

Overview



Transparency:

38 /100

(Open Budget Index score)



Public
Participation:

6 /100



Budget Oversight:

48 /100

About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – affect how equal a society is and the well-being of its people, including whether the most disadvantaged will have real opportunities for a better life. It is critical that governments inform and engage the public on these vital decisions that impact their lives.

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

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 7th edition of the OBS covers 117 countries.

Visit www.internationalbudget.org/open-budget-survey ↗ for more information, including the full OBS methodology, the 2019 Global Report, findings for all surveyed countries, and the Data Explorer.

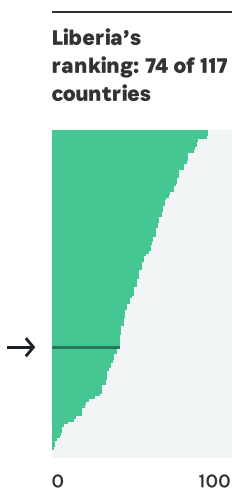


Transparency

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the online availability, timeliness, and comprehensiveness of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.

Liberia has a transparency score of **38** (out of 100).

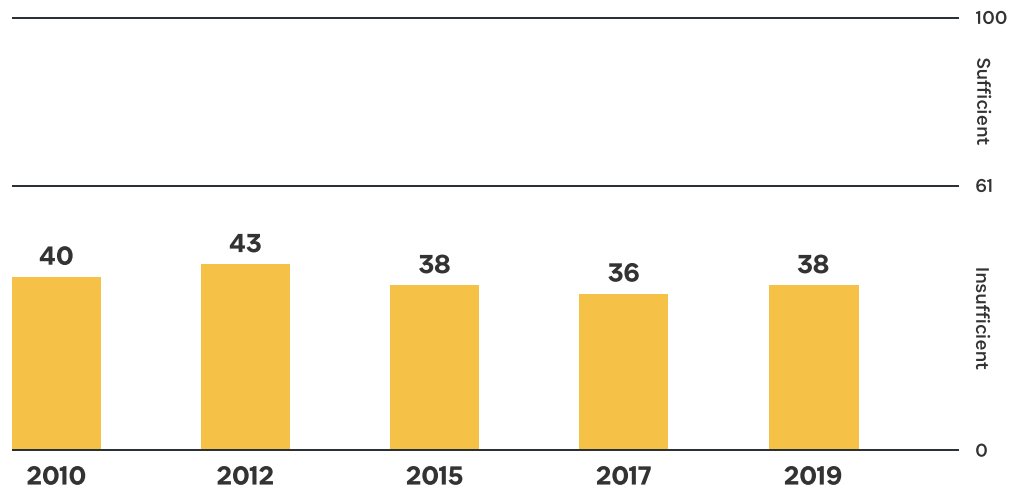
Transparency in Liberia compared to others



Global Average	45
Ghana	54
Sierra Leone	39
Liberia	38
São Tomé e Príncipe	24
Nigeria	21
Equatorial Guinea	5
Gambia	4

0 Insufficient 61 Sufficient 100

How has the transparency score for Liberia changed over time?



Public availability of budget documents in Liberia

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

Document	2010	2012	2015	2017	2019
Pre-Budget Statement	●	●	●	●	●
Executive's Budget Proposal	●	●	●	●	●
Enacted Budget	●	●	●	●	●
Citizens Budget	⊘	⊘	●	●	●
In-Year Reports	●	●	●	●	●
Mid-Year Review	●	●	●	●	●
Year-End Report	●	●	⊘	⊘	●
Audit Report	●	⊘	●	⊘	⊘

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

- 61-100 / 100
- 41-60 / 100
- 1-40 / 100

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre-Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2018-19	Published Late
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2018-19	54
Enacted Budget	The budget that has been approved by the legislature.	2018-19	84
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2018-19	Published Late
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2017-18 & 2018-19	Published Late
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2017-18	Published Late
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2017-18	48
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2016-17	Not Produced

Liberia's transparency score of **38** in the OBS 2019 is near its score in 2017.

What changed in OBS 2019?

Liberia has increased the availability of budget information by:

- Publishing the Year-End Report online.

However, Liberia has decreased the availability of budget information by:

- Failing to publish the Citizens Budget online in a timely manner.

Recommendations

Liberia should prioritize the following actions to improve budget transparency:

- Publish the Pre-Budget Statement, Citizens Budget, In-Year Reports, and Mid-Year Review online in a timely manner.
- Produce and publish the Audit Report online in a timely manner.
- Include in the Executive's Budget Proposal debt and macroeconomic information. This includes publishing interest payments on the outstanding debt and estimated total debt burden at the end of the year, as well as publishing the composition of total debt (e.g., interest rates on the debt, the maturity profile of the debt, and whether the debt is domestic or external). This also includes publishing information on the macroeconomic forecast upon which the budget projections are based (e.g., estimates of the nominal GDP level, the inflation rate, real GDP growth, and interest rates).
- Include in the Year-End Report debt and performance information.



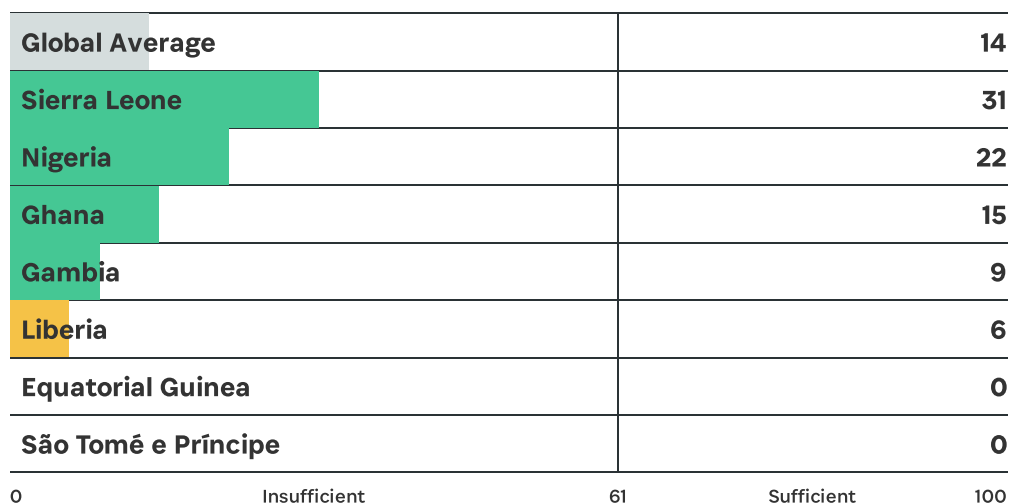
Public Participation

Transparency alone is insufficient for improving governance. Inclusive public participation is crucial for realizing the positive outcomes associated with greater budget transparency.

The OBS also assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process. It examines the practices of the central government’s executive, the legislature, and the supreme audit institution (SAI) using 18 equally weighted indicators, aligned with the Global Initiative for Fiscal Transparency’s [Principles of Public Participation in Fiscal Policies](#) ↗, and scores each country on a scale from 0 to 100.

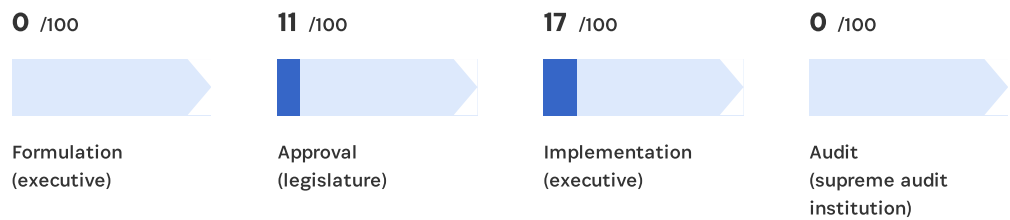
Liberia has a public participation score of **6** (out of 100).

Public participation in Liberia compared to others



For more information, see [here](#) ↗ for innovative public participation practices around the world.

Extent of opportunities for public participation in the budget process



few: 0 - 40; limited: 41 - 60; adequate: 61 - 100

Recommendations

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

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

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

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

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

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

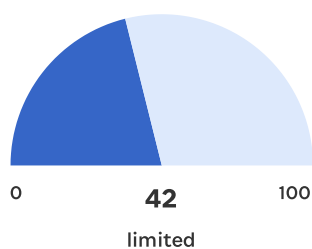


Budget Oversight

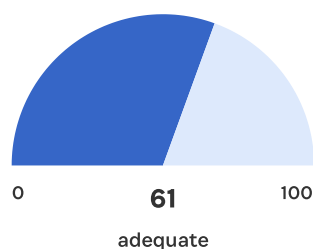
The OBS also examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Liberia, together, provide limited oversight during the budget process, with a composite oversight score of **48** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



weak: 0 - 40; limited: 41 - 60; adequate: 61 - 100

Recommendations

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

- The legislature should debate budget policy before the Executive's Budget Proposal is tabled and approve recommendations for the upcoming budget.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- A legislative committee should examine in-year budget implementation and publish reports with their findings online.

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

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

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

The emerging practice of establishing independent fiscal institutions

Liberia's independent fiscal institution (IFI) is the Legislative Budget Office. Its independence is set in law, and it reports to the legislature. It publishes its own cost estimates of some new policy proposals.

**The indicators for IFIs are *not* scored*

Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2018 were assessed in the OBS 2019.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
Harold Aidoo
Institute for Research and Democratic Development (IREDD)
Block 3, Kings Avenue, 16th Street, Sinkor Landside, Monrovia, Liberia
afriwareha@gmail.com
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Liberia by a representative of the Ministry of Finance and Development Planning.