

Republic of Liberia



US – Africa Partnership on Illicit Finance (PIF)

National Action Plan

Prepared by: PIF Technical Committee

FIU – Chair

LRA – Member

LACC – Member

Background

As a member of the U. S. – Africa Partnership on Illicit Finance (PIF) the Liberian Government committed to the creation of a National Action Plan that will help stem illicit finance from corruption and other illegal activities. As a result of this commitment, the Liberian government has strengthened and /or established several integrity institutions to include the Liberia Anti-Corruption Commission (LACC), Liberia Revenue Authority (LRA), Financial Intelligence Unit (FIU), General Auditing Commission (GAC), Internal Audit Agency (IAA), Public Procurement Concession Commission (PPCC), etc. with the aim to combat corruption and illicit flows of finance.

The government is also committed to take a number of actions to prevent its legal and financial systems from being abused and used to engage in and or launder the proceeds of corruption and other forms of crimes. These actions will build on existing efforts in this partnership and will include several measures that are aimed at enhancing the flows of information and inter-agency coordination.

Under the PIF each National Action Plan should outline specific activities to implement over a period of not more than 12 months and should include a timeline of reviewing progress on a more regular basis. The action plans should reflect the characteristics and unique challenges of each country. Each action plan should prioritize the activities that – per consensus among the government, civil society and the private sector – will be most impactful in the joint fight against corruption and other crimes and their contributions of their proceeds to illicit financial flows. Each government has agreed to select and commit to country-specific actions that are tailored to that country’s context, strengths and deficiencies in the three categories. Each government has also committed to assess its progress toward implementation or fulfillment of its listed activities.

The Liberian National Action Plan

The government of Liberia has the following action items for the three categories of action plans as follows:

1. Promoting government transparency

The Liberian government pledges to:

- Make annual, verifiable public declarations of financial interests and conflicts of interest regarding elected and cabinet-level officials and their families; identify foreign accounts held

by such officials and their families even via proxy, waive legal rights to any foreign accounts not declared.

- Adopt legislations or requirement that compel companies bidding on license for natural resource extraction or government procurement activities to disclose their beneficial owners. Make effective use of beneficial ownership information in connection with asset declaration, public procurement, tax compliance and illicit financial flows.
- Implement Open Government Partnership (OGP) commitments to increase transparency.

2. Combating corruption and loss of government revenues to criminal activity

The Liberian government pledges to:

- Ensure the independence of those investigating and prosecuting corruption, ensure that those officials are granted adequate judicial, prosecutorial and enforcement authority to fulfill their mandates, as well as timely, planned, reliable and sufficient financial resources to carry out their tasks.
- Adopt measures in the health sector designed to prevent corruption including designing an informed anti-corruption strategy for the health sector, involving measures such as improving the transparency of drug prices, publishing health budgets, facilitating public tracking of services and funds to prevent theft, providing training to prevent sale/use of counterfeit drugs and facilitating enhanced anti-corruption cooperation between neighboring countries, involving customs, suppliers, medical institutions and the police.
- Adopt customer due diligence laws in conformity with the Financial Action Task Force standards.

3. Combating impunity and promoting accountability, including the involvement of civil society and the private sector

The Liberian government pledges to:

- Decriminalize press offenses, allowing for enhanced investigation of corruption.

- Publicly commit to a policy that creates an enabling environment for civil society and, in particular, for transparency and accountability activists to work.
- In the course of peer review, by multilateral bodies, including reviews related to the African Union's good governance initiatives and the United Nations Convention against Corruption, commit to allowing for input and feedback from civil society and full publication of outcomes.

Implementation Actions already undertaken by the Government of Liberia

1. Promoting Government Transparency

- The government of Liberia under the Liberia Extractive Industry Transparency Initiative has adopted mandatory revenue reporting requirements for oil, gas and mining companies based in Liberia.
- The government of Liberia through the Public Procurement Concession Act of 2010 is committed to ensuring that government procurement processes and procedures are standardized, written, published and easily accessible to the public.
- The government of Liberia through the Civil Service Agency, has adopted automatic electronic salary payments for civil servants, members of the military, and other government employees and established salary tables.

2. Combating corruption and the loss of government revenue through criminal activities

- The government of Liberia through the Liberia Anti-Corruption Commission has created, publicized and strengthened prevention hotlines and social media avenues for reporting corruption.
- The government of Liberia through the Liberia Revenue Authority has prioritized building capacity in tax administration and combating tax fraud with the view of increasing transparency and efficiency of revenue collection as well as detecting and preventing tax crimes
- The government of Liberia through the Financial Intelligence Unit has strengthened existing laws of cash transaction reports, suspicious transaction reports and cross-border currency declaration through the passage of new regulations.

3. Combating impunity and promoting accountability, including through the involvement of civil society and private sector in government action

- The government of Liberia through the Freedom of Information Secretariat has legislated the Freedom of Information Act of 2010 to allow the free flow of information of government agencies and institutions to the wider public in order to facilitate public participation in government processes.
- The government of Liberia has also adopted a National Code of Conduct to be cited as the Code of Conduct of 2014 for public servants and those conducting business transaction with the government of Liberia.

Key Dependencies

Critical to the Liberian Government acceptance of the National Action Plan for implementation includes the following:

- Political Will
- Resource availability
- Capacity

Political Will:

Liberia has never suffered for want of adequate legislation; its problem is impunity and lack of implementation of laws and policies. Compared with international practice, elements of a good anti-corruption strategy exist in Liberia. We have a good legislative, regulatory, and institutional framework largely put in place since 2005, and the public services utilize good management practices including a code of conduct, modern employment practices, financial disclosures, fair procurement and a progressive disciplinary system for ensuring economic utilization of all state resources.

However, anti-corruption agencies lacked political support and will to function effectively. Liberia needs to get past the point of celebrating the existence of legal and institutional instruments needed in the fight against corruption and start to use these to end its perennial status and ranking as a country in which corruption is rampant.

Resource Availability:

Most anti-corruption agencies in Liberia are struggling to uphold their mandate due to the lack of resources. The national budgeting process is largely based on political interest, which does not always favor integrity institutions. This situation stems from the lack of political will on the part of key decision makers whose interest may conflict with the very existence of integrity institutions.

Capacity:

The fight against illicit financial flows and money laundering is quite new to Liberia, given the fact that most of integrity institutions like the LACC, FIU and IAA have just been legislated in recent years. These institutions do not have the technology and skills to conduct real time and extensive data analysis and manipulations to identify and deal with illicit financial flows. Officers in these institutions need the technology as well as advanced data analysis training and capacity development.

Pillars	Specific Activity	Expected Deliverable	Lead Agency	Focal Person	Deadline
Promoting government transparency	Make annual, verifiable public declarations of financial interests and conflicts of interest regarding elected and cabinet-level officials and their families	Create a database of cabinet-level officials, their families and proxies.	LACC	Zobon Kolenky	December 2016
		Provide real time info on their assets, including financial records	LACC	Zobon Kolenky	December 2016
		Quarterly/periodic publication of these information	LACC	Zobon Kolenky	December 2016
	Adopt legislations or requirement that compel companies bidding on license for natural resource extraction or government procurement activities to disclose their beneficial owners.	Review/amend and/or strengthen where necessary current procurement laws and regulations to meet this requirement.	PPCC	Dr. Dorbor Jallah	December 2016
		Ensure effective due diligence and compliance monitoring of procurement activities of businesses in this category.	PPCC	Dr. Dorbor Jallah	December 2016
		Publicly disclose beneficial owners of various entities engaged in procurement processes with an established threshold.	PPCC	Dr. Dorbor Jallah	December 2016

Pillars	Specific Activity	Expected Deliverable	Lead Agency	Focal Person	Deadline
		Threshold to be determined by regulators.			
	Implement OGP commitments to increase transparency	Strengthen the capacity of law enforcement individuals in various integrity institutions	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Remove bureaucracies and redundancies in the reporting structures of integrity institutions	All integrity and law enforcement agencies	Respective focal persons	December 2016
Combating corruption and loss of government revenues to criminal activity	Ensure the independence of those investigating and prosecuting corruption; ensure that officials are granted adequate judicial, prosecutorial and enforcement authority to fulfill their mandates.	Enact and or strengthen current laws and regulations to provide for expediency of institutions and officials prosecuting corruption	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Enact or strengthen current laws and regulations that protect and grant full authority to institutions and officials prosecuting corruption	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Minimize bureaucracy in the reporting process for	All integrity and law enforcement agencies	Respective focal persons	December 2016

Pillars	Specific Activity	Expected Deliverable	Lead Agency	Focal Person	Deadline
		these officials.			
		Strengthen the capacity of tax administrators, Revenue collectors, and customs officers in the execution of their duties.	LRA	James Kerkulah	December 2016
	Adopt measures in the health sector designed to prevent corruption including improving the transparency of drug prices, publishing health budgets, facilitating public tracking of services and funds to prevent theft.	Create a database of all health related (NGOs, public and private) institutions in the country that will also include their financials at the time of registration.	LRA/MFDP/MOH	James Kerkulah	December 2016
		Quarterly publication of the prices of pharmaceutical products	LRA/MOCI	James Kerkulah	December 2016
		Publish financial activities of health institutions on a quarterly basis to show income (donations..etc) and expenditure.	LRA/MFDP	James Kerkulah	December 2016
		Create an independent body to monitor and evaluate projects undertaken by these institutions.	LRA/MFDP	James Kerkulah	December 2016

Pillars	Specific Activity	Expected Deliverable	Lead Agency	Focal Person	Deadline
	Adopt customer due diligence laws in conformity with the Financial Action Task Force standards.	Require financial institutions to periodically report suspicious activities	FIU	Stanley Ford	December 2016
		Periodically monitor the effectiveness of AML/CFT regime	FIU	Stanley Ford	December 2016
		Implement measures that will hold financial institutions accountable for best in class KYC programs	FIU	Stanley Ford	December 2016
Combating impunity and promoting accountability, including through the involvement of civil society and the private sector	Decriminalize press offenses, allowing for enhanced investigation of corruption.	Streamline list of press offenses that should be decriminalized	LACC	Zobon Kolenky	December 2016
		Grant open access to the media at integrity institutions	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Provide access to the media on the investigation of politically exposed persons	All integrity and law enforcement agencies	Respective focal persons	December 2016
	Publicly commit to a policy that creates an enabling environment for civil society and in particular, for transparency and accountability activists to work.	Identify and collaboratively work with civil society organizations (CSOs)	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Empower and build the capacity of identified CSOs	All integrity and law enforcement agencies	Respective focal persons	December 2016

Pillars	Specific Activity	Expected Deliverable	Lead Agency	Focal Person	Deadline
		Periodically publish info on the work of CSOs in relation to countering corruption	All integrity and law enforcement agencies	Respective focal persons	December 2016
	In the course of peer review, by multilateral bodies, including reviews related to the African Union's good governance initiatives and the United Nations Convention against Corruption, commit to allowing for input and feedback from civil society and full publication of outcomes.	Create a local body that will periodically monitor and report on these actions	All integrity and law enforcement agencies	Respective focal persons	December 2016
		Periodically publish the reports of the local monitoring body	All integrity and law enforcement agencies	Respective focal persons	December 2016