



Promoting Accountability of Public Resources

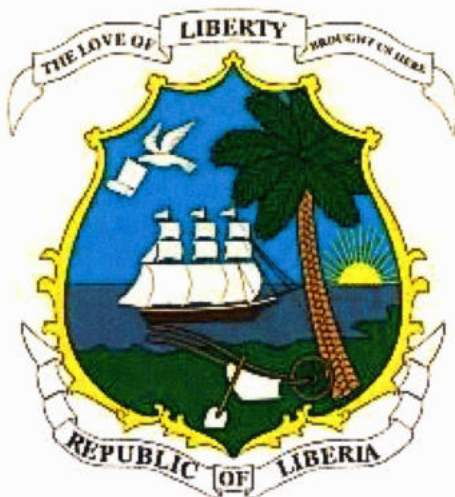
## AUDITOR GENERAL PERFORMANCE AUDIT REPORT

**On Monitoring and Evaluation of Concession Agreements by the National Bureau of Concessions in Liberia**

*For the Fiscal Years 2018-2023*

**December 2025**

**P. Garswa Jackson, Sr. FCCA, CFIP, CFC  
Auditor General, R.L.**



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**ABBREVIATIONS**

No	Abbrev	Meaning
1	CA	Concession Agreements
2	CAC	Concession Affected Communities
3	CIMS	Concession Information Management System
4	DAG	Deputy Auditor General
5	DG	Director General
6	DSA	Daily Sustenance Allowance
7	GAC	General Auditing Commission
8	GDP	Gross Domestic Product
9	GOL	Government of Liberia
10	HQ	Headquarter
11	ICT	Information, Communication and Technology
12	ISSA	International Standards for Supreme Audit Institutions
13	IT	Information Technology
14	M & E	Monitoring and Evaluation
15	MAC	Ministries, Agencies and Commissions
16	MDA	Mineral Development Agreement
17	MSP	Multi-Stakeholders Platform
18	NBC	National Bureau of Concessions
19	PA	Performance Audit
20	PBL	Peace Building Fund
21	PDP	Professional Development Plan
22	PFM	Public Financial Management
23	PPCA	Public Procurement and Concession Act
24	PPCC	Public Procurement and Concession Commission
25	PPP	Public Private Partnership
26	QC	Quality Control
27	SAI	Supreme Audit Institution
28	SDG	Sustainable Development Goals
29	SOP	Standard Operating Procedure
30	SP	Strategic Plan
31	TOR	Terms of Reference
32	UNDP	United Nations Development Programme



## TRANSMITTAL LETTER

The Honorable Speaker of the House of Representatives and Honorable President Pro-Tempore of the House of Senate.

We have undertaken a Performance Audit on Monitoring and Evaluation of Concession Agreements in Liberia for the fiscal years 2018/2019 to 2023. This audit was conducted in line with the Auditor General's statutory mandate as enshrined under Section 2.1.3 of the GAC Act of 2014.

The audit was conducted in accordance with the International Organization of Supreme Audit Institutions (INTOSAI), Performance Auditing Standards and Guidelines as enshrined in the Performance Audit Manual. The Act that created the National Bureau of Concessions was also used as a baseline for the evaluation of the performance of the Bureau.

As indicated in the methodology segment of this report, all findings conveyed in the report were formally communicated to the National Bureau of Concessions for their responses. Where responses were provided, they were evaluated and incorporated in this report. We are therefore thankful to the auditee (NBC) for assisting us in completing the audit.

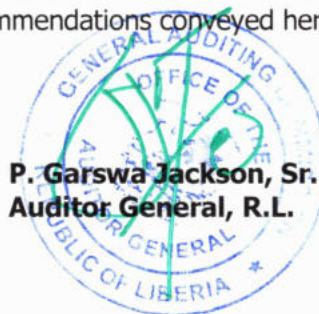
The GAC will conduct **Follow-Up Audit** at an appropriate time in the future regarding actions taken in relation to the recommendations in this report.

We ask that you pay particular attention to the issues raised in this report that if implemented, will significantly improve the monitoring and evaluation of concession agreements in the country.

Given the significance of the matters raised in this report, we urge the Honorable Speaker and the Members of the House of Representatives and Honorable Pro-Tempore and Members of the Liberian Senate to consider the implementation of the recommendations conveyed herein with urgency.

**P. Garswa Jackson, Sr. FCCA, CFIP, CFC  
Auditor General, R.L.**

**Monrovia, Liberia**  
May 2026



## **The Executive Summary**

Concession agreements have played a significant role in shaping the development path of African and other low-income mineral rich countries, including Liberia. These agreements have been both a source of opportunity and contention.

Liberia, like most African countries, is endowed with abundance of natural resources. Accordingly, the extraction of these resources has historically been a key driver of economic growth. Its vast forests, huge mineral deposits, and agricultural land have attracted numerous multinational corporations seeking to capitalize on these resources through concession agreements. These natural resources have been explored and extracted through concession agreements since the mid-1920s, with revenues from export of unprocessed resources serving as a key stimulus for national growth and development. Overall, these agreements have promised, and to some extent provided economic and social development. However, implementation of most of these agreements have often been tainted by issues of lack of transparency, non-accountability, and inequitable distribution of benefits. As such, there is a need to monitor the implementation of these agreements and evaluate their social, economic, and environmental impacts on the country.

The National Bureau of Concessions (NBC); established by a Legislative Act in 2011, is responsible for monitoring and evaluating concession agreements in collaboration with concession entities in Liberia. The NBC is mandated to develop a plan for the conduct of on-going evaluation and assessment of concessions. NBC is also required to provide technical expertise to government entities responsible for granting and regulating the various concession agreements in Liberia.

## **Objective of the Audit**

The overall audit objective was to ascertain whether the National Bureau of Concessions (NBC) through monitoring and evaluating has ensured that all terms and conditions of concession agreements are met.

## **Scope of the Audit**

The audit was conducted at the National Bureau of Concessions and assessed the effectiveness of its monitoring and evaluation of concession agreements for the fiscal years 2018/2019-2023. The audit focused on two of the four concession sectors, namely, the mining sector and the agricultural sector. We selected these two sectors because, combined, they constitute over 85% of concession investments in Liberia. Furthermore, we conducted two performance audits on the forestry sector in the last three years.

## **Methods of Data Collection and Analysis**

We conducted the audit in accordance with the International Standards of Supreme Audit Institutions (ISSAI 3000) as well as relevant SAI standards and guidelines applicable to Performance Auditing.

We reviewed documents, conducted interviews and carried out physical observation to gather information on the effectiveness of monitoring and evaluations carried out by NBC. Data were analyzed using both quantitative and qualitative tools.

### Assessment Criteria

In order to answer the above audit questions and assess the effectiveness of NBC's monitoring and evaluation activities, assessment criteria were drawn from the following documents:

**Table 1. Assessment Criteria**

No	Source Document for Criteria
1	The National Bureau of Concessions (NBC) Act of 2011
2	The National Bureau of Concessions Strategic Plan 2020-2024
3	Multi-Stakeholders Platform Policy Document of NBC
4	National Budgets 2018-2024

### Summary of Findings

#### Lack of Comprehensive M & E Framework and Plans

Our review of documents provided by NBC revealed that NBC did not establish the requisite framework to effectively conduct monitoring and evaluation of concession agreements in the country. NBC did not have an M & E manual/policy to guide staff on standards and methodology for conducting M & E. There were no approved M & E plans or institutional operational plans for the audit period 2018-2023.

Moreover, the Concessions Information Management System (CIMS) database that should serve as a central repository for information on concession agreements, including detailed description of the concession, key performance indicators (KPI), and status of KPI useful to facilitate effective monitoring and evaluation of concessions, was not functional.

### Recommendations

1. NBC senior management should develop, approve and operationalize a comprehensive M&E framework by planning accordingly and integrating it into its strategic goals as a commitment to accountability. The proposed M&E framework should outline objectives, methodologies, ethical requirements, roles and responsibilities in monitoring concession agreements.
2. NBC should establish and implement an internal control system to track the development, review and implementation of these policies.
3. NBC should develop, approve and operationalize a two-to-five-year M & E strategic plan cataloging long, medium and short-term goals, resources and strategies needed to achieve those goals and timelines for the implementation of goals cataloged therein. Subsequently, Management should develop, approve and operationalize annual M & E operational plans to expedite the implementation of strategic goals on an annual basis. The M & E strategic and operational plans should be monitored and assessed on a periodic basis. Adjustments should be implemented where applicable. Evidence of approved M & E strategic and operational plans should be adequately documented and filed to facilitate future review.

### **Limited Compliance Monitoring Undertaken by NBC**

We observed that the National Bureau of Concessions did not undertake any risk assessment for the audit period. The risk assessment would allow NBC to identify and prioritize high risk concessionaires, and or sector for monitoring during a fiscal year or other specific period.

We also observed that contrary to its mandate and strategic plan, the National Bureau of Concessions did not complete and publish any monitoring report on mining or agriculture concessionaires' compliance with CAs during the audit period. From 16 active concessionaires in the mining and agriculture sectors, NBC commissioned a monitoring of one concessionaire; Firestone Liberia, in 2021. However, NBC is yet to complete the monitoring process by issuing a monitoring report.

### **Recommendations**

1. NBC should create and implement a risk-based monitoring framework to identify, assess, and prioritize high-risk concessionaires for monitoring. The risk profile of concessions should be assessed on an annual basis to account for new or additional concessions and other variable factors where applicable.
2. Subsequently, management should develop, approve and operationalize a two-to-five-year M & E strategic plan cataloging long, medium and short-term goals, resources and strategies needed to achieve those goals and timelines for the implementation of goals cataloged therein. Subsequently, Management should develop, approve and operationalize annual M & E operational plans to expedite the implementation of strategic goals on an annual basis. The M & E strategic and operational plans should be monitored and assessed on a periodic basis. Adjustments should be implemented where applicable. Evidence of approved M & E strategic and operational plans and periodic activities reports should be adequately documented and filed to facilitate future review.
3. NBC should liaise with the National Legislature and the Ministry of Finance and Development Planning for the creation of a "dedicated budget line" for monitoring and evaluation.

### **Lack of Mechanisms for Detecting and Addressing Non-Compliance**

We have established from review of documents that the NBC does not have a documented framework; policies and procedures, to guide staff and its activities on identifying, detecting and handling non-compliance. Further, we observed that the NBC did not maintain a register of non-compliance. There was also no record of the NBC enforcing compliance or referring a concessionaire to the requisite government authority for enforcement actions.

### **Recommendations**

1. Management of NBC should strengthen its internal oversight by implementing internal controls and monitoring measures to ensure consistent enforcement of compliance policies and assign dedicated staff for compliance tracking.
2. NBC should ensure stronger cooperation and coordination with agencies responsible for enforcement and develop clear referral procedures to promptly report persistent non-compliance for enforcement actions.

3. NBC should advocate for a review of its mandate/Act by engaging the legislature and other stakeholders to consider expanding its authority to recommend penalties or enforce compliance.

### **NBC Did Not Evaluate or Assess the Impact of Concession Agreements**

We have observed that NBC did not conduct any evaluation of concession agreements or sector in the mining or agriculture sectors to assess the extent to which a concession or a sector had met all the goals and compliant with terms of the concessions, including direct budgetary impact to GoL revenue generation, infrastructure undertakings such as road or bridge construction or maintenance, any community development and social development obligations and compliant with obligation contained in the original concession agreement.

### **Recommendations**

1. Management should establish a defined framework for evaluation with assigned responsibilities by developing evaluation framework; policies and standard operating procedures, and clearly assign responsibilities for evaluation activities to specific departments or units, ensuring accountability at all levels.
2. Management should develop evaluation checklists and tools: provide field teams with standardized checklists, templates, and assessment tools to enhance data collection and analysis.
3. Management should improve its oversight and prioritize evaluation efforts and ensure they are conducted as required. This involves the use of evaluation performance metrics through KPIs (Key Performance Indicators) for evaluation activities and periodic internal and external reviews of its evaluation function.
4. NBC should create an internal oversight mechanism through the establishment of an evaluation oversight team/committee to track, review, and enforce evaluation activities.
5. NBC should ensure a balance in both monitoring and evaluation efforts by expanding its focus beyond ad hoc compliance monitoring to include comprehensive impact evaluation.

### **Inadequate Staffing Arrangement at NBC**

Through our analyses of the personnel listing provided by NBC, we observed that NBC had fewer staff responsible for monitoring and evaluation (concessions) to undertake its core functions, while support staff (administration) constituted the majority of the staff population. Interviews with heads of units revealed that an average of six staff per unit is required to efficiently function. Accordingly, a total of 84 staff were needed in the concession department, but only 37 were available

Moreover, we further observed that NBC did not undertake a workforce/staff needs assessment to enable it identify staffing gaps, improve workload distribution and ensure monitoring and evaluation of concession agreements is efficient and effective. This needs assessment would have helped the NBC identify the number of staff needed in each of its departments/units, detecting and resolving issues of over/under staffing.

### **Recommendation**

NBC should conduct a comprehensive staffing needs assessment to establish the number of staff needed in each department in order to “right-size” units; through shifts, re-organization, transfer or recruitment, to enhance efficiency and effectiveness in monitoring and evaluation.

### **Inadequate Training Opportunities**

We observed that staff lacked specialized skills and knowledge in areas such as regulatory compliance (understanding concession laws, contract compliance and legal framework), risks and impact assessments, data analytics, stakeholder engagement and negotiation.

Moreover, we found that there were limited training and professional development initiatives conducted by NBC to improve staff skills in conducting M & E activities. NBC did not conduct training need assessments, nor was there an approved training program for staff involved with M & E. All department heads interviewed said there was a need for specialized training to increase their skills, improve efficiency and meet objectives. Interviews with heads of monitoring and evaluation units revealed that there were no programs for refresher training, specialized training or continued professional development for staff. The DDGs for Concessions and for Administration confirmed that there is a knowledge gap and a need for more training opportunities for M & E staff at NBC.

### **Recommendations**

1. Management should develop and implement an M&E qualification standard by clearly stating academic and professional requirements for M&E staff.
2. Management should comprehensively catalog approved job descriptions for each personnel at all levels of the organization. The approved job description should be included in all employees’ employment letter and made available to employees before commencement of service. A formal communication detailing approved job descriptions should be forwarded to all existing staff. The approved job description should be periodically adjusted to reflect the current operations of the entity. Management should ensure that employees are familiarized with and capacitated to perform approved job descriptions. Management should facilitate the performance of periodic training to upgrade the capacity of staff to perform approved roles and responsibilities. Evidence of approved job description, subsequent adjustments and periodic training of staff should be adequately documented and filed to facilitate future review.
3. Management should conduct a training needs assessment to identify skill gaps and prioritize training in regulatory compliance, risk assessments, data analytics, impact evaluations, environmental impact assessment, health and safety standards, etc.
4. Management should develop, approve and operationalize an annual training plan covering technical, compliance, and data-driven monitoring skills.
5. Management should strengthen oversight of and track all training programs to ensure completion, certification, and performance improvements.

### **Lack of Basic Logistics and Infrastructure**

NBC did not provide its expenditure and budget performance reports for 2018-2023 for audit purposes. Notwithstanding, our review of the National Budget for the fiscal years 2018-2023 revealed that there was no budgetary allocation or expenditure for the procurement of non-cash assets; vehicles and equipment.

We further observed that NBC did not maintain an updated assets register. However, we reviewed the records of physical inventories conducted in 2024 and noted that NBC did not have the requisite tools and equipment needed to effectively conduct its core functions. NBC did not have assigned vehicles and bikes for fieldwork to conduct monitoring and evaluation. The Bureau had four vehicles; one each assigned to the DG and two DDGs, while the fourth is a bus for commuting staff to and from work in Monrovia. We established from interviews that during a monitoring exercise, when the team comprises any of the senior management (Director General and the Deputies), his/her assigned vehicle is used. If none of the three senior management personnel is on a monitoring trip, there is no official vehicle to commute monitoring staff to their destination.

Additionally, we observed that NBC did not have other specialized monitoring tools like air quality monitors, water testing kits, noise level meters, soil testing kits, GPS and mapping tools, GIS, digital cameras and video recorders, data analytics software, PPE, and environmental monitoring equipment. NBC also did not have a server; physical or cloud server, routers, licensed software, etc.

### **Recommendations**

1. NBC should strengthen its oversight and internal control to enforce financial and assets management planning and reporting.
2. Management should perform a comprehensive need assessment for needed logistics; vehicles, ICT equipment, other office and specialized equipment, needed to effectively carry out its M & E functions. The results of the need assessment should be appropriated on an annual basis to accommodate cash flow and budgetary considerations.
3. Management should advocate for a dedicated budget line for M&E activities, similar to other oversight institutions as well as lobby partners and other stakeholders for logistical support.

### **Weak Stakeholders Engagement Framework**

NBC did not have an approved, comprehensive stakeholder engagement policy or strategy to guide its interactions with stakeholders during the audit period. While the NBC Strategic Plan 2020–2024 outlined intentions to boost stakeholder engagement and visibility—through a functional website, quarterly newsletters, outreach activities, and a stakeholder engagement strategy—these commitments were not translated into approved policies or operational plans.

NBC established fifteen (15) Multi-Stakeholders Platforms in nine counties in 2018 to serve as a bridge between concessionaires and concession affected communities, but these platforms were largely non-functional during the audit period. Our review of documents established that 77% of the 9 MSPs visited lacked legal registrations/articles of incorporation and did not comply with key

requirements of the MSP Policy. Specifically, MSPs did not prepare annual activity plans, did not submit quarterly reports to NBC, and did not maintain records of meetings or community engagements beyond 2019. There was no evidence of reports for 2020 to 2023.

NBC also established a call center in 2022 to facilitate communication between concession affected communities and the Bureau. However, the call center operated for only six months; September 2022 to March 2023, was subsequently shut down and the two toll free numbers were withdrawn by the service providers. Further, the Bureau did not maintain a functional website and did not leverage the use of social and mainstream media to enhance its stakeholders' engagements.

### **Recommendations**

1. NBC should prioritize the development of comprehensive stakeholder engagement strategy and annual plans.
2. Management should provide MSPs with the requisite resources and support by working with relevant stakeholders (concessionaires, local governments, etc.) and explore partnerships with development partners, private sector actors, or government programs to ensure MSPs have office space, communication tools, and basic operational resources (e.g., stationery, mobility support) to sustain oversight activities.
3. NBC should prioritize the re-opening of the call center, utilizing the available office space, phone and the services of the staff.
4. NBC should prioritize the development or completion of its website with a clear timeline indicating when it will be fully operational and ensure that the requisite departments/units frequently update the website with reports, concession-related information and activities, and stakeholder engagement programs.

### **NBC Did Not Prepare Statutory Reports**

From documents reviewed, we established that the NBC did not issue finalized and signed annual reports for the audit period. Our analyses of documents showed that NBC prepared draft executive summaries of annual reports for fiscal years 2019 and 2022. There were no reports seen for these two years. We also observed that NBC prepared draft annual reports for 2020 and 2024. These draft executive summaries and reports were not finalized and signed for onward presentation to the President and the Legislature. Moreover, there was no evidence that NBC prepared reports for fiscal years 2018, 2021, and 2023.

### **Recommendations**

1. NBC should develop and maintain a reporting framework outlining the processes, timelines, and responsibilities for preparing, reviewing, and publishing reports and assigning responsibilities for each stage. The framework should also include a reporting schedule; with clear deadlines for data collection, drafting, internal reviews, approvals, and publication.
2. Subsequently, management should facilitate the preparation and approval of administrative and operational activities reports on an annual basis. The reports should cover the proposed

goals for the fiscal year, achievement against those goals, significant activities and challenges and measures to mitigate challenges in the near future. The report should also contain the entity audited financial statements (or at least a management account) to adequately inform stakeholders about the annual financial activities of the entity. The report should be approved by the head of the entity and subsequently submitted to the President, the Legislature, and the Offices of the Auditor General, the Comptroller and Accountant General and the sector head. Evidence of approved annual administrative and operational activities reports should be adequately documented and filed to facilitate future review.

### **Overall Audit Conclusion**

We conclude that the National Bureau of Concessions (NBC) did not effectively carry out its mandate to monitor and evaluate concession agreements in Liberia during the audit period. NBC lacked a comprehensive and functional monitoring and evaluation (M&E) framework, including approved policies, manuals, standard operating procedures, and ethical guidelines (code of ethics), to govern its internal processes and guide concession monitoring activities. As a result, the Bureau did not establish documented mechanisms to orderly identify, record, and address instances of non-compliance with concession agreements, nor was there evidence of referrals or follow-up actions taken with relevant government authorities to address identified non-compliance.

Furthermore, NBC did not complete or publish any compliance monitoring or impact evaluation reports during the audit period, despite its stated objective to conduct compliance checks and report on all concession agreements by the end of 2023. This failure limited transparency, accountability, and informed decision-making by its stakeholders; the Executive, Legislature, and other stakeholders on the performance and impact of concession agreements.

The effectiveness of NBC's M&E function was further constrained by weak human resource management. Management did not prioritize the M&E units through adequate staffing, nor did it conduct staffing or training needs assessments, develop professional development plans, or implement structured training programs for staff responsible for monitoring and evaluation. Additionally, limited logistics, including the lack of vehicles, motorcycles, specialized equipment, basic tools, and suitable infrastructure, significantly impaired NBC's ability to conduct field monitoring and assess compliance and socio-economic impacts of concession agreements.

Although NBC undertook some stakeholder engagement initiatives, its overall stakeholder engagement during the audit period was ineffective. NBC did not prepare annual stakeholder engagement plans, the Multi-Stakeholder Platforms were largely non-functional, and the call center established to facilitate communication with concession-affected communities ceased operations shortly after it was established. The absence of a functional website, limited use of information, education, and communication (IEC) materials, and the failure to prepare and publish annual reports—as required by the Act establishing the Bureau—further weakened NBC's visibility, transparency, and accountability.

*AUDITOR GENERAL PERFORMANCE AUDIT REPORT On the  
Monitoring and Evaluation of Concession Agreements by the National Bureau of Concessions in Liberia  
For the Fiscal Years 2018-2023*

Collectively, these weaknesses indicate governance, planning, and oversight issues that significantly limited NBC's ability to effectively monitor concession agreements, promote compliance, manage stakeholder expectations, and safeguard the intended economic and social benefits of concessions to the Government of Liberia and concession-affected communities.

**P. Garswa Jackson, Sr. FCCA, CFIP, CFC  
Auditor General, R.L.**

**Monrovia, Liberia**  
May 2026

## 1 INTRODUCTION

### 1.1 Background to the Audit

- 1.1.1.1 Concession agreement is typically a public private partnership contract between a government/public entity and one or more private entities that transfers or grants a contractual right to the private entities to extract natural resources, develop infrastructure, and provide services within specified geographical areas or sectors over an agreed period of time. These agreements may involve a wide range of sectors/activities including mineral extraction, forestry, energy, telecommunication, energy production, transportation, etc. in exchange for various benefits. Concession agreements are also governed by legal frameworks and regulations that outline the rights, responsibilities and obligations of all the parties involved. Dispute resolution, oversight responsibilities and terms of termination are also included in concession agreements.
- 1.1.1.2 A United Nations 2023 publication "Standard on Public-Private Partnerships / Concession Legal Framework in support of the Sustainable Development Goals and its Accompanying Guide" recognizes the role of private finances, particularly in low and middle-income countries, as key in securing progress towards the 2030 Agenda and the related targets of the Sustainable Development Goals (SDGs). Concession agreements are an important vehicle to mobilize private investment towards the realization of the ambitions contained within the 2030 Agenda. Target 12.2 of the SDG aims to achieve the sustainable management and efficient use of natural resources by 2030.
- 1.1.1.3 Accordingly, concession agreements have played a significant role in shaping the development path of African and other low-income mineral rich countries, including Liberia. These agreements have been both a source of opportunity and contention.
- 1.1.1.4 Liberia, like most African countries, is endowed with abundance of natural resources. Accordingly, the extraction of these resources has historically been a key driver of economic growth. Its vast forests, huge mineral deposits, and agricultural land have attracted numerous multinational corporations seeking to capitalize on these resources through concession agreements. These natural resources have been explored and extracted through concession agreements since the mid-1920s, with revenues from export of unprocessed resources serving as a key stimulus for national growth and development. Overall, these agreements have promised, and to some extent provided economic and social development. However, implementation of most of these agreements have often been tainted by issues of lack of transparency, non-accountability, and inequitable distribution of benefits. As such, there is a need to monitor the implementation of these agreements and evaluate their social, economic, and environmental impacts on the country.
- 1.1.1.5 The National Bureau of Concessions (NBC); established by a Legislative Act in 2011, is responsible for monitoring and evaluating concession agreements in collaboration with concession entities in Liberia. The NBC is mandated to develop a plan for the conduct of on-going evaluation and assessment of concessions. NBC is also required to provide

technical expertise to government entities responsible for granting and regulating the various concession agreements in Liberia.

### 1.1.2 Audit Motivation

- 1.1.2.1 The motivation to conduct the audit was predicated upon concerns that concessionaires are not living up to the concession agreement as well as the issue of the equitable distribution of benefits. As outlined below, there are numerous public outcries and reports highlighted by the media about GoL inability to effectively ensure full compliance with the agreements, sustainability of resources and continuous unrest/citizens anger in concession areas, in addition to other social and environmental concerns associated with concessions.
- 1.1.2.2 Most recently,<sup>1</sup> there was a violent protest staged on Wednesday, February 28, 2024 by locals against Bea Mountain operations in Grand Cape Mount County. The company has a Mineral Development Agreement (MDA) to mine gold in the county. Locals and prominent stakeholders have accused the company of failing to employ locals, provide health services to locals in its operational areas. At least two persons were confirmed dead and several wounded with properties destroyed. Additionally, there were protests against BAO CHICO in Gbarpolu County by angry locals. BAO CHICO has an MDA with the Government of Liberia to mine iron ore and operates in Gbarpolu County.
- 1.1.2.3 The New Dawn, February 21, 2024<sup>2</sup> also reported protest by aggrieved employees of Golden Veroleum Liberia (GVL); an oil palm concessionaire in Grand Kru County, southeast Liberia. The employees have refused to sign a resolution for calm to be restored to the concession area, vowing instead to continue their go-slow. Highlight of the employees' complaints was that Article 10.1 of the concession agreement states in part ". The investor shall construct or cause to be constructed and operated at least one centrally located fully operational estate doctor hospital with basic facilities within ten (10) years.", and Article 18.4 of the 2019 CBA also obligates the company to provide "medical facilities as per the government of Liberia District Clinic Standard." However, according to the employees' spokesperson, the company's hospital does not have medical doctors, physicians, equipment and essential drugs, forcing employees and their dependents to walk from Divisions 4 & 5 to Behwan and other clinics for malaria checker and test for skin diseases, because GVL-operated clinic lacks laboratory and technicians. He also asserted that the company has not provided housing for field staff.
- 1.1.2.4 The media also cited several instances of concession companies failing to comply with MDA and other concession agreements. These range from lack of employment opportunities for locals, the provision of health services, failure to meet up with social responsibilities, etc.

<sup>1</sup> <https://thenewdawnliberia.com/police-confirm-2-deaths-in-bea-mountain-protest/>

<sup>2</sup> <https://thenewdawnliberia.com/aggrieved-gvl-employees-protest/>

- 1.1.2.5 Frontpageafricaonline on February 27, 2024 edition<sup>3</sup> reported that the Chairman of the Senate Committee on Lands, Mines, Energy and Natural Resources observed that the failure of concession companies effectively implement Mineral Development Agreements (MDAs) were immensely contributing to severe hardship on citizens and the underdevelopment of the country. He noted that millions of dollars' worth of natural resources are being extracted by foreign companies, especially those in the mining sector, but the living conditions of citizens in those areas remain appalling.
- 1.1.2.6 Several news outlets<sup>4</sup> also reported in February 2024 that the House of Representatives, through its Joint Committee on Investment, Mines and Energy, Labour, Judiciary, and Contracts and Monopoly has expressed disappointment over China Union's disregard of the Mineral Development Agreement it signed with the Liberian Government. The MDA, signed in 2009, was intended to be Liberia's chief investment ever, as the government announced it would generate between 3,000 to 4,000 jobs with an additional 15,000 indirectly.
- 1.1.2.7 Further, many of the major concession agreements signed in Liberia are in the natural resources sector or the extractive industry; mining, agriculture and forestry. Exports from the sector amounted to USD 1.472 billion between July 1, 2021 and December 31, 2022. This amounts to 56.61% of Liberia's Gross Domestic Product (GDP) in 2022. Furthermore, government revenue from the extractive sector for the same period was USD 182.35 million, representing 17.16% of the total domestic revenues for the period 1 July 2021 to 31 December 2022<sup>5</sup>.
- 1.1.2.8 Despite the huge revenue being generated from the sector, promised benefits for local communities are not forthcoming. It is expected that locals are to benefit from direct or indirect employments, boom in local economies, access to good health care and education, infrastructure development, etc. when these concessions are signed and the companies start operations. In addition to the concessionaires' social responsibilities, taxes paid to government would be used to improve the lives and living conditions of locals and that there would be a proper system in place to monitor and ensure compliance with the agreements. Locals in concession areas are still living in poverty, lacking employment opportunities and basic life necessities while their resources are exploited. Thus, in fulfilment of the Auditor General's mandate under Section 2.1.3 of the GAC Act of 2014, the Auditor General has commissioned this performance audit on Monitoring and Evaluation of Concession Agreement in the Country.

<sup>3</sup> <https://frontpageafricaonline.com/news/senator-simeon-taylor-raises-alarm-concession-companies-fail-to-fulfill-agreements-robbing-liberians-of-just-benefits-and-stalling-development/>

<sup>4</sup> <https://frontpageafricaonline.com/news/liberia-house-joint-committee-expresses-dismay-over-china-unions-violation-of-mda-during-site-visit-company-vows-to-improve/>  
<https://www.liberianobserver.com/liberia-house-probes-china-union-alleged-md-a-violation>  
<https://thenewdawnliberia.com/china-union-under-spotlight/>

<sup>5</sup> LEITI 2021/2022 REPORT

### **1.1.3 Objective of the Audit**

- 1.1.3.1 The overall audit objective is to ascertain whether the National Bureau of Concessions (NBC) through monitoring and evaluating has ensured that all terms and conditions of concession agreements are met.
- 1.1.3.2 Sub-objectives, of the audit focused on the followings:
1. assess the adequacy of monitoring and evaluation framework;
  2. assess whether NBC effectively monitors compliance with the terms and conditions of concession agreements by concessionaires;
  3. assess NBC's evaluation of the social, economic and environmental impacts of concessions agreements on Concession Affected Communities (CACs) and the country;
  4. assess NBC capacity to conduct M & E of concession agreements.
  5. assess NBC's engagement with stakeholders and the Bureau's visibility.

### **1.1.4 Scope of the Audit**

- 1.1.4.1 The audit was on the National Bureau of Concessions and assessed the effectiveness of its monitoring and evaluation of concession agreements for the fiscal years 2018/2019-2023. The audit focused on two of the four concession sectors, namely, the mining sector and the agricultural sector. NBC divides concessionaires into four sectors; mining, agriculture, forestry and public private partnership. We selected these two sectors because, combined, they constitute over 85% of concessions investment in Liberia. Furthermore, we conducted two performance audits of the forestry sector in the last three years.
- 1.1.4.2 We conducted interviews with key staff of the Bureau, visited seven (7) counties to interview representatives of concession companies, locals and members of the Multi-Stakeholder Platforms (MSP) in those counties. We also carried out observation of concession implemented projects and operations based on the MDAs to improve the livelihood of locals.

### **1.1.5 Audit Questions**

- 1.1.5.1 The following audit questions were addressed.

1	Has NBC established/developed adequate policies, processes, procedures, and tools for monitoring and evaluating concession agreements?
2	To what extent has NBC monitored compliance with the terms and conditions of concession agreements by concessionaires?
2.1	What mechanisms are in place to detect and address non-compliance?
3	Has NBC assessed/evaluated the social, economic and environmental impacts of concessions agreements on concession affected communities and the country?
4	Does the NBC have the capacity; human, and logistical resources, to effectively monitor and evaluate concession agreements?
5	To what extent NBC engaged with stakeholders, including local communities, government agencies, concessionaires and the public in monitoring and evaluation activities?
5.1	How visible is NBC and its activities?

### 1.1.6 Audit Methodology and Data Collection and Analysis

1.1.6.1 We conducted the audit in accordance with the International Standards of Supreme Audit Institutions (ISSAI 3000) as well as relevant SAI standards and guidelines applicable to Performance Auditing.

1.1.6.2 We reviewed documents, conducted interviews and carried out physical observation to gather information on the effectiveness of monitoring and evaluations carried out by NBC. Data were analyzed using both quantitative and qualitative tools.

### 1.1.7 Documents Reviewed

1.1.7.1 We reviewed documents relating to NBC monitoring and evaluation of concession agreements to collect and analyze comprehensive, reliable and relevant information from key players and stakeholders. We also reviewed documents to corroborate information obtained through interviews and physical observations. See **Appendix A** for list of documents reviewed and reasons for reviewing.

### 1.1.8 Interviews

1.1.8.1 We conducted interviews with key players and stakeholders that are directly connected to monitoring and evaluation of concessions at NBC. Notes from the interviews were compiled and sent back to the interviewees for correction and signature. See **Appendix B** for list of those interviewed.

1.1.8.2 Interviews were conducted to seek clarification and obtain more information from relevant stakeholders. Discussions were also held with people who have special knowledge of the area, and people who were willing to assist in giving information about the topic under consideration.

### 1.1.9 Field Verification

1.1.9.1 We made field visits to seven (7) counties and interviewed residents of Concession Affected Communities, representatives of concession companies, heads of MSPs, as well as carried out physical observation within CAC. See **Appendix C** for list of counties visited.

### 1.1.10 Assessment Criteria

1.1.10.1 In order to answer the audit questions and assess the effectiveness of NBC's monitoring and evaluation activities, assessment criteria were drawn from the following documents;

**Table 2. Criteria Sources**

No	Source Document for Criteria
1	The National Bureau of Concessions (NBC) Act of 2011
2	The National Bureau of Concessions Strategic Plan 2020-2024
3	Multi-Stakeholders Platform Policy Document of NBC
4	National Budgets 2018-2024

## **2 SYSTEM DESCRIPTION**

### **2.1 Introduction**

2.1.1.1 This chapter covers the governing legislations, regulations, policies, etc. governing the National Bureau of Concessions in Liberia. It further describes the roles and responsibilities of key players involved with the monitoring and evaluation of concessions in the country.

### **2.1.2 Background of the Auditee**

2.1.2.1 The National Bureau of Concessions (NBC) was established by a Legislative Act in 2011.

### **2.1.3 Vision**

2.1.3.1 Planning and management of concessions such that Liberia's human, natural & extractive resources and the environment are protected in full compliance with all concession agreements and other generally applicable laws to ensure maximum impact of the social, economic and financial transformation on the nation and its citizens.

### **2.1.4 Mission**

2.1.4.1 To provide excellent technical expertise to concession entities and government agencies on concession management, ensuring effective monitoring, evaluation and concession contract compliance, creating a central repository of skills and knowledge on concessions, and to promote transparency and accountability in the concession process.

### **2.1.5 Core Values**

2.1.5.1 Transparency, Fairness, Professionalism, Integrity, Collaboration & Accountability.

### **2.1.6 Goals/Objectives**

- To serve as a source of technical expertise to support all aspects of (the) concession process;
- To assist agencies of the Government having oversight responsibility over the granting of concessions;
- To improve the monitoring and evaluation of concessions;
- To bring a consistent approach to, and increase the effectiveness of the Government in planning, conducting bidding, negotiating and documenting concession agreements;
- To create central repository of skills and knowledge with respect to concessions; and
- To promote transparency and accountability in the award and performance of concession agreements; and the application of revenue received by the Government from concessions.

## **2.2 Organizational Structure of NBC**

2.2.1.1 See **Appendix D**

### **2.2.2 GOVERNING LEGISLATIONS**

#### **2.2.3 The National Bureau of Concessions Act of 2011 (NBC Act of 2011)**

2.2.3.1 The Act establishing the National Bureau of Concession was enacted in 2011 by the National Legislature. The Act gives the NBC two main responsibilities:

2.2.3.2 To monitor and evaluate compliance with concession agreements in collaboration with concession entities; and

2.2.3.3 To provide technical assistance to Concession Entities and other organs of Government involved with the implementation of concessions in compliance with the Public Procurement and Concessions Act (PPCA).

### **2.3 OTHER GOVERNING LEGISLATIONS**

#### **2.3.1 The Public Financial Management (PFM) Act and Regulations**

2.3.1.1 The PFM Act of 2009, as amended and restated in 2019 governs all matters related to the management of the public finances of the Republic of Liberia. It lays out fundamental procedures for the preparation, adoption, execution and final accounts of the National Budget and related matters including internal control, accounting and auditing of public finances, assets as well as the arrangements for public debt and government guarantees.

#### **2.3.2 The PFM Regulations**

2.3.2.1 The PFM regulations were promulgated in 2009 by the Ministry of Finance and Development Planning (MFDP) and approved by the President to supplement and further specify the procedures in each of the areas mentioned in the PFM Act. The Legislature, in execution of its oversight responsibilities, is responsible to ensure that all regulations are consistent with the PFM Act.

### **2.4 POLICIES**

#### **2.4.1 The National Bureau of Concessions (NBC) Strategic Plan 2020-2024**

2.4.1.1 The NBC Strategic Plan (SP) 2020-2024 was completed on November 20, 2019. The strategic plan lays out the following long term strategic objectives of the Bureau. They include:

1. **Organizational Effectiveness.** To precipitate an immediate and discernible improvement in the overall effectiveness of the National Bureau of Concessions by streamlining its operations, implementing appropriate protocols and generally improving the way it does business.
2. **Stakeholder Awareness.** To position the National Bureau of Concessions as the central repository of concessions knowledge and expertise by raising its overall level

of visibility in the eyes of relevant stakeholders, including other GoL entities, concessionaires, development partners and civil society.

3. **Capacity Building.** To promote the short, intermediate and long-term effectiveness of the National Bureau of Concessions by proactively and strategically strengthening its human resource base.
4. **Resource Mobilization.** To ultimately transform the National Bureau of Concessions into a strong, effective and dynamic organization by ensuring that it has the resources it needs to fulfill its mandate effectively and efficiently.

#### **2.4.2 Policy on the Multi-Stakeholders Platform (MSP)**

2.4.2.1 The MSP's policy complements and promotes a stronger coordination and collaboration among MSPs, concession affected communities and the concessionaires. The policy outlines the roles and responsibilities of the MSP, as well as the supervisory/oversight role of NBC over the MSPs.

2.4.2.2 Some of the principles on which this MSP's Policy is base are:

- respect for fundamental human rights regarding social, culture, gender and religious belief within the Concession Affected Community and the Concessionaires;
- to Mitigate conflicts between concessionaires and community people;
- empowerment of the MSPs in order to get the required benefits from concession companies for the direct benefit of the people; and
- trainings that will improve and build the capacities of the community people.

#### **2.4.3 The National Bureau of Concessions (NBC) ICT Policy**

2.4.3.1 The NBC's ICT Policy was developed in 2015 to ensure the effective protection and proper usage of the computer systems and other ICT equipment within the National Bureau of Concessions, and to ensure that all of the Bureau's ICT equipment are utilized solely for the benefit of the Entity.

#### **2.4.4 Stakeholders Roles and Responsibilities**

2.4.4.1 See **Appendix E.**

### **2.5 PROCESS DESCRIPTIONS**

#### **2.5.1 Development of Workplan**

2.5.1.1 The NBC Act of 2011 requires the entity to develop a workplan in collaboration with other stakeholders and implement this workplan accordingly. There are at least seven units within the NBC working together to carry out monitoring and evaluation functions. Each of these units is responsible for specific sector; mining, agriculture, environmental, housing and infrastructure, education and labor, compliance, etc. in the monitoring and evaluation process. The activities of these units are coordinated by the Monitoring and Evaluation unit.

2.5.1.2 Each unit prepares its work plan outlining the activities for the coming year. The plan includes the sectors and number of companies it intends to monitor/evaluate for the period, expected outcome from the exercise, and the budget; time, human resource, finance, and logistics, required to implement the plan. The units then send the workplans to the Director of M & E for consolidation. The consolidated work plan is reviewed in a working session with all units concerned to produce a draft annual workplan for NBC.

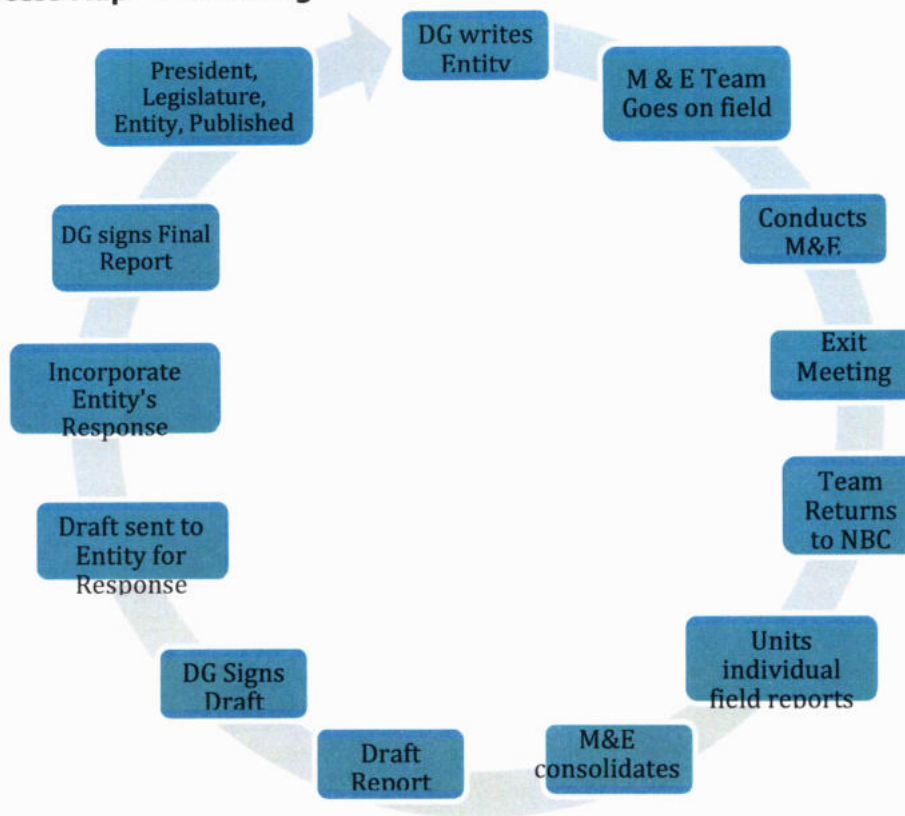
2.5.1.3 The draft workplan is signed by the head of M & E and sent to the Deputy Director General for concession for review and approval. The Director General (DG) gives final approval of the work plan before it is implemented.

## **2.5.2 Monitoring of Concessionaires' Compliance with CA**

2.5.2.1 Monitoring of concessions is one of the core functions of the NBC. This activity is to monitor concession holders' compliance with the terms of the CA using pre-developed criteria, guidelines, specifications, templates and standards for monitoring and evaluation. During monitoring, NBC captures issues and areas of none or poor compliance and makes recommendations for correction/improvement. In instances of material or persistent failures of a concession holder to comply with the terms of its concession agreement, the NBC shall call the attention of the appropriate ministry or other department or agency of the Government and recommend enforcement actions as and when NBC determines such action to be appropriate.

2.5.2.2 The monitoring of concession begins with DG writing the concession holder outlining the purpose/plan of the engagement, timing and areas of visitations, etc. A response is received from the entity agreeing to the schedule. Upon receipt of the entity's response, a team is set up with members from different units based on the sector being audited. A typical team would consist of about five persons and can include a representative from education and labor, member each from housing and infrastructure, etc. depending on the nature of the engagement. The team visits the entity and holds an entry conference/meeting with the concession company, outlining activities to be undertaken as indicated in the earlier communication. After the meeting/conference with entity's management, the team goes on the field to conduct planned M & E activities. The team meets at the end of each day for debriefing, providing updates, challenges and way forward. After the conclusion of M & E activities, the team again meets and briefs the entity's management on preliminary findings before returning to NBC offices. When the team returns to NBC head office, each member sends reports to the head of M & E for consolidation and preparation of draft reports. When the draft report is completed, it is internally reviewed. The draft report is then sent to the concession entity for its response. The entity's response is analyzed, validated and incorporated into the final report. The final report is then signed by the Director General of NBC and submitted to the President, the Legislature and published with a copy given to the entity.

### 2.5.3 Process Map – Monitoring



### 2.5.4 Evaluation and Assessment of the Impacts of Concession Agreements

2.5.4.1 The NBC is to evaluate the impact of concessions in the country to ascertain whether the concessions are yielding the desired results and to what extent they are contributing to GDP, national revenue, employment, income generation, and the social and economic impact on communities. It is also to evaluate and assess the solvency/insolvency of concessions, and the extent to which concession agreements have been amended after their original execution to add to or reduce the obligations of the concession holder or the Government, the impact of such amendments, the extent to which concession holders have complied with their obligations to provide information and reports to Government under their concession agreements, the utility of the information provided and the use made of such information by the Governmental agencies receiving the information.

2.5.4.2 From its approved evaluation and assessment plan (developed within one year of the enactment of the NBC Act or its updated version), the NBC conducts assessments of individual concessions, or a sector; mining, agriculture, forestry or PPP, etc. The report of this evaluation is presented to the President, the Legislature, and published on its website.

### 2.5.5 Reporting

2.5.5.1 At the end of each fiscal year, the NBC prepares an annual report of its activities for the year. The report highlights findings and recommendations from monitoring and evaluation activities carried out by NBC, as well as financial and administrative undertakings. The report also gives a summary of the achievements of the year in the areas of monitoring

and evaluation, challenges hampering its work and recommendations to improve efficiency and effectiveness at the National Bureau of Concessions.

2.5.5.2 The annual report is submitted to the President, and the National Legislature within 30 days of the end of each calendar year. The report is also made public through a website maintained by the National Bureau of Concessions or, to the extent not so retrievable, through a publicly available index, with copies available at cost.

2.5.5.3 Quarterly reports are also prepared internally as a way to self-evaluate and track actual performance against planned activities. Each unit involved with monitoring and evaluation prepares and submits a quarterly report of their activities to the Head of M & E. In collaboration with all units' heads, the M & E head consolidates the individual reports and prepares a quarterly M & E report for management review and actions.

### **2.5.6 Stakeholders Engagement**

2.5.6.1 NBC employs several methods for stakeholders' engagements. They include; direct in person interactions, through the establishment of MSPs across the country, the establishment of a call center and via electronic means; a website and the Concessions Information Management System (CIMS).

2.5.6.2 During field visits or monitoring and evaluation exercises, the NBC engages stakeholders and residents face to face in CAC to collect information and feedback.

2.5.6.3 The Multi-stakeholders Platform serves as a bridge between concession entities and the communities. When a community feels aggrieved by the activities of a company, or observes issues of concern, the community leader or concerned individual(s) inform the MSP through a written communication, verbal complaint or phone call. Upon receipt of the complaint, the MSP sets a team to meet with the complainants for more information and visit sites if applicable, then prepares and sends a written complaint outlining the residents' concerns/grievances to the company. The MSP then liaises with the company and the community to set up a tripartite meeting that includes the community, the company and the MSP. In this meeting, efforts are made to find common ground or solution to the issues. When an agreement is reached, a plan/timeline is agreed for implementation. However, when no resolution/agreement can be reached by the parties, the MSP documents both parties' positions and the outcome of the meeting/s and sends a report to NBC to take over the case. The NBC acts in such a case in thirty (30) days and provides feedback to the MSP regarding the progress or outcome of the case.

2.5.6.4 Locals in CAC use the call center to report complaints and other issues affecting them in concession areas relative to the work or activities of the Concessions. Those complaints may include environmental issues, unemployment, land disputes, lack of livelihood activities, etc. Complainants may call either of two toll free short code numbers; 3040 or 3050, to lodge their complaints. The call center operator receives the complaints and logs it into a register/database. The complaints are then forwarded to the Sectoral Research and Planning Unit (SRPU). The complaints are reviewed by SRPU and forwarded to the

office of the Director General. The DG office attentions the complaints to the requisite units within the NBC or to external stakeholders; Ministry of Justice, Forestry Development Authority, Ministry of Mines and Energy, Ministry of Agriculture, the Environmental Protection Agency, Ministry of Health, etc. for redress/resolution.

2.5.6.5 The NBC also maintains and uses a webpage<sup>6</sup> to engage with stakeholders, receiving feedback and providing information on the work and activities of the Bureau. The NBC also publishes its reports, uploads concession agreements and other research works on the website to be easily accessed by visitors. This enables stakeholders and locals of CAC to have knowledge of the concession agreements and other relevant information that will help them be aware of the company's responsibilities and community and social development benefits for CAC.

2.5.6.6 In addition to the webpage, through the aid of donors, NBC established the Concessions Information Management System (CIMS). The CIMS was designed to enable NBC coordinate and have an oversight role on all Concessions monitoring and evaluation of compliance issues at the NBC; to allow access to all Concession companies over land use and management functions, to serve as a Concession information storage. The CIMS<sup>7</sup>:

- Allows access to concession related information by Government of Liberia MACs, concessionaires, local officials, and the general public to promote transparency, accountability and data sharing.
- Facilitates compliance with key Government of Liberia's statutory and policy mandates.
- Serves as a database system for concession data input and retrieval.
- Provides requisite information for concession planning and review.
- Provides information and tools for evaluating and resolving land rights and boundary disputes in concession and community areas.
- Supports environmental and social impact analysis and overall environmental protection.
- Streamlines concession review and approval processes.
- Is capable of generating reports, including a five-year forecast and performing many other functions.

## 2.5.7 Funding to National Bureau of Concessions

2.5.7.1 The NBC is funded by the Government of Liberia through the consolidated fund account. Funding per year to the Bureau for the audit period is shown in table 1 below. Total expenditure of NBC for the fiscal periods 2018-2023 amounted to US\$5,604,465.00.

<sup>6</sup> [www.nbc.gov.lr](http://www.nbc.gov.lr)

<sup>7</sup> Overview of CIMS by NBC

**Table 3: GOL Support to NBC for FY 2018/19 - 2023**

No.	Fiscal Year	Amount Budgeted US\$	Actual Expenditure US\$
1.	2018/19	1,221,526	1,186,686
2.	2019/20	915,274	978,225
3.	2020/21	510,381	1,189,165
4.	2021 Special Budget	510,381	476,645
5.	2022	1,002,919	1,002,919
6.	2023	1,029,476	770,825
<b>Total</b>		<b>5,189,957</b>	<b>5,604,465</b>

Source: Extracted from the National Budget 2018-2023

### 3 FINDINGS

#### 3.1 Introduction

3.1.1.1 This chapter presents the findings, conclusions and recommendation as it relates to the effectiveness of monitoring and evaluations carried out by the National Bureau of Concessions (NBC).

3.1.1.2 During the audit, we observed that the National Bureau of Concessions made strides in some key areas regarding its monitoring and evaluation of concessions in Liberia. The Bureau took steps to train staff by facilitating the travel of 6 staff to Ghana in 2023 for training in concession monitoring and evaluations. The entity enrolled 20 staff in local training at the Liberian Institute of Public Administration. The Bureau also made notable progress in its stakeholders' engagement through the establishment of 15 Multi-Stakeholders Platforms in concession affected communities across the country. NBC also established a call center to create a direct link of communication between locals in concession areas and the Bureau. Despite these efforts, we observed that there are still shortcomings in its monitoring and evaluation of concession agreement that need to be addressed.

#### 3.2 Lack of Comprehensive M & E Framework and Plans

3.2.1.1 Section 8.1 of the NBC Act states, "Within one year of the enactment of this Act, the National Bureau of Concessions shall develop a plan for the conduct of evaluation and assessment of concession agreements in Liberia". Further, Section 8.2 of the same Act mandates the NBC to implement the Plan developed from section 8.1.

3.2.1.2 Additionally, implementation plan 7.2 of NBC Strategic Plan 2020-2024 calls for "adopting processes for the implementation of uniform national sector-specific templates for Mining, Forestry, Agriculture, Public Private Partnership (PPP) to enable effective communication and reporting between concessions and the GoL to minimize the various and sometimes confusing reporting lines; by 2023".

3.2.1.3 Referenced to the statutory requirements mentioned above, the National Bureau of Concessions was expected to have developed a comprehensive framework; manual or policy document outlining the M & E standards, methodology, processes, and procedures (SOPs) being used to conduct M & E. The framework should comprehensively catalogue requirements for conducting M & E, timelines, etc. for planning, fieldwork, data collection, storage and management, as well as reporting. Moreover, the approved framework should also include delegation of roles and responsibilities of both internal and external stakeholders during the conduct of monitoring and evaluation, and outline quality control and assurance of the entire process. The framework should further have included a code of conduct/ethics to promote ethical and professional behavior of all staff.

3.2.1.4 Our review of documents provided by NBC revealed that NBC did not establish the requisite framework to effectively conduct monitoring and evaluation of concession agreements in the country. NBC did not have an M & E manual/policy to guide staff on standards and



- 3.2.1.11 Also, failure to prepare annual M & E plans has led to uncoordinated monitoring activities and inefficient use of resources. During the audit period, the M & E unit conducted unplanned and unbudgeted field trips to conduct monitoring activities, with staff claiming reimbursements for money spent on said trips.

### **Conclusion**

- 3.2.1.12 Although NBC developed some templates to use for data collection during M & E field work, however, the absence of a holistic and standardized documented framework to guide the entity's monitoring and evaluation activities and ensure staff exhibit a more comprehensive and thorough monitoring and evaluation, impaired the achievement of NBC's mandate. There were no documented policies, manual, SOP, etc. outlining the standards and methodology adopted for M & E of concession agreements and to guide staff during the conduct of monitoring and evaluation activities. There was no code of conduct/ethics to serve as ethical guidance to all staff involved with monitoring and evaluation at NBC. NBC management did not prioritize the need for a reliable, integrated framework and responsibilities for its development were not assigned or considered.

### **Recommendations**

1. Management should develop, approve and operationalize a comprehensive M&E framework by planning accordingly and integrating it into its strategic goals as a commitment to accountability. The proposed M&E framework should outline objectives, methodologies, ethical requirements, roles and responsibilities in monitoring concession agreements.
2. NBC should establish and implement an internal control system to track the development, review and implementation of these policies.
3. Management should develop, approve and operationalize a two-to-five-year M & E strategic plan cataloging long, medium and short-term goals, resources and strategies needed to achieve those goals and timelines for the implementation of goals cataloged therein. Subsequently, Management should develop, approve and operationalize annual M & E operational plans to expedite the implementation of strategic goals on an annual basis. The M & E strategic and operational plans should be monitored and assessed on a periodic basis. Adjustments should be implemented where applicable. Evidence of approved M & E strategic and operational plans should be adequately documented and filed to facilitate future review.
4. NBC should seek technical assistance from other government agencies, international organizations or donor agencies to develop and refine its M&E framework.
5. NBC should establish compliance and enforcement mechanisms to ensure adherence to the M&E policies and frameworks to be developed.

### 3.3 Limited Compliance Monitoring Undertaken by NBC

- 3.3.1.1 According to Section 4.1.a of the NBC Act of 2011, "one of the principal purposes of the National Bureau of Concessions shall be to monitor and evaluate compliance with concession agreements in collaboration with concession entities."
- 3.3.1.2 To fulfill the provision of Section 4.1 of the NBC Act, the Bureau set a target in Section 7.1 (Implementation Plan) of its Strategic Plan 2020-2024 to monitor and verify concessions compliance with the provisions of both old and new concession agreements (CAs), including the Mineral Development Agreements (MDAs) ratified and signed by the Government of Liberia and the concessionaires by 2023.
- 3.3.1.3 Given the large number of concessionaires in the country to be monitored, and the huge resources needed to conduct the monitoring, the National Bureau of Concessions was expected to conduct risk profile of all concession agreements/companies, plan and budget for the number and frequency of monitoring it intends to undertake, record the actual monitoring undertaken and reports issued. NBC was also expected to conduct, annually, at least one comprehensive compliance monitoring of a mining concessionaire and at least one agriculture concessionaire with reports finalized, signed, submitted to the President and Legislature and published. As envisaged in its strategic plan (2020-2024), it was expected of NBC to further provide evidence that it monitored and verified concessions compliance of all mining and agriculture concessionaires with the provisions of the concession agreements.
- 3.3.1.4 We reviewed documents related to how NBC plans for its monitoring and evaluation activities, the number of monitoring and evaluations planned, conducted and the number of reports issued. We also interviewed key staff, including the DDG for Concessions, the M & E Director, the Director for Compliance, and units' head for more evidence about the extent of M & E done during the audit period and the number of reports completed. Further, we visited eight concession companies in seven counties and interviewed a representative from each entity to find out the timing, frequency and kind of monitoring and evaluation conducted by NBC.
- 3.3.1.5 From documents submitted by NBC, there are twenty-eight active concessionaires in the mining and agriculture sectors as at December 5, 2023. **See table below.**

**TABLE 4: Mining and Agriculture Concession in Liberia**

No.	Sector	Active	Inactive	Expired	Surrendered	Total
1	Mining	6	2	1	5	14
2	Agriculture	10	-	4	-	14
<b>Total</b>		<b>16</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>28</b>

Source: Compiled by the PA Unit

- 3.3.1.6 We observed that the National Bureau of Concessions did not undertake any risk assessment for the audit period. The risk assessment would allow NBC to identify and prioritize high risk concessionaires, and or sector for monitoring during a fiscal year or other specific period.
- 3.3.1.7 We also found that contrary to its mandate and strategic plan, the National Bureau of Concessions did not complete and publish any monitoring report on mining or agriculture concessionaires' compliance with CAs during the audit period. From **16** active concessionaires in the mining and agriculture sectors, NBC commissioned a monitoring of one concessionaire; Firestone Liberia, in 2021. However, NBC is yet to complete the monitoring process by issuing a monitoring report.
- 3.3.1.8 Furthermore, we found that most of NBC monitoring engagements were ad-hoc. The Bureau actively engaged concessionaires during or after riots/protests actions, employees strike actions, or other forms of unrest or threats affecting concessions operations or communities. Notwithstanding these engagements, we found that NBC did not publish any reports of these ad-hoc engagements as well.
- 3.3.1.9 During an interview with the Director of Compliance, he informed us that he has been in the position of director for one year and is only aware of the Firestone Liberia monitoring; an engagement that was yet to be concluded. We further gathered from interview with the Director of M & E that the National Bureau of Concessions did not produce a report "due to the non-cooperation of concession companies; concessionaires failed to provide financial statements, operational reports, etc." The Bureau uses the concessionaires' reports; financial, operations, etc. to help in its analyses of the viability of the concessionaires, the amount of taxes and other payments, including corporate-social responsibilities, production records, as well as the constraints and prospects of the concession agreements. Likewise, the DDG for Concessions, DDG for Administration, and other heads of M & E units interviewed said the lack of resources; low budgetary allocation from GoL, lack of vehicles, bikes, computers, office space, are causes affecting NBC ability to conduct M & E.
- 3.3.1.10 Our analyses of GoL funding to the Bureau established that they received and spent a total of US\$5,604,465; \$5,134,644 (91.6%) for salaries and \$469,821 (8.4%) on goods and services, during the audit period. Further, \$280,000 of the \$469,821 spent for goods and services went towards payment of rent for the Bureau's office building; leaving only \$189,821 for other goods and services, averaging \$37,964.2 yearly or \$3,163.9 monthly.
- 3.3.1.11 Additionally, we also noted that poor planning, weak oversight and low staff capacity are reasons for NBC failure to conduct planned monitoring and produce periodic monitoring and evaluation reports. NBC did not have annual monitoring plans to determine which concessionaire to assess, when, and how often. The Bureau also lacks dedicated funding to undertake its core functions of monitoring compliance with concession agreements.

3.3.1.12 Unlike other entities of government similar to NBC, the Bureau did not have a budget line item in the national budget for its core functions of monitoring and evaluation. See Table below for details.

**Table 4. Entities with budget lines for core functions**

<b>No</b>	<b>Entity</b>	<b>Core Function</b>	<b>Budget Line</b>	<b>Budget Code</b>
1	IAA	Internal Audit	Audit Fees	221703
2	FIA	Financial Intelligence	Intelligence Services	221808
3	MoJ	Prosecution	Other Legal Fees	222121
4	NEC	Elections	Elections	222126

Source: Extracted from the National Budgets

3.3.1.13 From the table above, in addition to budget allocations under goods and services for the running of these institutions, there is a dedicated funding line for their core functions.

3.3.1.14 NBC management exerted limited internal oversight and controls to ensure staff follow processes to complete monitoring and evaluation activities.

3.3.1.15 NBC's failure to conduct risk profile of concession companies to identify high risk concessionaires for monitoring has led to poor oversight of concessionaires across the country and spontaneous ad-hoc responses; to riots and conflicts, rather than conduct planned monitoring intended for preventive purposes.

3.3.1.16 Lack of monitoring increases the risks of non-compliance by concessionaires and the violation of CAs. The absence of effective monitoring also increases the risk of illegal or unfair practices, such as underreporting of revenue, non-adherence to labor requirements, inadequate employee housing, or environmental hazard.

3.3.1.17 The lack of monitoring and reporting by NBC also became one of the contributing factors to several unrests; riots, strike actions and protests, leading to deaths, destruction of properties, displacement of people and loss of revenue for government, concessionaires and employees.

3.3.1.18 NBC failure to monitor concessionaires' compliance and issue formal monitoring reports will also affect its ability to justify requests or advocate for additional funding from the Government and to secure donor funding or technical assistance.

### **Conclusion**

3.3.1.19 The National Bureau of Concession did not perform satisfactorily in meeting its statutory mandate aimed at ensuring concessionaires are in compliance with concession agreements. NBC also failed to achieve the performance goal/target set out in its strategic plan to conduct compliance checks and report on all concession agreements in the country by the end of 2023. The Bureau did not complete and publish any compliance report during the audit period. These shortcomings were due to weaknesses in senior management

oversight and the lack of a risk profile of concessionaires. It is also important to note that for the level of work NBC is required to undertake, an average annual goods and services expenditure of \$37,964.2 (\$3,163.9 monthly) that includes monitoring and evaluation cost, is impeding the bureau's ability to achieve stated goals.

### Recommendations

1. NBC should create and implement a risk-based monitoring framework to identify, assess, and prioritize high-risk concessionaires for monitoring. The risk profile of concessions should be assessed on an annual basis to account for new or additional concessions and other variable factors where applicable.
2. Subsequently, management should develop, approve and operationalize a two-to-five-year M & E strategic plan cataloging long, medium and short-term goals, resources and strategies needed to achieve those goals and timelines for the implementation of goals cataloged therein. Subsequently, Management should develop, approve and operationalize annual M & E operational plans to expedite the implementation of strategic goals on an annual basis. The M & E strategic and operational plans should be monitored and assessed on a periodic basis. Adjustments should be implemented where applicable. Evidence of approved M & E strategic and operational plans and periodic activities reports should be adequately documented and filed to facilitate future review.
3. NBC should enforce reporting requirements by establishing clear reporting obligations for concessionaires, specifying deadlines for submitting financial statements and operational reports as outlined in the concession agreements.
4. NBC should liaise with the National Legislature and the Ministry of Finance and Development Planning for the creation of a "dedicated budget line" for monitoring and evaluation.

### 3.4 Lack of Mechanisms for Detecting and Addressing Non-Compliance

- 3.4.1.1 Section 7.5 of the NBC Act states the NBC shall call the attention of the appropriate ministry or other department or agency of the Government to material or persistent failures of a concession holder to comply with the terms of its concession agreement when identified by the National Bureau of Concessions in its monitoring and review of concessions, including recommendations of enforcement action when the National Bureau of Concessions determines such action to be appropriate.
- 3.4.1.2 From the criteria above, it was expected that NBC will have documented policies and procedures on the definition, detection, identification, classification, processing and reporting of non-compliance by concessionaires. This should also outline the steps NBC takes when non-compliance is detected, including referrals, penalties, fines, and other enforcement actions. The bureau should also maintain a non-compliance log/register of all records of non-compliance incidents, including details of how they were identified and the records of corrective actions taken by concessionaires in response to non-compliance findings.

- 3.4.1.3 We have established from review of documents that the NBC did not have documented policies and procedures to guide staff and its activities on identifying, detecting and handling non-compliance. Further, we observed that the NBC does not maintain a register of non-compliance. There was also no record of the NBC enforcing compliance or referring a concessionaire to the requisite government authority for enforcement actions. Analyses of interview minutes and documents review showed several violations by concessionaires during the audit period. They include non-adherence to housing requirement/regulations. Housing in some concession areas were assessed to be "extremely appalling and are not conducive for human habitation". There were also violation of environmental laws and reporting requirements by concession companies. Additionally, during our field visits, we observed poor housing conditions for employees in the SALALA Rubber Corporation concession areas. During interviews with residents in concession affected areas, we gathered that communities were affected by environmental issues like air pollution, lacked of safe drinking water, etc.
- 3.4.1.4 NBC failure to establish documented policies and procedures for detecting and addressing non-compliance, and documenting instances of non-compliances; maintaining a log, was due to weak internal oversight and lack of mechanisms to ensure compliance with best practices.
- 3.4.1.5 The Bureau's failure to "enforce" compliance and penalize concessionaires for these violations was due to its lack of the legal mandate to do so. NBC does not have the mandate to compel a concessionaire to comply with the concession agreement or penalize concessionaires, but rather, mandated to "call the attention of the appropriate ministry or other department or agency of the Government to material or persistent failures of a concession holder to comply with the terms of its concession agreement..."
- 3.4.1.6 Failure to establish and enforce compliance with CA may lead to continuous non-compliance practices by concessionaires, evidently leading to violations of concession agreements.
- 3.4.1.7 The lack of registers to document details of non-compliance, including details of how they were identified and the records of corrective actions taken by concessionaires in response to non-compliance findings, may lead to ineffective tracking and non-documentation of non-compliance. As a result, non-compliance activities may not be identified and mitigated in a timely manner.

### **Conclusion**

- 3.4.1.8 NBC did not make satisfactory effort in detecting and addressing non-compliance by concessionaires due to senior management failure to exercise effective oversight, as well as the lack of a clear mandate for NBC to sanction non-compliant concessionaires. Concessionaires did not provide the requisite housing for staff, delayed and or failed to provide mandatory financial and other reports to NBC. Concessionaires also did not provide safe drinking water, nor made substantive effort to limit environmental degradation in CAs as required by their respective concession agreements. Further, there

were no formal processes established to identify/detect and address non-compliance, nor were there records documenting issues of non-compliance and or actions taken by NBC relative to enforcement or referral to other government agencies.

### Recommendations

1. Management at NBC should strengthen its internal oversight by implementing internal controls and monitoring measures to ensure consistent enforcement of compliance policies and assign dedicated staff for compliance tracking.
2. NBC should ensure stronger cooperation and coordination with agencies responsible for enforcement and develop clear referral procedures to promptly report persistent non-compliance for enforcement actions.
3. NBC should advocate for a review of its mandate/Act by engaging the legislature and other stakeholders to consider expanding its authority to recommend penalties or enforce compliance.

## 3.5 NBC did not Evaluate or Assess the Impact of Concession Agreements

3.5.1.1 Section 8 of the NBC Act of 2011 mandates the NBC to develop within one year of the enactment of the Act, and implement a plan for the conduct of on-going evaluation and assessment of concession agreements in Liberia. The evaluations/assessments should consider the social, economic and environmental impacts of concession agreements on concession affected communities and the country. Specifically, it should evaluate the extent to which concessions have:

- been realized in accordance with the schedule set forth in the original concession agreement;
- been developed as contemplated by the original concession agreement (including related infrastructure undertakings such as road or bridge construction or maintenance undertakings);
- achieved the expected direct budgetary impact taking into account payments under generally applicable revenue laws and direct payments under the relevant concession agreements;
- benefitted from exceptions made to the applicability to concessions of generally applicable revenue laws;
- met applicable environmental requirements;
- compliant with Liberianization policy as contained in the concession agreement; and
- performed any community development and social development obligations and comply with applicable promotion of Liberian resources in obligation contained in the original concession agreement. Etc.

3.5.1.2 We have established from documents reviewed that NBC Act was passed into law, signed by the President on September 15, 2011 and its one-year anniversary was September 15, 2012. Accordingly, NBC should have developed an evaluation plan; in its original form or revised, and to have begun its implementation. It was also expected that for the audit

period, 2018-2023, NBC should have conducted at least one evaluation/assessment of a concession agreement annually, or a sector; mining, agriculture, to ascertain its impacts.

- 3.5.1.3 However, contrary to the mandate of the NBC Act, we observed that eight years after the passage of the NBC Act, the entity did not develop a concession evaluation plan as required by the Act.
- 3.5.1.4 We also established that NBC did not conduct any evaluation of concession agreements or sector in the mining or agriculture sectors to assess the extent to which a concession or a sector had met all the goals and compliant with terms of the concessions, including direct budgetary impact to GoL revenue generation, infrastructure undertakings such as road or bridge construction or maintenance, any community development and social development obligations and compliant with obligation contained in the original concession agreement.
- 3.5.1.5 During interviews with representatives of concession companies, we gathered that NBC did not assess their entities' concession agreements, and they were also not aware of any concession sector evaluation conducted by NBC. Further, NBC's DDG for Concessions response to our audit questionnaire asserted that "With the exception of Geblo Logging, Euro-Liberia Logging, Mandra Forestry Liberia and Atlantic Resources Limited monitoring and evaluation exercise, all assessments in line with social, economic and/or environmental impact are conducted during the monitoring and evaluation exercise." We found no evidence, however, to support the assertion.
- 3.5.1.6 Lack of leadership oversight, lack of internal controls mechanisms to ensure compliance with the NBC Act, as well as lack of accountability; checks or penalties for failing to meet statutory requirements for evaluation, were factors responsible for NBC failure to develop the mandated concession evaluation plan.
- 3.5.1.7 NBC lacked clear internal framework to ensure responsibilities for evaluation are assigned, monitored, and enforced. Also, the absence of operational plans that would integrate evaluation activities, the absence of documented policies, processes, and procedures for planning and conducting evaluations, have affected NBC's ability to conduct evaluations/assessments of concessions.
- 3.5.1.8 Additionally, NBC management placed low priority on evaluation and assessment, focusing more on ad hoc monitoring of compliance during times of crisis. Even so, evidence of periodic reports from ad hoc monitoring activities were not made for audit purposes. Further, we observed that NBC staff lack the requisite training and exposure to conduct impact assessment and evaluations.
- 3.5.1.9 Without evaluations, NBC cannot ensure that benefits from concessions are fairly distributed, possibly worsening inequalities in concession-affected areas. Local communities may face unresolved issues such as displacement, loss of livelihoods, poor infrastructure, or inadequate compensation without a structured evaluation to identify and address these problems.

- 3.5.1.10 Our analyses of interviews conducted with one hundred residents in CAC revealed that 80% of respondents said they are not benefiting from the concessionaires' presence in their communities. Further, over 90% of respondents said concessionaires are not living up to the provisions of the concession agreements, there are no community projects undertaken by the companies or from funds paid in fees or taxes, neither are there jobs for locals. Additionally, over 90% of respondents said they are unsatisfied with the companies' activities, unsatisfied with government's regulation of the companies, and they feel that the government does not listen to their concerns.
- 3.5.1.11 The lack of evaluation increases the risk of revenue leakages; NBC may not identify gaps in revenue collection from concessionaires, leading to potential losses for the government. Without assessing the economic impacts of concessions, NBC may fail to maximize the financial and developmental benefits of concessions for the country and affected communities. Additionally, this may lead to lack of accountability and the declining public trust. Without documented evaluations, NBC or the Government of Liberia may not adequately hold concessionaires accountable for their social, economic, or environmental obligations.
- 3.5.1.12 Furthermore, failure to conduct evaluation may also lead to environmental degradation and health risks. Without evaluation, adverse environmental impacts such as deforestation, pollution, or biodiversity loss may go unnoticed or unaddressed, harming ecosystems and livelihoods.
- 3.5.1.13 Residents in all CAC complained about water and air pollution, arising from the core functions of concessionaires. In Kinjor, Grand Cape Mount County, and LIBINC Grand Bassa County, residents complained of water pollution affecting portable water sources. Environmental neglect can result in increased health issues for local communities, such as water contamination or air pollution.

### **Conclusion**

- 3.5.1.14 The National Bureau of Concessions placed low priority on evaluation and assessment of concession agreements, focusing more on ad hoc monitoring of compliance. NBC lacked a framework to assess the impact of concessions across the country. The Bureau also did not conduct any evaluation of a concession agreement or a sector and issue a report of the social, economic, or environmental impacts on concession communities or the country due to the lack of clear plans and internal framework to ensure responsibilities for evaluation are assigned, monitored, and enforced.

### **Recommendations**

1. Management should establish a defined framework for evaluation with assigned responsibilities by developing evaluation framework; policies and SOP, and clearly assign responsibilities for evaluation activities to specific departments or units, ensuring accountability at all levels.
2. Management should develop evaluation checklists and tools: provide field teams with standardized checklists, templates, and assessment tools to enhance data collection and analysis.

3. Management should improve its oversight and prioritize evaluation efforts and ensure they are conducted as required. This involves the use of evaluation performance metrics through KPIs (Key Performance Indicators) for evaluation activities and periodic internal and external reviews of its evaluation function.
4. NBC should create an internal oversight mechanism through the establishment of an evaluation oversight team/committee to track, review, and enforce evaluation activities.
5. NBC should develop annual evaluation plans and integrate evaluation activities into its annual work plans and budget to ensure organized implementation.
6. NBC should ensure a balance in both monitoring and evaluation efforts by expanding its focus beyond ad hoc compliance monitoring to include comprehensive impact evaluation.
7. NBC should publish evaluation reports, ensuring transparency and accountability in concession management.

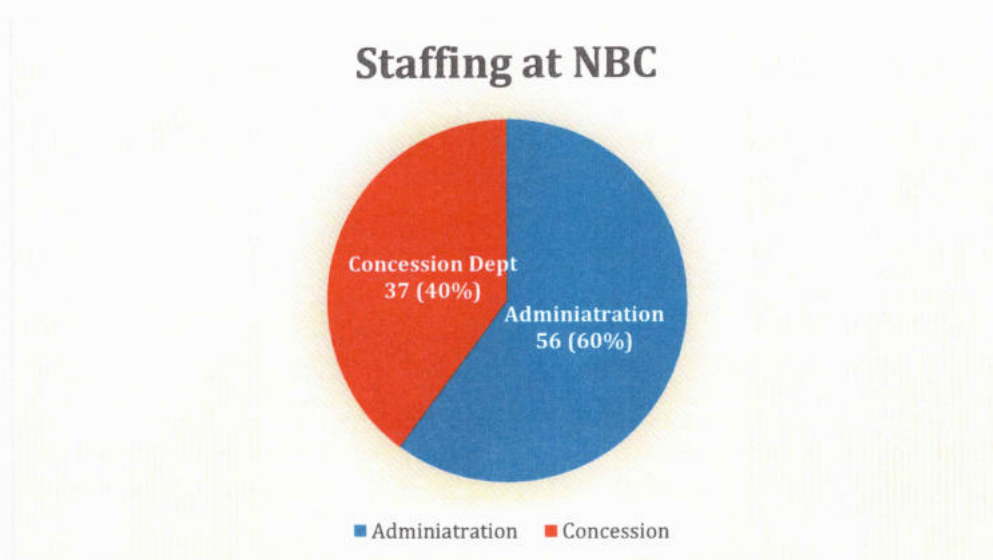
### **3.6 Capacity of NBC to Monitor and Evaluate Concession Agreements**

#### **3.6.1 Inadequate Staffing Arrangement at NBC**

- 3.6.1.1 Section 11 of the NBC Act authorizes the Director General to recruit staff, consultants and advisers as he/she may determine to be necessary for the National Bureau of Concessions to discharge its functions properly and efficiently. Said recruitment is subject to budgetary limitations and through competitive processes in collaboration with the Civil Service Agency. He/she is also mandated to establish units, departments or divisions within the NBC as may be determined necessary for the effective discharge of its responsibilities. Section 11.5 specifically requires the Government to make sufficient budgetary resources available to NBC to attract individuals with the requisite professional qualifications and experience consistent with internationally accepted standards in concession matters.
- 3.6.1.2 We reviewed documents provided by NBC relative to staffing arrangement and organizational structure to assess the total number of staff at the Bureau and the number and roles of staff members dedicated to monitoring and evaluation of concession agreements, determining if they are adequate relative to the size and complexity of the concessions being monitored.
- 3.6.1.3 In addition to our review of documents, we interviewed key staff of NBC; the Director of Human Resources, Heads of Monitoring and Evaluation Units, etc.
- 3.6.1.4 According to the Human Resources Director of NBC, the number of staff at NBC was adequate to efficiently carry out its core functions of monitoring and evaluating concession agreements and impacts across the country. However, during separate interviews with ten heads of units responsible for monitoring and evaluating concessions, we were informed

that the number of staff within each unit is below what is required to effectively monitor the four concession sectors; mining, agriculture, forestry and PPP across the country.

- 3.6.1.5 We established from documents reviewed that NBC had 93 staff under two departments; Administration and Concessions, headed by Deputy Directors General. We observed that 37 of the 93 staff, constituting 39.8% of the total work force, were in the Concessions department responsible for the entity's core functions, monitoring and evaluations, while 56 staff (60.2%) were in administration.



- 3.6.1.6 The 37 staff under the Concessions Department were spread out in 14 units with each unit headed by a director and responsible for different aspects of the monitoring and evaluation functions of NBC.
- 3.6.1.7 Through our analysis of the personnel listing provided by NBC, we observed that NBC had fewer staff responsible for monitoring and evaluation (concessions) to undertake its core functions, while support staff (administration) constituted the majority of the staff population. Interviews with heads of units revealed that an average of six staff per unit is required to efficiently function. Accordingly, a total of 84 staff were needed in the concession department, but only 37 were available. **See table 2 below for details.**

**Table 5: Units and Staff of NBC's Concession Department**

No	Unit	Number of Staff	Number of staff needed	Gap
1	Compliance	8	6	(2)
2	M & E	3	6	3
3	Sectorial Research & Planning	2	6	4
4	Social Corporate Responsibility	1	6	5
5	Project and	1	6	5

	Program			
<b>6</b>	Finance & Economic Analysis	3	6	3
<b>7</b>	PPP	3	6	3
<b>8</b>	Housing & Infrastructure	2	6	4
<b>9</b>	Education & Labour	2	6	4
<b>10</b>	Environmental	2	6	4
<b>11</b>	Mining	3	6	3
<b>12</b>	Forestry	3	6	3
<b>13</b>	Agriculture	2	6	4
<b>14</b>	Gender	2	6	4
	<b>Total</b>	<b>37</b>	<b>84</b>	<b>45</b>

Source: Extracted from NBC personnel list

- 3.6.1.8 For instance, there were only three (3) staff available to conduct financial and economic analyses of over 48 active concessions in Liberia; these include the six mining and ten agriculture concessions. There were over 150 other concessions; including forestry, PPP, as well as proposed and recently approved agreements, to be analyzed.
- 3.6.1.9 Additionally, we observed no evidence that the issue of staffing was discussed between HR and M & E units. Also, we observed no evidence that units' head made formal requests, or complaints to HR for additional staff, or the lack thereof, nor was there evidence to indicate that NBC made requests to relevant agencies; CSA, for additional staff.
- 3.6.1.10 Moreover, we further observed that NBC did not undertake a workforce/staff needs assessment to enable it identify staffing gaps, improve workload distribution and ensure monitoring and evaluation of concession agreements is efficient and effective. This needs assessment would have helped the NBC identify the number of staff needed in each of its departments/units, detecting and resolving issues of over/under staffing.
- 3.6.1.11 Complaints from units' heads about limited staff, NBC failure to conduct staffing need assessment and poor coordination between HR and M & E units were due to poor planning, weak administrative oversight and internal control at NBC.

### Conclusion

- 3.6.1.12 We conclude that considering the number of concessions in the country to be monitored, staffing arrangement at NBC needs to be revisited. The HR Department did not ensure M & E units have the required number of staff to function effectively. NBC did not undertake staffing needs assessment in coordination with M & E units/departments to identify and mitigate under and or over staffing.

### **Recommendation**

3.6.1.13 NBC should conduct a comprehensive staffing needs assessment to establish the number of staff needed in each department in order to "right-size" units; through shifts, re-organization, transfer or recruitment, to enhance efficiency and effectiveness in monitoring and evaluation.

### **3.6.2 Inadequate Training Opportunities and Capacity Building Programs**

3.6.2.1 According to Section 5.2.5 of the NBC Strategic Plan 2020-2024, by 2023, NBC should have developed individualized Professional Development Plans (PDP's) for key employees and hold each accountable for meeting its objectives.

3.6.2.2 Also, Section 3.3 Operational Objective (5) commits to develop NBC human capacity through intense education programs, rigorous training exercises and the adherence to strict international, professional and up-to-date standards in order to minimize bias and lack of objectivity.

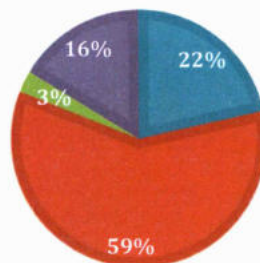
3.6.2.3 We reviewed the personnel list submitted by NBC, and CVs of key staff of various units involved with monitoring and evaluations and compared with TORs of their roles to check whether their expertise aligned with the specific requirements of concession oversight. We also requested job descriptions of various positions to assess whether staff have the necessary skills in areas like environmental management, social impact assessment, legal compliance, and financial analysis. Furthermore, we reviewed records of training programs attended by NBC staff to determine if they have received adequate training on monitoring and evaluation techniques, use of monitoring tools, and industry best practices as well as examine professional development opportunities provided to staff, such as workshops, seminars, or courses related to concession management during the audit period.

3.6.2.4 We observed that the Management of NBC took steps to train staff of the Compliance Department during the audit period. They facilitated the travel of 6 staff from the department to Ghana for a 2 weeks training in concessions monitoring in 2023. The Bureau also enrolled 20 staff at the Liberian Institute of Public Administration to pursue training in different disciplines.

3.6.2.5 During the audit, we observed that out of the thirty-seven (37) staff responsible for M & E, six (16.2%) did not have college degrees, one (2.7%) had an Associate degree, 22 staff (59.5%) had bachelor degrees, while eight staff (21.6%) had Master degrees in various disciplines.

### NBC STAFF DEGREE STATUS

■ Master degree ■ Undergrad Degree ■ Associate Degree ■ No Degree



- 3.6.2.6 Our review of documents provided by NBC, established that there were limited staff with other essential degrees (in addition to Business degrees) and skills relevant to monitoring and evaluation of concessions. There were no staff with degrees in Law (except for the DDG-C), engineering, concession management, statistics, monitoring and evaluations. Only one staff each with a degree in geology, forestry and agriculture. Further analyses revealed that 80% of all degrees were business related; accounting, management, economics, which are essential for financial and economic analysis, five (5) were science related (biology -1, geology -1, forestry, agriculture and IT – 1 each), while two were obtained in the social sciences.
- 3.6.2.7 We also observed that staff lacked specialized skills and knowledge in areas such as regulatory compliance (understanding concession laws, contract compliance and legal framework), risks and impact assessments, data analytics, stakeholder engagement and negotiation.
- 3.6.2.8 We gathered from interview with the HR Director that there were no approved requirements/ qualification; academic degrees, professional certificates, experience, etc. for M & E roles. Additionally, for the audit period, there were no approved TOR for M & E staff. The TOR would have outlined the experience, technical and educational requirements of the job, as well as key deliverables and expectations.
- 3.6.2.9 Moreover, we observed that there were limited training and professional development initiatives conducted by NBC to improve staff skills in conducting M & E activities. NBC did not conduct training need assessments, nor was there an approved training program for staff involved with M & E. All department heads interviewed said there was a need for specialized training to increase their skills, improve efficiency and meet objectives. Interviews with heads of monitoring and evaluation units revealed that there were no programs for refresher training, specialized training or continued professional development for staff. The DDGs for Concessions and for Administration confirmed that there is a knowledge gap and a need for more training opportunities for M & E staff at NBC.

- 3.6.2.10 Documents review also showed that on July 6, 2023, NBC approved a listing of twenty M & E staff to undergo training at LIPA. **See summary of number of staff and course of study at LIPA in table below.**

**Table 6, NBC Nominated Staff for Training at LIPA**

No	Course	Number of staff taking course
1	Monitoring and Evaluation	9
2	Project Proposal Writing	8
3	Report Writing	1
4	Internal Control	1
5	Human Resource Management	1
	<b>Total</b>	<b>20</b>

- 3.6.2.11 From the table above, 11 staff opted to do courses directly related to skills required for their core functions; M & E (9), Report Writing (1), HR (1), while 8 staff, constituting 40% of the nominated staff studied project proposal writing. We further gathered from the HR Director that no training need assessment was done. Staff were only asked to volunteer for training when training opportunities were available.
- 3.6.2.12 Additionally, for the 20 staff nominated for training at LIPA, no evidence was presented to show that staff completed the training and obtained the required certificates/diplomas. There was no training report from NBC outlining the number of staff who completed the training, the number of staff who didn't and the overall review of the training and its impact on NBC core functions.
- 3.6.2.13 Furthermore, we observed no evidence of internal training, workshops and seminars conducted for staff conducting M & E during the audit period.
- 3.6.2.14 We also observed that contrary to its strategic goal to develop individualized Professional Development Plans (PDP's) for key employees and hold each accountable for meeting its objective by 2023, NBC did not develop the referenced PDP for its staff.
- 3.6.2.15 Gaps in relevant expertise at NBC were due to the lack of defined qualifications and hiring standards. The Bureau did not have approved qualification requirements, TORs, or competency frameworks for M&E staff. Also, limited training and capacity development, failure to develop TORs, and NBC failure to conduct staff need assessment was due to poor workforce planning and weak administrative/internal oversight.
- 3.6.2.16 The lack of staff at NBC with the relevant training and expertise; legal, technical, analytical expertise, data analysis, impact assessments, report writing, etc. may lead to ineffective monitoring & evaluation, weak oversight of concessionaires, delayed reports, and the inability of staff to produce reliable reports and make in-depth recommendations.

### **Conclusion**

- 3.6.2.17 NBC has taken steps to ensure staff are trained in key areas of monitoring and evaluation. The Bureau recommended twenty staff for local training and facilitated the travel of six M & E staff to Ghana for further training to strengthen their capacities. However, these interventions are inadequate; no internal training was done, NBC did not conduct training needs assessments and develop training programs. Accordingly, more needs to be done to train and develop staff capacity for efficiency and the achievement of its goals.

### **Recommendations**

- 3.6.2.18 Management should develop and implement an M&E qualification standard by clearly stating academic and professional requirements for M&E staff.
- 3.6.2.19 Management should comprehensively catalog approved job descriptions for each personnel at all levels of the organization. The approved job description should be included in all employees' employment letter and made available to employees before commencement of service. A formal communication detailing approved job descriptions should be forwarded to all existing staff. The approved job description should be periodically adjusted to reflect the current operations of the entity. Management should ensure that employees are familiarized with and capacitated to perform approved job descriptions. Management should facilitate the performance of periodic training to upgrade the capacity of staff to perform approved roles and responsibilities. Evidence of approved job description, subsequent adjustments and periodic training of staff should be adequately documented and filed to facilitate future review.
- 3.6.2.20 Management should conduct a training needs assessment to identify skill gaps and prioritize training in regulatory compliance, risk assessments, data analytics, and impact evaluations, etc.
- 3.6.2.21 Management should develop, approve and operationalize an annual training plan covering technical, compliance, and data-driven monitoring skills.
- 3.6.2.22 Management should strengthen oversight of and track all training programs to ensure completion, certification, and performance improvements.
- 3.6.2.23 Management should implement its individual professional development plans (PDPs) and ensure that each staff has a PDP with clear goals and periodic evaluations aligned with NBC's strategic objectives.
- 3.6.2.24 Management should increase internal training and knowledge sharing by doing in-house workshops, mentoring programs, and peer learning sessions to improve staff expertise.
- 3.6.2.25 Management should advocate for a specific budget line, engage partners to support continuous professional development for M&E staff.

### **3.6.3 NBC Lacked Basic Logistics and Infrastructure**

- 3.6.3.1 In addition to the 16 concessionaires in the mining and agriculture sectors, there are 48 active concessionaires operating across Liberia. These entities are spread out in almost all

of the 15 counties, mostly in remote locations of the country. Effective monitoring and evaluation of these concessionaires requires adequate logistics, infrastructure and the right equipment.

- 3.6.3.2 By the above, the National Bureau of Concessions was expected to have the following:
- A fully equipped and secured office building with conducive working environment; offices, desks, etc.
  - Vehicles, motor bikes, properly fueled and maintained.
  - ICT and digital infrastructure; laptops and desktop computers, printers, scanners, photocopiers, stable internet, webmail, cloud storage, CIMS.
  - Other specialized equipment and tools – air quality monitors, water testing kits, noise level meters, soil testing kits, GPS and mapping tools, GIS, digital cameras and video recorders, data analytics software, PPE
- 3.6.3.3 NBC did not provide its expenditure and budget performance reports for 2018-2023 for audit purposes. Notwithstanding, our review of the National Budget for the fiscal years 2018-2023 revealed that there was no budgetary allocation or expenditure for the procurement of non-cash assets; vehicles and equipment.
- 3.6.3.4 We further observed that NBC did not maintain an updated assets register. However, we reviewed the records of physical inventories conducted in 2024 and noted that NBC did not have the requisite tools and equipment needed to effectively conduct its core functions. NBC did not have assigned vehicles and bikes for fieldwork to conduct monitoring and evaluation. The Bureau had four vehicles; one each assigned to the DG and two DDGs, while the fourth is a bus for commuting staff to and from work in Monrovia. We established from interviews that during a monitoring exercise, when the team comprises any of the senior management (Director General and the Deputies), his/her assigned vehicle is used. If none of the three senior management personnel is on a monitoring trip, there is no official vehicle to commute monitoring staff to their destination.
- 3.6.3.5 Furthermore, each of the following units had only one functional computer assigned to it; the M & E department, the Compliance Department, ICT department, mining, agriculture, and environmental units. There were no functional printers/scanners assigned to M & E offices. Moreover, the production unit, responsible for printing reports, had no functional printers and no photocopiers. All five printers and a laminator in the unit were damaged.
- 3.6.3.6 Additionally, we observed that NBC did not have other specialized monitoring tools like air quality monitors, water testing kits, noise level meters, soil testing kits, GPS and mapping tools, GIS, digital cameras and video recorders, data analytics software, PPE, and environmental monitoring equipment. NBC also did not have a server; physical or cloud server, routers, licensed software, etc.
- 3.6.3.7 During our tour of the headquarters of NBC in Congo Town, Monrovia, we observed the lack of suitable office space, limited office equipment, and furniture. We observed that five units; mining, agriculture, environmental, housing and infrastructure, education and

labor, were using a single space/room as an office. All staff of the units could not sit in the office. There were also insufficient chairs and desks to seat staff and no cabinets to store documents.

3.6.3.8 NBC's failure to prepare financial reports and assets register was due to weak financial and assets management planning and oversight. The issue of insufficient office space was due to poor planning for staffing needs and workspace allocation. The lack of transport equipment, ICT infrastructure and other essential and specialized equipment was due to budgetary constraints, inability of NBC leadership to secure support from partners and other government agencies. The lack of logistical needs assessment and long-term planning and road map to secure equipment and logistics also affected the NBC availability to acquire equipment.

3.6.3.9 Failure to prepare financial reports and updated assets register increases the risk of fraud, misuse/mismanagement and theft of public funds and assets.

3.6.3.10 The lack of vehicles and motor-bikes curtailed NBC ability to carry out field work and make monitoring and evaluation visits to the various counties, oversee the activities of MSPs, and engage with concession affected communities. The lack of adequate ICT infrastructure affected NBC's efficiency in data collection, analysis, and reporting. Also, the lack of specialized equipment and other M & E tools hampered the ability of NBC to effectively monitor environmental and operational compliance of concessionaires. Furthermore, overcrowded and poorly equipped offices hinder productivity and create an uncondusive working environment for staff.

### **Conclusion**

3.6.3.11 NBC lacked transport equipment and other basic tools and equipment required to effectively conduct monitoring and evaluations. Although there were issues with weak oversight and planning that could be handled through internal control by NBC, we believe that the provision of these much-needed logistics would go a long way in the achievement of its objectives.

### **Recommendations**

1. Management should strengthen its oversight and internal control to enforce financial and assets management planning and reporting.
2. Management should perform a comprehensive need assessment for needed logistics; vehicles, ICT equipment, other office and specialized equipment, needed to effectively carry out its M & E functions. The results of the need assessment should be appropriated on an annual basis to accommodate cash flow and budgetary considerations.
3. Management should advocate for a dedicated budget line for M&E activities, similar to other oversight institutions as well as lobby partners and other stakeholders for logistical support.

### 3.7 Stakeholders Engagement

- 3.7.1.1 NBC strategic plan 2020-2024 Section 5.2 (Stakeholder Awareness) States, "To position the National Bureau of Concessions as the central repository of concessions knowledge and expertise by raising its overall level of visibility in the eyes of all relevant stakeholders, including other GoL entities, concessionaires, development partners and civil society organizations." To achieve the above, the NBC planned to design and launch a web portal, development of a quarterly newsletter, as well as engage in outreach activities to concessionaires and the concession communities".
- 3.7.1.2 Additionally, the NBC SP 2020-2024 Sect. 8.3, outlined the development of a stakeholder engagement strategy and an outreach plan as a means to propagate conflict mitigation messages, listen to and respond to stakeholders.
- 3.7.1.3 Further, Section 13.1 of the NBC Act, under the heading "Annual and Other Reports and Studies" states that "The Director General shall cause the publication and submission to the President and the Legislature, within 30 days of the end of each calendar year, of an annual report of the National Bureau of Concessions including the previous fiscal year...."
- 3.7.1.4 From our review of documents and interviews conducted, we noted that the National Bureau of Concessions had taken steps to promote its engagement with stakeholders across the country. Through support from partners/donors, the NBC developed the Multi-stakeholders Platform (MSP) Policy and in 2018, it established 15 MSPs in 9 counties in concession affected communities. The MSP was to serve as a bridge between the communities and the concessionaires. NBC also established a call center to create a direct link of communication between locals in concession areas and the NBC. The center was launched in July 2022, but commenced full operation in September 2022. The center used two toll free short code numbers; 3040 or 3050, for stakeholders.
- 3.7.1.5 Despite the above stakeholder-related initiatives undertaken by NBC, during the audit, we observed that those interventions were fragmented, weakly coordinated, and largely ineffective in achieving their intended objectives. NBC did not effectively engage its key stakeholders, particularly concession affected communities (CACs), concessionaires, other government entities, civil society organizations, and the general public.

#### 3.7.2 Lack of Comprehensive Stakeholder Engagement Framework

- 3.7.2.1 NBC did not have an approved, comprehensive stakeholder engagement policy or strategy to guide its interactions with stakeholders during the audit period. While the NBC Strategic Plan 2020–2024 outlined intentions to boost stakeholder engagement and visibility—through a functional website, quarterly newsletters, outreach activities, and a stakeholder engagement strategy—these commitments were not translated into approved policies or operational plans. The policy would categorize, through mapping and analyses, all NBC stakeholders and provide direction on how the Bureau interacts with these stakeholders. It would establish stakeholder engagement processes and

mechanisms such as consultation processes, communication channels, etc. and set out what is expected of staff during engagements; thus, enhancing effective communications and engagement.

- 3.7.2.2 The only documented policy in use was the Multi-Stakeholders Platform (MSP) Policy, which is limited in scope and applies solely to MSPs in concession affected communities. It does not provide guidance for engagement with other critical stakeholders such as line ministries, development partners, civil society organizations, investors, or the general public.
- 3.7.2.3 Furthermore, NBC did not prepare or implement annual stakeholder engagement plans outlining specific activities, target stakeholders, timelines, engagement methods, or expected outputs. As a result, stakeholder engagement activities were ad hoc, infrequent, and not systematically monitored or evaluated.

### **3.7.3 Ineffective Multi-Stakeholders Platforms (MSPs)**

- 3.7.3.1 Although NBC established fifteen (15) Multi-Stakeholders Platforms in nine counties in 2018 to serve as a bridge between concessionaires and concession affected communities, these platforms were largely non-functional during the audit period. Our review of documents established that 77% of the 9 MSPs visited lacked legal registrations/articles of incorporation and did not comply with key requirements of the MSP Policy. Specifically, MSPs did not prepare annual activity plans, did not submit quarterly reports to NBC, and did not maintain records of meetings or community engagements beyond 2019. There was no evidence of reports for 2020 to 2023.
- 3.7.3.2 Additionally, MSPs lacked basic operational capacity. MSPs had no permanent office space, no source of funding, and limited logistical support such as stationery, transportation, and communication tools. Leadership elections were not conducted as required, resulting in overstayed leadership contrary to the MSP Policy. The policy requires elections every two years and a maximum of two terms for elected officials. The senior management of MSP visited were all elected and took office in 2018 and were still in office during our field visits in 2024; six years after taking office.

### **3.7.4 Non-Functional Call Center**

- 3.7.4.1 NBC established a call center in 2022 to facilitate communication between concession affected communities and the Bureau. However, the call center operated for only six months; September 2022 to March 2023, was subsequently shut down and the two toll free numbers were withdrawn by the service providers. During its operation, NBC did not have documented policies, guidelines, or standard operating procedures to guide call handling, complaint processing, or recordkeeping. Staff assigned to the call center did not receive adequate training, and the center lacked basic equipment such as computers, call recorders, and a complaints database.
- 3.7.4.2 Moreover, NBC did not conduct sensitization or outreach to inform communities about the existence and use of the call center. Consequently, 95% of locals interviewed did not know how to contact NBC. Minutes from interview conducted with the coordinator of the call center revealed that they did not receive calls from CAC for the first month of operation.

### **3.7.5 Low Visibility and Limited Public Outreach**

- 3.7.5.1 After interviews with staff of NBC, review of documents, and a visit to its web portal, [www.nbc.gov.lr](http://www.nbc.gov.lr), we established that NBC had low visibility among stakeholders during the audit period. The Bureau did not maintain a functional website, despite allocations for internet and related services in the national budget. Planned communication tools such as quarterly newsletters and other information, education, and communication (IEC) materials were not produced or disseminated. Outreach activities in concession affected communities were limited, and 90% of residents interviewed said NBC had not visited their communities to explain concession agreements, rights, obligations, or grievance mechanisms. Moreover, all of the respondents said they have not seen any report from NBC about the concessionaires' activities.
- 3.7.5.2 NBC did not leverage the use of social and mainstream media to enhance its stakeholders' engagement.
- 3.7.5.3 The lack of a comprehensive stakeholder engagement policy/strategy and limited stakeholders' engagement activities during the audit period was due to weak internal oversight and non-prioritization of the development of these documents by NBC senior management
- 3.7.5.4 NBC failure to develop and implement stakeholders' engagement policy and plans has led to infrequent stakeholders' engagements and outreach activities and poor visibility.
- 3.7.5.5 MSPs across the country failed to prepare activity plans, make periodic reports to NBC, as well as maintain records of meetings and engagements in the communities was due to weak supervision/oversight by NBC. NBC did not consistently supervise, monitor, or sanction MSPs for non-compliance with policy requirements thereby weakening accountability and performance oversight. The lack of incentives, office space, logistics, funding, etc. to empower and or support the work of MSP also contributed to MSP failure to commit to the work and achieved objectives.
- 3.7.5.6 The call center was shut down due to the stoppage of donor funding and the failure of NBC to prioritize its continuation. The center was manned by two staff who are still employees of the NBC and could continue operating the center with the available office space and basic equipment; two phones, they had while seeking support for improvement.
- 3.7.5.7 Additionally, we observed that NBC did not prioritize the development of its website. The NBC 2020-2024 Strategic Plan under the segment "action plan" revealed that "The website being developed is approximately 50% complete and resources have been secured to complete the work." We reviewed the National Budgets and found that NBC actual expenditure for Internet Provider Services (with budget code 221208) for fiscal years 2021 and 2022 was US\$5,000 and USD\$6,000 respectively. Five years later, the website was still not completed and not functioning.

- 3.7.5.8 The absence of structured engagement and effective communication mechanisms; policy/strategy and plans, has led to infrequent stakeholders' engagements and outreach activities and poor visibility. Communities in concession-affected areas remained largely uninformed about concession agreements, their rights and entitlements, and the responsibilities of concessionaires and government, increasing mistrust and misinformation.
- 3.7.5.9 The ineffectiveness of MSPs and the closure of the call center weakened grievance redress and conflict mediation mechanisms. Residents in CAC do not know how to contact NBC when they have complaints. As a result, unresolved grievances escalated into protests and violent conflicts in concession-affected communities, leading to loss of lives, destruction of property, and disruption of concession operations.
- 3.7.5.10 NBC low visibility; lack of a functional website, failure to develop and circulate IEC materials, and limited outreach activities in concession affected communities, has led to mistrust, misinformation and disinformation in CAC. Likewise, other stakeholders; partners, other government agencies and the general public had limited means to engage with NBC for information about its functions, responsibilities or its activities. Stakeholders are unable to access, view and or retrieve NBC reports, studies conducted, or other data that should have been published on its website as required by Section 13.4 of the NBC Act.

### **Conclusion**

- 3.7.5.11 NBC demonstrated weak stakeholder engagement during the audit period. Management made limited efforts to establish and sustain effective engagement mechanisms, including oversight of Multi-Stakeholder Platforms (MSPs), operation of the call center, and use of communication channels. As a result, key mechanisms intended to facilitate communication, and conflict prevention, did not function as designed. NBC's weak oversight and support to MSPs undermined their ability to perform core functions, including educating concession-affected communities, mediating conflicts, and promoting community development. Similarly, although the establishment of the call center was a positive initiative, management did not prioritize its institutionalization, resulting in its early closure and the loss of a direct communication channel between NBC and concession-affected communities. In addition, NBC made limited use of technology, outreach activities, and media platforms to inform and engage stakeholders.
- 3.7.5.12 Collectively, these weaknesses reduced NBC's visibility, weakened stakeholder trust, limited transparency, and constrained the Bureau's ability to effectively discharge its mandate of overseeing concessions and safeguarding the interests of concession-affected communities and the public.

### **Recommendations**

1. NBC should prioritize the development of comprehensive stakeholder engagement strategy and annual plans.

2. NBC should strengthen its supervision and oversight of MSPs by developing planned schedule for periodic visits to MSPs to assess activities, address challenges, and provide guidance.
3. Management should provide MSPs with the requisite resources and support by working with relevant stakeholders (concessionaires, local governments, etc.) and explore partnerships with development partners, private sector actors, or government programs to ensure MSPs have office space, communication tools, and basic operational resources (e.g., stationery, mobility support) to sustain oversight activities
4. NBC should improve communication and engagement with MSPs. In addition to communication channels outlined in the MSP policy, NBC should establish a digital reporting platform: an online system or mobile platform where MSPs can submit reports, request support, and receive updates from NBC. NBC should designate specific NBC staff members as MSP coordinators responsible for facilitating communication and follow-ups.
5. NBC should prioritize the reopening of the call center, utilizing the available office space, phone and the services of the staff.
6. Upon the re-opening of the call center, NBC should conduct outreach/sensitization in CAC about the importance and operations of the call center.
7. NBC should prioritize the development or completion of its website with a clear timeline indicating when it will be fully operational and ensure that the requisite departments/units frequently update the website with reports, concession-related information and activities, and stakeholder engagement programs.
8. In addition to developing and maintaining a functional website, NBC should step-up the use of its Facebook page and utilize other social media and mainstream media platforms. These include X (formerly Twitter), LinkedIn, radio programs/jingles/talk-shows, press releases, and other IEC materials.
9. NBC should develop or strengthen existing community engagement programs by hosting town hall meetings, outreach events, and public forums to increase awareness of the entity's role and activities.

### **3.8 NBC Did Not Prepare Statutory Reports**

- 3.8.1.1 Section 13.1 of the NBC Act, under the heading "Annual and Other Reports and Studies" states that "The Director General shall cause the publication and submission to the President and the Legislature, within 30 days of the end of each calendar year, of an annual report of the National Bureau of Concessions including the previous fiscal year...."

- 3.8.1.2 The section further details the components of the annual report. The annual report should contain activities and operations for such a fiscal year; its audited financial statements; and recommendations to increase efficiency, accountability and improvements in the concession process. Moreover, the annual report should state specific surveys and summary of the achievements of the year in the areas of monitoring and evaluation; and any general or specific recommendations for improvement of its work.
- 3.8.1.3 In addition to the annual report mentioned above, NBC Act also mandates the Director General to direct and cause the publication of other studies and reports on specific aspects of the concession process, including recommendations of proposed changes in the manner in which the concessions process is conducted or the manner in which concession agreements are documented.
- 3.8.1.4 Reference to Sections 13.3 and 13.4 of the NBC Act, the annual reports of the Bureau referenced in Section 13(1) and other reports mentioned in the Act shall be public documents and shall be available to the public; listed and retrievable from NBC's website. Further, the Act also states that if the Director General of NBC and the Attorney General of Liberia (Minister of Justice) determine that a part of a report should remain confidential, the report shall still be made public with such confidential material redacted and a statement providing reasons for such redaction attached.
- 3.8.1.5 From documents review, we established that the NBC did not issue finalized and signed annual reports for the audit period. Our analyses of documents showed that NBC prepared draft executive summaries of annual reports for fiscal years 2019 and 2022. There were no reports seen for these two years. We also observed that NBC prepared draft annual reports for 2020 and 2024. These draft executive summaries and reports were not finalized and signed for onward presentation to the President and the Legislature. Moreover, there was no evidence that NBC prepared reports for fiscal years 2018, 2021, and 2023.
- 3.8.1.6 Furthermore, our review of the contents of the draft reports revealed that, except for the inclusion of its financial statements, the contents of the draft report contained the details required under Section 13.1 of the Act. The draft reports outlined the Bureau's activities, its successes and challenges and recommendations for improvement.
- 3.8.1.7 We were informed by the Deputy Director for Concessions that all executive summaries of NBC's Annual Reports were forwarded to the Executive Mansion during the end of every calendar year, but annual reports were never signed and published due to lack of funding. Also, the Deputy Director General for Administration told us that the problem was inherited and is being worked on.
- 3.8.1.8 We observed that management failure to prepare and publish annual and other reports was due to its lack of clear reporting policies and procedures. NBC did not have documented processes, guidelines, or standard operating procedures (SOPs) for preparing and publishing annual reports. In addition to the absence of a reporting framework, weak internal controls/monitoring (no structured process to track and enforce compliance with reporting

requirements) and limited executive oversight (senior management did not prioritize or enforce timely preparation and submission of reports) were reasons for NBC failure to prepare and publish statutory reports.

- 3.8.1.9 We also observed that poor IT infrastructure at NBC was hindering the collection of data; thus, affecting the Bureau's reporting process. The Bureau had a Concession Information Management System (CIMS) designed to enable NBC coordinate and have oversight role on all Concessions monitoring and evaluation of compliance issues at the NBC and many more. One of the CIMS' key capabilities was to generate diverse sets of reports. The CIMS is currently not functioning. The lack of a server, webmail to enable seamless communication and data transfer amongst internal stakeholders; units and departments, were also a factor.
- 3.8.1.10 Failure of management to prepare and publish annual reports was a violation of its legal mandate which may lead to sanctions from national government and oversight bodies like the Legislature. Moreover, stakeholders; government, concessionaires, policymakers, civil societies, regulatory bodies like the Legislature and the general public will not have the requisite information to assess NBC's effectiveness without annual reports. NBC also cannot track its own effectiveness, assess achievements, or identify areas for improvement; thus, resulting to poor planning. Further, non-reporting of its activities has led to public mistrust of NBC among residents in CAC.
- 3.8.1.11 The annual report of NBC is to include financial reports; its stewardship of public funds. Failure to produce annual reports may lead to a higher risk of fraud, misallocation and waste.

### **Conclusion**

- 3.8.1.12 NBC did not give priority to its statutory reporting obligations, as it failed to prepare, complete, and publish annual reports over a prolonged period, contrary to the requirements of its enabling Act.

### **Recommendations**

- 3.8.1.13 NBC should develop and maintain a reporting framework outlining the processes, timelines, and responsibilities for preparing, reviewing, and publishing reports and assigning responsibilities for each stage. The framework should also include a reporting schedule; with clear deadlines for data collection, drafting, internal reviews, approvals, and publication.
- 3.8.1.14 Subsequently, management should facilitate the preparation and approval of administrative and operational activities reports on an annual basis. The reports should cover the proposed goals for the fiscal year, achievement against those goals, significant activities and challenges and measures to mitigate challenges in the near future. The report should also contain the entity audited financial statements (or at least a management account) to adequately inform stakeholders about the annual financial activities of the entity. The report should be approved by the head of the entity and subsequently submitted to the President, the Legislature, and the Offices of the Auditor General, the Comptroller and Accountant General and the sector head. Evidence of approved annual administrative and operational activities reports should be adequately documented and filed to facilitate future review.

3.8.1.15 Management should augment its ICT Infrastructure to improve its capacity to collect data and prepare reports. The Bureau should ensure that the CIMS is fully functional, and should deploy and maintain servers and webmail systems to enable seamless data collection and communication.

**Management Response**

3.8.1.16 *We sincerely appreciate the opportunity to respond to the audit report received early February 2026 and to address the findings and recommendations raised by the audit team. The National Bureau of Concession Management (NBCM) takes the audit findings seriously and is committed to ensuring full compliance with audit requirements and improving internal controls.*

3.8.1.17 *We have thoroughly reviewed the audit report and confirm that the findings and recommendations have been addressed since the receipt of the report.*

3.8.1.18 *Following the issuance of the 2019-2023 audit report, the National Bureau of Concession Management has taken the following actions to address the findings and ensure compliance with audit requirements:*

3.8.1.19 *1. Auditor Report Review Completed: the Bureau has thoroughly reviewed the audit report to understand the findings, recommendations, and areas requiring improvement. A dedicated team has been assigned to analyze the report in detail, ensuring that all issues identified are properly documented and addressed. This review has facilitated a clear understanding of the audit outcomes, enabling the Bureau to take appropriate corrective actions.*

3.8.1.20 *2. Audit Mitigation Plan Completed: Based on the audit findings, the Bureau has developed for implementation a comprehensive audit mitigation plan. This plan outlines specific actions, responsibilities, timelines, and expected outcomes for addressing the issues raised in the audit report. The plan is ongoing review for approval by relevant stakeholders to ensure its effectiveness and alignment with organizational goals.*

3.8.1.21 *3. Logistics Support for Pending Budget Approval: the Bureau is currently working on logistics support to facilitate its functional operation and pending National Budget approval process. Also, the Bureau has initiated the development of resource mobilization to support the mitigation action plan, this includes coordinating with relevant departments, preparing necessary documentation, and ensuring that all procedural requirements are met. The Bureau is actively monitoring the progress of the budget approval process to ensure timely implementation of the approved audit mitigation plan.*

3.8.1.22 *These actions demonstrate the Bureau's commitment to transparency, accountability, and continuous improvement in line with audit standards and regulatory requirements. The Bureau remains dedicated to addressing all audit findings and ensuring compliance with relevant policies and procedures.*

### **Auditor General's Position**

- 3.8.1.23 We acknowledge Management's acceptance of our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

### **3.9 Overall Audit Conclusion**

- 3.9.1.1 We conclude that the National Bureau of Concessions (NBC) did not effectively carry out its mandate to monitor and evaluate concession agreements in Liberia during the audit period. NBC lacked a comprehensive and functional monitoring and evaluation (M&E) framework, including approved policies, manuals, standard operating procedures, and ethical guidelines (code of ethics), to govern its internal processes and guide concession monitoring activities. As a result, the Bureau did not establish documented mechanisms to orderly identify, record, and address instances of non-compliance with concession agreements, nor was there evidence of referrals or follow-up actions taken with relevant government authorities to address identified non-compliance.
- 3.9.1.2 Furthermore, NBC did not complete or publish any compliance monitoring or impact evaluation reports during the audit period, despite its stated objective to conduct compliance checks and report on all concession agreements by the end of 2023. This failure limited transparency, accountability, and informed decision-making by its stakeholders; the Executive, Legislature, and other stakeholders on the performance and impact of concession agreements.
- 3.9.1.3 The effectiveness of NBC's M&E function was further constrained by weak human resource management. Management did not prioritize the M&E units through adequate staffing, nor did it conduct staffing or training needs assessments, develop professional development plans, or implement structured training programs for staff responsible for monitoring and evaluation. Additionally, limited logistics, including the lack of vehicles, motorcycles, specialized equipment, basic tools, and suitable infrastructure, significantly impaired NBC's ability to conduct field monitoring and assess compliance and socio-economic impacts of concession agreements.
- 3.9.1.4 Although NBC undertook some stakeholder engagement initiatives, its overall stakeholder engagement during the audit period was ineffective. NBC did not prepare annual stakeholder engagement plans, the Multi-Stakeholder Platforms were largely non-functional, and the call center established to facilitate communication with concession-affected communities ceased operations shortly after it was established. The absence of a functional website, limited use of information, education, and communication (IEC) materials, and the failure to prepare and publish annual reports—as required by the Act establishing the Bureau—further weakened NBC's visibility, transparency, and accountability.
- 3.9.1.5 Collectively, these weaknesses indicate governance, planning, and oversight issues that significantly limited NBC's ability to efficiently monitor concession agreements, promote compliance, manage stakeholder expectations, and safeguard the intended economic and social benefits of concessions to the Government of Liberia and concession-affected communities.

#### 4 APPENDIXES

##### Appendix A. List of Documents Reviewed

No	Information	Reason for review
1	NBC Act of 2024	To get more detail on the legal framework governing NBC; mandate, authority, responsibilities, etc..
2	The NBC Strategic Plan 2020-2024	To understand NBC long term plans, strategic goals, targets and deliverables.
3	M & E Policies and procedures; manuals, SOPs,	To assess the adequacy of the procedures and how they are being deployed.
4	Stakeholder Engagement Policy	To have an insight and understand the guidelines of NBC stakeholder engagement.
5	Records of stakeholder engagement activities; minutes, reports, plans, schedules, etc.	To determine the number and level of engagements undertaken and the outcomes of those engagements.
6	Complaints handling policy/framework	To have an insight of guidelines of NBC handling of complaints.
7	Complaints Logs/database	To have an overview of the quantity and kinds of complaints NBC received.
8	Reports of resolution, outcome of complaints	To evaluate responsiveness of complaints resolution
9	Policy and procedures on non-compliance by Companies	To have an insight of NBC policies/procedures guiding its actions on non-compliance
10	Non-compliance logs and records of recommendation for enforcement	To have an overview of the level of non-compliance, and recommendations from NBC to remedy same.
11	Reports; annual and others	To get more insight of NBC undertakings, achievements and challenges.
12	Internal Audit reports	To get a perspective on internal controls of NBC
13	NBC budgets for the audit period, including funding arrangements and levels of expenditure and revenue;	To know the level of funding going to NBC M & E program and sources of funds.
14	Policy, procedures or guidelines on data collection	To understand NBC data collection procedures
15	Workplans; M & E units and Institutional	To understand how NBC plans to conduct its monitoring and evaluation activities.
16	Annual Reports	To gain knowledge of NBC activities, its successes, failures and challenges, and the level of funding received and how funds were expended.
17	Monitoring and Evaluation Reports	To know if targets are met; if not met, reasons for such.
18	Assets Register	To know the assets available to NBC

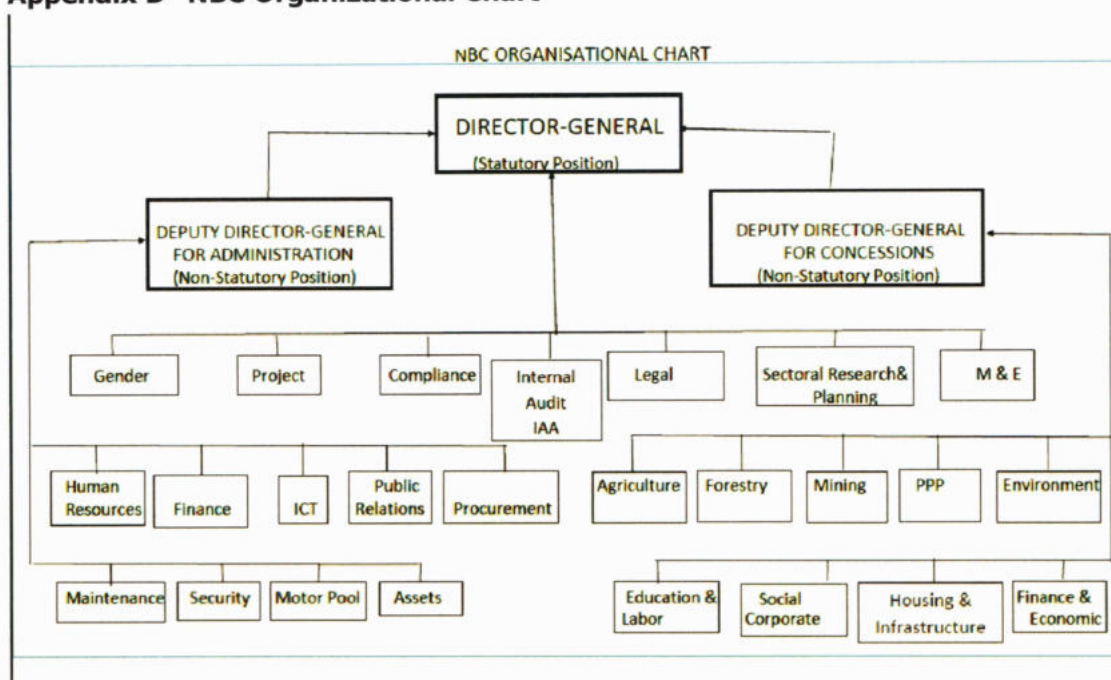
### Appendix\_B. List of People Interviewed

No	Interviewee	Reason for Interview
	Deputy Director General for Concessions	To get detail insight on concessions monitoring plans, activities, and reports.
	Deputy Director General for Administration	To get an overview of administrative activities, overall supervision and strategic planning at NBC.
1	Director for Compliance	To understand the processes and procedures and get an overview of planned M & E activities and achievements as well as constraints faced.
2	Director for Monitoring and Evaluation	To understand the processes and procedures and get an overview of planned M & E activities and achievements as well as constraints faced.
3	Directors of 6 M & E units; Mines, Labour and Education, Environmental, Social Corporate, Agriculture, Housing and Infrastructure	To understand the functions of units, processes and procedures and get an overview of planned activities and achievements as well as constraints faced.
4	Director for ICT	To understand ICT function, roles/responsibilities relative to M & E activities.
5	Director for Finance	To understand budgeting process for M & E activities and determine allotments and expenditures.
6	Director for Human Resources	To get an overview of staffing arrangement, training and professional development.
	Director for Sectoral Research & Planning	To understand the functions of units, processes and procedures and get an overview of planned activities and achievements as well as constraints faced.
7	Director for Project	To get an overview of roles/responsibilities and relationship to M & E activities.
8	Call Center Coordinator	To get an overview of roles/responsibilities and, function of the call center, achievements and challenges.
9	Heads of Multi-Stakeholder Platforms	To get an overview of roles/responsibilities and, function, achievements and challenges.
10	A representative of each of the 6 concession companies visited	To get an overview of the concessionaires on their perspective of the investment climate, impact of the
11	100 locals in CAC	To get locals perspective of the concession companies, NBC activities and the impact on their daily lives

### Appendix C. List of Counties Visited

No.	County
1	Montserrado
2	Margibi
3	Bong
4	Nimba
5	Grand Bassa
6	Bomi
7	Grand Cape Mount
8	Gbarpolu

### Appendix D NBC Organizational Chart



### Appendix E – Stakeholder Roles

No	Stakeholder	Roles/Responsibilities
	National Bureau of Concessions	<ul style="list-style-type: none"> <li>Monitor and evaluate compliance with concession agreements in collaboration with concession entities;</li> <li>Assess the impact of concessions on the economy, society, and environment;</li> <li>Develop and maintain a concession agreement database.</li> <li>Call the attention of appropriate GOL agencies in cases of material or persistent noncompliance.</li> <li>Improve the monitoring and evaluation of concessions by other organs of Government.</li> <li>Provide technical assistance to concession entities</li> </ul>

No	Stakeholder	Roles/Responsibilities
		and other organs of Government involved with the implementation of concessions in compliance with the PPCA.
	Concession Companies	<ul style="list-style-type: none"> <li>• Operate in accordance with concession agreements</li> <li>• Provide job opportunities Local and others</li> <li>• Pay taxes and other fees to government</li> <li>• Undertake social and community development projects and activities as stipulated in CA</li> </ul>
	Multi-Stakeholders Platforms	<ul style="list-style-type: none"> <li>• Represent the interest of all concession affected communities.</li> <li>• Conduct mediation meetings between concessions and affected communities to prevent and mitigate conflicts arising from land disputes;</li> <li>• Prepare and submit activities reports to funding partners, NBC and other supporting organizations;</li> <li>• Hold regular monthly meetings with communities to listen to their concerns and provide workable solutions if possible;</li> </ul>
	Locals in CAC	<ul style="list-style-type: none"> <li>• Reside in concession communities</li> <li>• Affected by the activities of concession companies</li> </ul>
	Ministry of Finance	<ul style="list-style-type: none"> <li>• Prepares draft budget for all entities of government</li> <li>• Disburses approved allotments for entities</li> </ul>
	National Legislature	<ul style="list-style-type: none"> <li>• Receives copies of NBC's annual and M &amp; E reports</li> <li>• Conducts public hearing on audit reports</li> <li>• Approves the entity's budgets</li> </ul>
	Donors (USAID, VOCIDA, etc.)	Provide support; financial, logistical & technical, to the NBC

#### Appendix F

No	Facility Visited	Location/County
1	Mittal Steel	Nimba County
2	Liberia Company (Cocopa)	Nimba County
3	Liberia Agriculture Company (LAC)	Grand Bassa County
4	LIBINCO	Grand Bassa County
5	Firestone Liberia	Margibi County
6	Salala Rubber Corporation	Margibi County
7	Bea Mountain	Grand Cape Mount County
8	Mano	Grand Cape Mount County
9	Western Cluster	Bomi County
10		Gbarpolu County