

**"AN ACT TO APPROVE THE NATIONAL BUDGET FOR THE FISCAL PERIOD
BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE
EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA"**

APPROVED: JULY 14, 2018

**PUBLISHED BY AUTHORITY
MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA**

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GOL 2018-2019 Budget

DGET FOR THE FISCAL PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

It is enacted by the Senate and House of Representatives of the Republic of Liberia in Legislature assembled:

SECTION-1: BUDGET CEILING

The Budget of the Republic of Liberia for the fiscal period, beginning July 1, 2018 and ending June 30, 2019 in the amount of L\$84,333,327,390.40 same being US\$570,148,000 is hereby approved. (80)

SECTION-2: CURRENCY CONVERSION RATE

The conversion from Liberian Dollars to United States Dollars is at the Central Bank of Liberia (CBL) average exchange rate of L\$147.9148 to US\$1.00 for the three months immediately preceding the passage of this budget. Payment during the year shall, however, be made at the market exchange rate as of the last day of the previous month, as published by the CBL.

SECTION-3: REVENUES ESTIMATES

- (a) The revenue to support operation of the Government of Liberia for fiscal period beginning July 1; 2018 and ending June 30, 2019 shall be L\$84,333,327,390.40; same being US\$570,148,000.
- (b) The Domestic Revenue envelope is US\$506,201,686. Forty percent (40%) or US\$202,480,674 of this amount to be realized in Liberian Dollars.
- (c) The total revenue envelope of US\$570,148,000 includes a Road Fund of US\$31,000,000 at the rate of US\$0.30 on each gallon of petroleum product imported into Liberia.
- (d) The revenue is configured as reflected:

Original Revenue Submission:

Core Revenue Envelope as per FY 18/19 Draft Budget	US\$	562,148,000.00
Contingent Revenue Envelope per FY18/19 Draft Budget	US\$	<u>0.00</u>
	US\$	562,148,000.00

Additional Revenues:

Adjustment - Non-Tax Revenue	US\$	<u>7,994,000.00</u>
Total Adjusted Revenue for FY-2018/19	US\$	<u>570,148,000</u> (120)

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Core Revenue	US\$	561,621,000
Contingent Revenue	US\$	8,527,000

SECTION-4: CAPTURING ALL GENERAL REVENUES OF LIBERIA

- (a) As provided for by Section-7: Tax and Revenues, of the Revenue Code of Liberia 2000, all tax revenues and other fees collected for and in the name of the Republic of Liberia shall be considered general revenue of Liberia, and shall be paid into the Consolidated Fund Account and available for appropriation by the Legislature for the general purpose of the Government. The Minister of Finance and Development Planning shall, not later than forty-five (45) calendar days after the end of the first quarter of the current fiscal year, submit a reconciled statement of the Consolidated Fund Account to the House of Representatives and the Liberian Senate for the previous Budget Year.
- (b) In order to validate the status of the Consolidated Fund Account at the Central Bank of Liberia as at June 30, 2018, the Minister of Finance and Development Planning is hereby mandated to have said Consolidated Fund Account reconciled and submit the reconciliation statement to the House of Representatives and the Liberian Senate on or before December 31, 2018, so as to confirm the actual balances of the said Consolidated Fund Account as at June 30, 2018. (B.C)
- (c) In order to remain compliant with the ECOWAS Trade Levy Protocol, the Minister of Finance and Development Planning is hereby authorized to issue monthly instructions to the Central Bank of Liberia to effect a direct debit to the General Revenue Account for the purpose of transmitting the Community Levy collected on behalf of ECOWAS as these amounts, though collected by the Government, are not included in the overall revenue projection and are collected particularly for ECOWAS.
- (d) An amount of US\$8,527,000 has been captured as Contingent Revenue for which separate expenditure lines (programs and projects) have been identified and included in the GoL Fiscal Operations Schedule that has been incorporated into this budget.
- (e) That by the passage of the budget the Legislature confirms, affirms and gives approbation to the US\$0.30 levy on every gallon of petroleum products imported into the Republic of Liberia. Consistent with the Act establishing the National Road Fund Office, to be collected by the Liberia Revenue Authority (LRA) and deposited into the Account of the National Road Fund, which is an integral part of the National Budget.
- (f) Consistent with Section 1708 (a) and (e) of the Revenue Code as Amended in 2011, the National Legislature shall continue to enjoy its duty free privileges.

SECTION-5: CEILING ON EXPENDITURES FOR FY-2018/19

- (a) For the administration of the affairs of the Government of Liberia during the Fiscal Year FY-2018/2019, the President of Liberia is hereby authorized to spend and disburse the amount of L\$84,333,327,390.40; same being US\$570,148,000.00. (B.C)
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- (b) The appropriations and adjustments detailed in the schedule mentioned in Section 5(b) (budget committee working papers) include additional funding to institutions and programs under the Executive Branch and are to be incorporated into the final approved budget and executed in accordance with PPCC procedures and all laws governing Budget Execution.
- (c) The Legislature hereby appropriates US\$3.6 million, as contained under Non-financial Assets for district development projects. The detailed programs and projects for the US\$3.6 million shall be derived by the Legislature and executed by LACE in accordance with the PPCC procedures and all relevant laws governing Budget Execution. (24)
- (d) Certain expenditure lines, amounting to US\$8,527,000 million, have been classified as Contingent Expenditure and are tied to the Contingent Revenue envelop. These will be executed, if and only if, the Contingent Revenue is realized.

SECTION 6: STRUCTURE OF THE FY-2018/19 NATIONAL BUDGET

- (a) In Accordance with *Section 8.1* of the PFM Act of 2009, the Government of Liberia budget formulation and implementation is in its seventh year of the third Medium Term Expenditure Framework.
- (b) Under the Medium Term Expenditure Framework, notwithstanding, the National Budget for government programs and expenditures will be approved annually as per the Constitution of the Republic.

SECTION 7: BUDGET OVERSIGHT BY THE LEGISLATURE

- (a) Each spending entity for which appropriations have been made in this budget shall submit a Quarterly Budget Performance Report to the National Legislature with explanatory notes of the quantitative and qualitative results for spending the appropriations herein provided. The reports are due within fifteen (15) days after the end of each Quarter.
- (b) Upon failure of a spending entity to present timely report to the National Legislature, the President is directed to take appropriate actions that may lead to the loss of pay for the head of the defaulting entity.
- (c) The National Legislature shall advise the Minister of Finance and Development Planning accordingly as to which agency shall be affected by the sanction.
- (d) The Liberia Revenue Authority is hereby required to provide regular updates to the Ways, Means and Finance Committee of both Houses on the performance of State-Owned Enterprise with respect to their contribution to the National Budget.

SECTION 8: POLICY GOVERNING TARGETED APPROPRIATIONS

- (a) Monitoring of Personnel: In order to ensure harmonization, standardization, equity in compensation, easy monitoring and assessment of personnel expenditure, the
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Department of Administration of all spending entities shall have the full authority to execute the personnel budget, as well as, take all personnel-related decisions, of the spending entity in compliance with general framework, regulations, and policies of the Civil Service Agency in full consultation with the head of entity. Notwithstanding, any adjustments to compensation related lines must be done with the approval of the Ministry of Finance and Development Planning.

- (b) Constituency Sensitive Spending: Each spending entity of Government with appropriations targeted for specific activities and programs in the various counties is hereby required to tabulate all such appropriations and inform the citizens of the county concerned through their respective County Councils of such appropriations. Each spending entity shall provide a quarterly statement to the Oversight Committee of the Legislature on the status of utilization of said appropriations. (b.c)
- (c) Deficit Financing: The Minister of Finance and Development Planning is authorized to institute risk management and cost saving measures during budget execution to ensure that spending is in line with revenue collection. Additionally, the Minister is authorized to undertake measures geared toward raising resources to repay outstanding budget deficits accrued in prior budget years, as well as, fund development priorities of the Government. The strategy and measures shall be done in consultation with the Ways, Means and Finance Committee of both Houses.
- (d) Subsidy or Grant to Institutions: The Minister of Finance and Development Planning is authorized to ensure that a Cabinet approved policy on the granting of subsidies to institutions is in place by the end of December 2018 to guide any further disbursement after the mid-year review of the Budget. This policy will also guide future appropriations to subsidy or grant receiving institutions.

SECTION 9: MANAGEMENT OF THE COUNTY & SOCIAL DEVELOPMENT FUNDS

- (a) For the purpose of managing and controlling the County Development Fund and Social Development Fund, each county shall establish and manage, at a local bank, a County Development Account in the name of the county.

Complementary to the terms and conditions of other agreements appertaining thereto, all funds allocated in this budget directly to a county as County Development Funds (CDF) and/or as Social Development Funds (SDF), and any other funds collected in the name and on behalf of the county, directly or indirectly, shall first be deposited into the County Development Fund Account provided for in this budget. Allocation, disbursement and utilization of said CDF, SDF, or other funds shall be determined and expressed in a Resolution of, and by, the County Council as provided for in this Act.

- (b) The County Development Account of each county is subject to all banking regulations and financial audits as provided for by Law. The authorized signatures on each county account shall be as follows:

A1 Signature: The County Assistant Superintendent for Fiscal and Financial Management as principal authorizer; or the instead (b.c)

A2 Signature: The County Superintendent

B1 Signature: The Project Management Committee (PMC) Chairperson recruited

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by the County Council in accordance with the procedures set herein, as second principal authorizer, or in the stead,

B2 Signature: The PMC Treasurer recruited by the County Council.

- (c) All withdrawals from a County Development Account shall require the authorization of the first and second principal authorizers or; their steads as designated in this Act in accordance with PFM Law and all guidelines appertaining thereto consistent with generally accepted accounting principles applicable in Liberia. A withdrawal authorized by a principal and a stead in same category shall not be valid or legal. (B2)
- (d) The Minister of Finance and Development Planning shall, based on Resolution of each County Council, issue allotments against the amounts appropriated in the budget if:
- i. A full Accounting of previous amounts have been made consistent with PPCC and PFM Laws; and
- (f) The Minister of Finance and Development Planning shall not make payments to a county unless previous disbursements have been fully accounted for. The County Superintendent shall provide copies of all financial reports and Operational Reports to the County Legislative Caucus for its information.
- (g) Upon issuance of the allotments, the County Superintendent shall raise the necessary vouchers or requests and present same to the Minister of Finance and Development Planning for deposit of the funds into the County Development Account for disbursement.
- (h) Notwithstanding the authority conferred on the Minister of Finance and Development Planning, neither the Minister nor any official of Government shall have the singular authority to defer payment of, or refuse to disburse, county funds without consultation with the Superintendent Council and the County Legislative Caucus.
- (i) Access to all county funds shall be upon Resolution of the County Council (CC)
- (j) Mandate of the County Council: Each county shall have a County Council, which shall serve as the highest decision-making body of the county on matters of development and fund-management. The primary mandate and duty of the County Council shall be:
- i. To determine the most equitable and effective method of allocation or application of county funds which will induce rapid and sustainable improvement in the physical conditions on ground and in the lives of the general population of the county or a segment thereof. Allocations for administrative cost of the PCM for overhead and other costs shall not exceed ten percent (10% of funds allocated in the budget as CDF and SDF; (B2)
 - ii. To decide on, and target, specific areas and types of programs and projects on which the development funds are to be spent;

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iii. To elect a 3-member Project Management Committee (PMC), once every three years, comprising: a Chairperson; a Treasurer; and a Comptroller. The Council shall define criteria for qualification to contest the positions of PMC Treasurer and PMC Comptroller -said qualification being based on professional training and working experience in the field of accounting; and for the position of PMC Chair, the following qualifications shall apply:

- a. A minimum of 3 years of demonstrated working experience in the area of project management or related fields, or its equivalence; and
- b. Residency of the indicated county prior to assumption of post or willingness to promptly relocate after the election process; and

iv. Review and assess level of progress on on-going development projects in the county, with the objective of taking decisions and/or measures that will rectify any delays in disbursement, or abuse in the application of allocated development funds.

(k) Decision of a sitting of the County Council shall be expressed in the form of Resolution, which shall be signed by the heads of delegations attending the sitting; the presiding officers of the sitting; witnessed by the County Superintendent or, in the stead, the County Development Superintendent; attested by majority members of the County Legislative Caucus.

(l) Once the Council has allocated funds to an area, it shall be the responsibility of the citizens of the targeted area to meet and appoint a Project Management Team (PMT), which shall coordinate the planning of all activities relating to the project(s) for their area, and the processing of documents to relevant and concerned entities in compliance with all PPCC and PFM regulations. The PMT, which serves as the project monitoring and evaluation team of the target area, shall report to the citizens of their respective areas and to the PMC progress of the project which shall serve as the trigger for timely payments to contractors.

(m) The Superintendent shall submit, to the County Legislative Caucus, quarterly reports on the status of all ongoing and completed projects funded from the County Development Account.

(n) Convening of the County Council

- i. The County Superintendent, in consultation with the County Legislative Caucus, shall convene, in the Capitol City of the County, sittings of the County Council any time after passage of the annual budget. *The Superintendent shall ensure that extensive publicity, through all media platforms – radio and TV; print; and social media – is given to the convening of a sitting to encourage maximum participation.*
- ii. The County Sitting shall be attended by an equal number of officials and opinion leaders from each of the electoral districts, to include traditional communities, Statutory Districts, Administrative Districts, and/or Municipalities, whichever is considered most inclusive and broadest for consultative participation in the

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county by the County Legislative Caucus in consultation with the Superintendent Council.

(o) Standing Protocol and Agenda for a formal Sitting of the County Council, without which the Sitting is without legitimacy: (2)

- i. Acknowledgement of the Delegates by the County Superintendent or, in the stead, the County Development Superintendent, and presentation of the Gavel to the Chairperson of the County Legislative Caucus present;
- ii. Prayer led by any person called upon;
- iii. The County Council shall be presided over by the Legislative Caucus Chair or the Co-Chair.
- iv. Reports and briefings by the County Legislative Caucus; report and briefing by County Superintendent; report and briefing by the PMC; report and briefing by sectoral agencies and other institutions; and presentation of development proposals and issues from delegations;
- v. General Discussion and Debate by Delegates on the presentations and reports received;
- vi. Conclusion and adoption of Resolution; and
- vii. Signing of the Resolution
- viii. Presentation of Resolution of the Sitting to the County Legislative Caucus, and return of the presiding Gavel to the Caucus Chair, who in turn shall present the Resolution to the County Superintendent and return the presiding Gavel to the County Superintendent; and
- ix. Distribution of the Resolution and Adjournment of the sitting by the County Superintendent

(p) Delegates to the County Council

- a) Equal number of officials and opinion leaders from each of the Administrative Districts, to include traditional communities, Statutory Districts, Administrative Districts, and/or Municipalities, whichever is considered most inclusive and broadest for consultative participation in the county by the Superintendent, in consultation with the County Legislative Caucus.

b) Delegations should include a broad representation as determined and ensured by the District Administration. (2)

(q) Identification of Potential Development Projects

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At every County Council sitting, projects identified and resolved upon shall be reflective and/or consistent with the assessed county development needs, County Development Agenda, or any other relevant development document.

(r) Role of the Civil Society and Community Based Organizations.

- a. Civil Society Organizations, preferably community based, shall play a more proactive monitoring role at the county sittings and ensure that the projects identified and other issues resolved are properly implemented
- b. At their own cost, Civil Society Organizations (CSOs) shall monitor the implementation of the CDF & SDF projects.

(s) Mandate of the Project Management Committee (PMC): The primary mandate of the Project Management Committee (PMC) elected by the County Council shall be:

- a) To serve as the technical arm of the County Council in identifying and costing of projects;
- b) To oversee and coordinate implementation of all approved projects;
- c) To ensure that transaction documents relating to the spending of the County Development Funds and Social Development Fund are in conformity and compliance with the Public Procurement and Concession Act and budget implementation regulations;
- d) To ensure that the County Development Funds and Social Development Fund are spent only on county development activities;
- e) To make quarterly reports on the status of implementation of the Council Resolutions and submit said reports to the County Superintendent; the County Legislative Caucus; and the County Council (IN SESSION); and
- f) To execute other functions as determined by the County Council in the form of Council Resolutions.

(t) The primary duties of members of the PMC shall be:

- a. The Chairperson shall supervise and preside over the affairs of the said PMC;
- b. The PMC Treasurer shall be the chief examiner and custodian of all financial documents of the committee and for verifying that all documentary requirements are in order for transactions on the account; and
- c. The PMC Comptroller shall serve as the Financial Officer of the PMC, and in consultation with the Assistant Superintendent for Fiscal Affairs shall, keep the books of accounts of the committee, ensuring proper internal controls in accordance with generally accepted accounting principles; and in compliance with provisions of the Public Procurement and Concession Act.

(u) Removal

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- i. Removal of a PMC member shall require two-third of the County Council.

SECTION-10: LIMITATION OF EXPENDITURES

There shall be no spending outside of this budget; and no funds shall be expended on any program or programs, project or projects, or other items of expenditure, which were not included in the approved appropriations, provided herein except as provided for by the Act on Budgetary Transfer or under special circumstances, at which time, the President or the Minister of Finance and Development Planning should consult with the leadership of the National Legislature. (E.C.)

SECTION-11: SUBMISSION OF THE FY19/20 NATIONAL BUDGET

To avoid delays in the passage of the FY19/20 National Budget, the President shall submit the said FY19/20 Draft Budget on or before April 30, 2019. Additionally, the President shall fully comply with the provisions of the 2009 Public Financial Management Act.

SECTION-12: REPORTING

Each spending entity, in line with Section 36 of the Public Financial Management Act 2009 shall, prior to submission of the FY19/20 budget to the Legislature, present to the Legislature a Budget Performance Report covering the first three quarters of FY18/19 budget. This report shall be the basis upon which the Legislature will determine the effectiveness of the respective entities funded in this FY18/19 budget.

SECTION-13: EFFECTIVE DATE

This Act shall take effect immediately upon publication into handbill. (R-)

ANY LAW TO THE CONTRARY NOTWITHSTANDING

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FIRST SESSION OF THE FIFTY-FOURTH LEGISLATURE OF THE REPUBLIC OF LIBERIA

HOUSE'S ENGROSSED BILL NO. 7 ENTITLED:

"AN ACT TO APPROVE THE BUDGET FOR THE FISCAL PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA"

On Motion, Bill read. On motion, the Bill was adopted on its first reading and sent to committee Room on Tuesday, May 1, 2018 @ 12:31 G.M.T. during its Regular Session.

On motion, Bill taken from the Committee Room for its second reading. On motion, under the suspension of the rule, the second reading of the Bill constituted its third and final reading and the Bill was adopted, passed into the full force of the law and ordered engrossed today, Tuesday, June 26, 2018 @ 12:35 G.M.T.

FIRST SESSION OF THE FIFTY-FOURTH LEGISLATURE OF THE REPUBLIC OF LIBERIA

SENATE'S ENDORSEMENT TO HOUSE'S ENGROSSED BILL NO: 7 ENTITLED:

"AN ACT TO APPROVE THE NATIONAL BUDGET FOR THE FISCAL PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA"

On Motion, Bill read. On Motion, the Bill was adopted on its first reading and sent to Committee room on Tuesday, June 26, 2018 at the hour of 13:54 G.M.T.

On Motion, Bill taken from the Committee Room for its second reading. On motion, under the suspension of the rule, the second reading of the Bill constituted its third and final reading and the Bill was adopted, passed in the full force of the law and ordered engrossed today, Wednesday, June 27, 2018 at the hour of 13:55 G.M.T. during a Special Sitting.

CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.

M. Wood

SECRETARY, LIBERIAN SENATE, R.L.

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ATTESTATION TO:

"AN ACT TO APPROVE THE NATIONAL BUDGET FOR THE FISCAL PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA"

Ahmad Taylor

VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/
PRESIDENT OF THE SENATE

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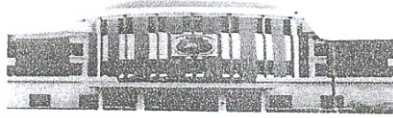
SECRETARY, LIBERIAN SENATE

Samuel

SPEAKER, HOUSE OF REPRESENTATIVES, R.L.

Mildred N. Gayson

CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.



THE HONORABLE HOUSE OF REPRESENTATIVES

Capitol Building
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Monrovia, Liberia
Website: www.legislature.gov.lr



Office of the Chief Clerk

-2018-

FIRST SESSION OF THE FIFTY-FOURTH LEGISLATURE OF THE REPUBLIC OF LIBERIA

SCHEDULE OF HOUSE'S ENROLLED BILL NO. 11 ENTITLED:

"AN ACT TO APPROVE THE NATIONAL BUDGET FOR THE FISCAL PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019 PROVIDING FOR THE EXPENDITURE OF THE GOVERNMENT OF THE REPUBLIC OF LIBERIA"

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR EXECUTIVE APPROVAL.

APPROVED THIS: 14th DAY OF July A.D. 2018

AT THE HOUR OF 3:48 pm

THE PRESIDENT OF THE REPUBLIC OF LIBERIA