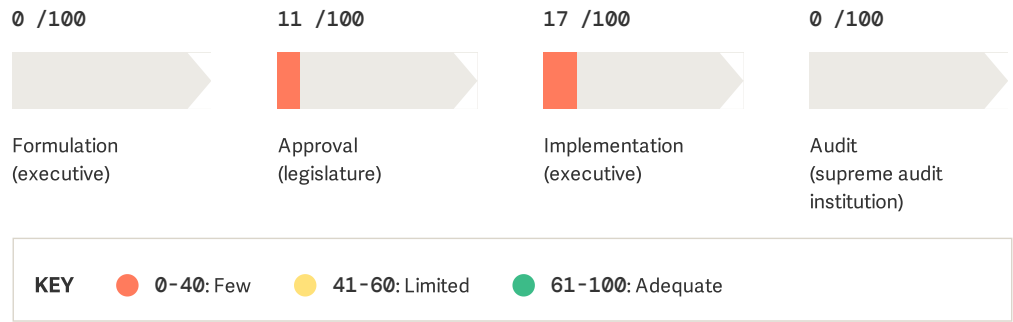
## Recommendations

Liberia should prioritize the following actions to improve budget transparency:

- Publish the Pre-Budget Statement and Mid-Year Review online in a timely manner. The Pre-Budget Statement should be published at least one month before the Executive's Budget Proposal is presented to the legislature. The Mid-Year Review should be published within three months after the midpoint of the fiscal year.
- Produce and publish the Audit Report online in a timely manner: within 18 months of the end of the fiscal year that it examines.
- Include in the Executive's Budget Proposal data on debt and data on the financial position of the government. This includes information on the total debt stock and its composition for the end of the current year. The Draft National Budget for 2020/21 only included the total debt stock as of the end of May 2020 rather than the end of June 2021. The Draft National Budget should also include information on financial and nonfinancial assets held by the government.
- Include in the Year-End Report comparisons between borrowing estimates and actual outcomes, comparisons between planned nonfinancial outcomes and actual outcomes and comparisons between the original macroeconomic forecast and actual outcomes.
- Improve the comprehensiveness of the Citizens Budget and In-Year Reports.



# Extent of opportunities for public participation in the budget process



## Recommendations

Liberia's Ministry of Finance and Development Planning has established public consultations during budget implementation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Pilot mechanisms to engage the public during budget formulation.
- Expand mechanisms during budget implementation to engage any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

Liberia's Legislature has established public hearings related to the approval of the annual budget, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization to testify during its hearings on the budget proposal prior to its approval.
- Allow members of the public or civil society organizations to testify during its hearings on the Audit Report.

Liberia's General Auditing Commission should prioritize the following actions to improve public participation in the budget process:

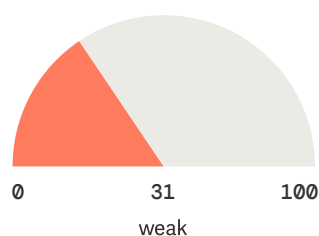
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

# Budget Oversight

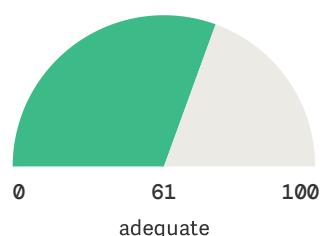
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in Liberia, together, provide limited oversight during the budget process, with a composite oversight score of **41** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

## Legislative oversight



## Audit oversight



**KEY** ● 0-40: Few ● 41-60: Limited ● 61-100: Adequate

## Recommendations

Liberia's Legislature provides weak oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, the following actions should be prioritized:

- The legislature should debate budget policy before the Executive's Budget Proposal is tabled and approve recommendations for the upcoming budget.
- The Executive's Budget Proposal should be submitted to legislators at least two months before the start of the budget year.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.



- The legislature should approve the Executive’s Budget Proposal before the start of the budget year.
- A legislative committee should examine in-year budget implementation and publish reports with their findings online.
- In practice, ensure the legislature is consulted before the executive shifts funds specified in the Enacted Budget between administrative units or reduces spending due to revenue shortfalls during the budget year.
- A legislative committee should examine the Audit Report and publish a report with their findings online.

To strengthen independence and improve audit oversight by the Liberia General Auditing Commission, the following actions are recommended:

- Ensure the supreme audit institution has adequate funding to perform its duties, as determined by an independent body (e.g., the legislature or judiciary).
- Ensure audit processes are reviewed by an independent agency.

### **The emerging practice of establishing independent fiscal institutions**

Liberia’s independent fiscal institution (IFI) is the Legislative Budget Office. Its independence is not set in law, and it reports to the legislature. It publishes an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive.

*The indicators on IFIs are not scored in the Open Budget Survey.*

# Methodology

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- Only documents published and events, activities, or developments that took place through 31 December 2020 were assessed in the OBS 2021.
- The survey is based on a questionnaire completed in each country by an independent budget expert:  
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Institute for Research and Democratic Development (IREDD)  
Block 3, Kings Avenue, 16th Street, Sinkor (Cell: +231 777088002), Monrovia,  
Liberia  
dwindor@gmail.com
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Liberia by a representative of the Ministry of Finance and Development Planning.