GOVERNMENT OF LIBERIA

ANNUAL FISCAL OUTTURN REPORT



Fiscal Year 2025

FISCAL YEAR 2025

FISCAL OUTTURN REPORT

of the Government of Liberia for the Period

JANUARY 1 – DECEMBER 31, 2025

Presented to Legislature by
HON. AUGUSTINE KPEHE NGAFUAN
MINISTER
MINISTRY OF FINANCE AND DEVELOPMENT PLANNING
On Thursday April 30, 2026
On the Authority of
HIS EXCELLENCY JOSEPH N. BOAKAI, SR.
PRESIDENT
REPUBLIC OF LIBERIA

In accordance with Section 36.4 of the
Public Financial Management (PFM) Act

Fiscal Year 2025 Fiscal Outturn Report

Conducted and Published in 2026
by Ministry of Finance & Development Planning
Broad & Mechlin Streets, Monrovia, Liberia

Electronic copy can be downloaded from our website (**www.mfd.gov.lr**)

This document is prepared in accordance with Section 36.4 of the Public Financial Management (PFM) Act, which requires that the Minister of Finance to provide a report to the President, the National Legislature and the general public outlining the budget execution and the revenue collections. Section 13.4 requires that this document outlines any use of the Contingency Fund. Section 26.3 requires that cumulative budget reallocations be reported.

"The Minister shall produce a consolidated quarterly report comparing budget execution and revenue collections to the estimates contained in the National Budget. This report shall be available to the President, the Legislature and the general public within forty-five days of the end of the quarter" – Government of Liberia, Public Financial Management Act (2009).

"Fiscal data should be reported on a gross basis, distinguishing between revenue, expenditure and financing; with expenditure classified by economic, functional, and administrative category" – IMF Code of Good Practice on Fiscal Transparency.

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LIST OF ACRONYMS

AAID	ARREST Agenda for Inclusive Development
AfDB	African Development Bank
Allotm.	Allotment
AU	African Union
CAG	Comptroller and Accountant General
CBL	Central Bank of Liberia
CDA	County Development Agenda
CDF	County Development Funds
Commit.	Commitment
CPI	Consumer Price Index
DPs	Development Partners
ECOWAS	Economic Community of West African States
EMDEs	Emerging Markets and Developing Economies
ESRP	Economic Stabilization and Recovery Plan
FX	Foreign Exchange
FY	Fiscal Year
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GoL	Government of Liberia
GSA	General Services Agency
HFO	Heavy Fuel Oil
ICT	Information Communication and Technological
IDA	International Development Association
IFMIS	Information Financial Management Integration System
IMF	International Monetary Fund
LPO	Local Purchase Order
M&As	Ministries and Agencies

MACs	Ministries, Agencies and Commissions
MFDP	Ministry of Finance and Development Planning
MoM	Month-on-Month
MTEF	Medium-Term Expenditure Framework
PFM	Public Financial Management
PPCC	Procurement Plan to the Public Procurement Concession Commission
PSIP	Public Sector Investment Programs
RGDP	Real Gross Domestic Product
SECRAMP	Southeastern Corridor Roads Asset Management Project
SMEs	Small Medium Enterprises
SOEs	State Owned Enterprises
UNMIL	United Nations Mission in Liberia
UoGS	Use of Goods & Services
USD	United States Dollars
WAPP	West Africa Power Pool
WASH	Water Sanitation and Hygiene
WB	World Bank
WEO	World Economic Outlook
YoY	Year-on-Year

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DEFINITIONS OF KEY TERMS

Allotment	An authorization issued to an implementing M&A to incur obligations for specified amounts contained in a legislative appropriation.
Appropriation	An authorization made by law or legislative enactment directing payment out of government funds under specified conditions or for specific purposes.
Cash	Checks cashed or other payments from the consolidated account.
Cash Surplus/Deficit	Revenue minus Expenditure minus net Acquisition of Assets (capital expenditure).
Commitment	Payment request processed through appropriation, allotment, and stamped with pledge of disbursement.
Net Cash from Operating Activities	Revenue minus Expenditure (not including Capital).

EXCUTIVE SUMMARY

Liberia Real GDP growth expanded to 5.1 percent in 2025, with nominal GDP of US$5,219.0 million, reflecting a 1.1 percentage point increase, compared to the 2024 growth of 4.0 percent, with a nominal GDP of US$4,778.0 million, and down from 4.6 percent with nominal GDP of US$4,390.0 million in 2023. The growth is underpinned by activities in the primary sector, specifically on account of expansion in the mining and panning sector with a significant gold and iron ore production.

The medium-term outlook remains positive for 2026 to 2027, with an average growth rate of 5.3 percent, contingent upon strong fiscal-monetary coordination, improved public financial management, increased private sector participation, and political stability. Strategic investments in Agriculture, Mining & Panning and Services, with upgrades to key economic infrastructures, mainly roads and energy are expected to ignite domestic production and set the economy on the path of long-term progress.

The growth is further supported by development assistance, enhanced water and electricity supply, boosting economic activities, alongside structural reforms in critical areas such as energy, trade, transportation, and financial services. Growth in the Mining & Panning Sector stood at 17.0 percent in 2025, a 14.9 percentage point increase, from the 2024 estimate of 2.1 percent, largely due to expansions in gold, iron ore and diamond production. In 2024, the sector contributed 18.5 percent to Real Gross Domestic Product (RGDP).

The end-of-period inflation for 2025 was 4.0 percent recording a 6.7 percentage point decline when compared with the end-of-period inflation of 2024. Average inflation for 2025 slightly increased to 8.5 percent, down from 8.3 percent in 2024. It is projected to moderately reduce to 6.1 percent in the medium term (2025-2027) on account of tight monetary and fiscal policies measures.

The National Legislature approved a National Budget of US$880.7 million for FY2025, representing a 19.2 percent or US$141.8 million increase over the FY2024 recast budget. This growth was due to steady domestic revenue performance, especially taxes on income and profit, goods and services, and international trade, as well as an increase in external resources. Recurrent and Non-Public Sector Investment Project (PSIP) capital expenditure for the FY2025 budget amounted to US$766.9 million representing 87.1 percent, while PSIP expenditure accounted for US$113.8 million representing 12.9 percent of the resource envelope for the same period.

Total revenue performance at the end of FY2025 amounted to US$885.1 million. Of this amount, Tax Revenue accounted for 78.3 percent, while Non-Tax Revenue accounted for 17.5 percent, while Grant and Borrowing accounted for 4.3 percent. Notwithstanding, the GoL's total expenditure amounted to US$879.6 million, resulting in a positive overall balance. Of this amount, recurrent and Non-PSIP accounted for 92.0 percent and capital expenditure accounted for 8.0 percent. This increase is underpinned by the increment in the compensation of selected categories of civil servants (Doctors, Nurses, Security, etc.). Therefore, total expenditure incurred during the period under review accounted for 99.9 percent of the National budget.

Total revenue collected at the end of December 2025 amounted to US$885.1 million. This represents 100.5 percent of the total budgeted resource envelope. Domestic revenues including grants accounted for 98.6 percent, while borrowing accounted for 1.4 percent of the total collected resources. Compared to the same period of the previous fiscal year, domestic revenue mobilization experienced an increase of 18.3 percent.

Off-budget development assistance projected for FY2025 was US$373.7 million; of which grants accounted for US$214.2 million, representing 54.3 percent while loans accounted for US$159.6 million representing 45.6 percent. As at end December 2025, actual disbursement of external assistance amounted to US$306.5 million, representing 56.5 percent of total projected development assistance; of which grants accounted for US$191.3 million representing 59.8 percent, while loans accounted for US$ 114.9 million representing 40.2 percent.

Total public debt stock as at end December 2025, stood at US$2.8 billion. Of the total debt stock, domestic debt stock accounted for US$1.2 billion, which represent 42.9 percent of the total debt stock, and external debt stock accounted for US$1.6 billion, which represents 57.1 percent of the total debt stock. The total debt stock as a percentage of nominal GDP stands at 54.1 percent. Total debt service at end of December 2025 amounted to US$151.3 million. Of the total debt service, domestic debt service amounted to US$80.2 million or 53.0 percent, external debt service payment amounted to US$66.4 million or 43.9 percent, while subscription payment to international financial institutions accounted for US$4.7 million or 3.1 percent.

SECTION 1: GLOBAL AND DOMESTIC ECONOMIC PERFORMANCE OUTLOOK

Global Outlook

Though the global economy has shown resilience to the trade policy shocks, it is however projected to dip in 2026, with GDP growth rate at 3.1 percent, reflecting headwinds from uncertainty and protectionism. Global growth expanded to 3.3 percent in 2025 compared to 3.2 percent in 2024. Advanced economies are forecasted to grow by 1.6 percent in 2026, same as reported for 2025, down from 1.8 percent reported for 2024.

The outlook for the United States is projected to expand by 2.1 percent in 2026, from 2.0 percent in 2025. However, the growth projection is still below the 2.8 percent reported in 2024. Growth in the Euro Zone is expected to dip to 1.1 percent in 2026, from 1.2 percent in 2025. Canada growth is forecasted to grow by 1.5 percent in 2026, up from 1.2 percent in 2025; while Japan's economy is expected to moderate significantly to 0.6 percent in 2026, from 1.1 percent growth rate reported for 2025. In contrast, the UK is forecasted to maintain the same growth for both 2025 and 2026 at 1.4 percent, which is still slightly lower than the 1.5 percent reported for 2024.

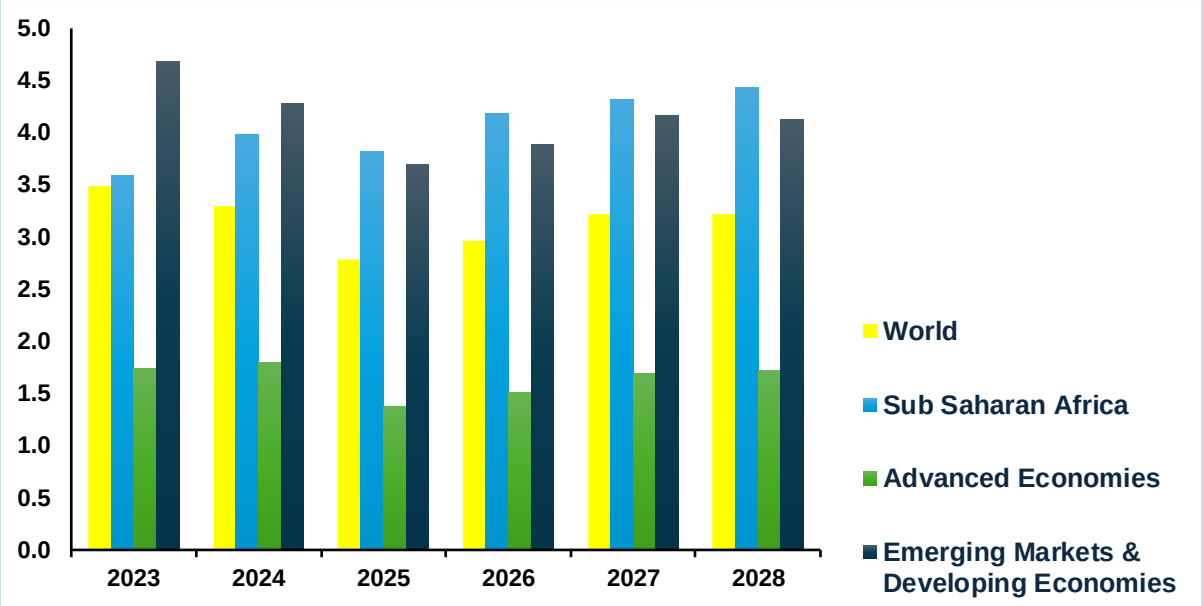
Emerging markets and developing economies are anticipated to moderate in 2026, averaging 4.7 percent from 5.2 percent in 2025 and 5.3 percent reported for 2024. The projected decline is mostly driven by few countries in the ASEAN region, especially those most affected by the effective tariff rates. However, these aggregates mask regional disparities; stronger growth in Asia, driven by China and India is expected to offset weaker performance in the Middle East, Central Asia and sub-Saharan Africa.

Growth in the Middle East and North Africa is projected to continue its surge to 3.7 percent in 2026, from lower growth rates of 3.3 percent in 2025 and 2.1 percent in 2024. The forecast largely reflects development in the Gulf Cooperation Council (GCC) countries, particularly Saudi Arabia which is expected to maintain a 4.0 percent growth rate for 2026, same as 2025 but lower than the 4.4 percent estimated for 2024, where the unwinding oil production cuts was faster than expected.

Sub-Saharan Africa's growth is expected to expand to 4.4 percent in 2026 down from 4.1 percent in 2025, which is unchanged from 2024. Forecast for the Nigerian economy has been revised

upward on account of higher oil production, improved investor confidence, supportive and fiscal stance.

Figure 1: World Output Growth Rate



Source: *International Monetary Fund, World Economic Outlook-April 2026*

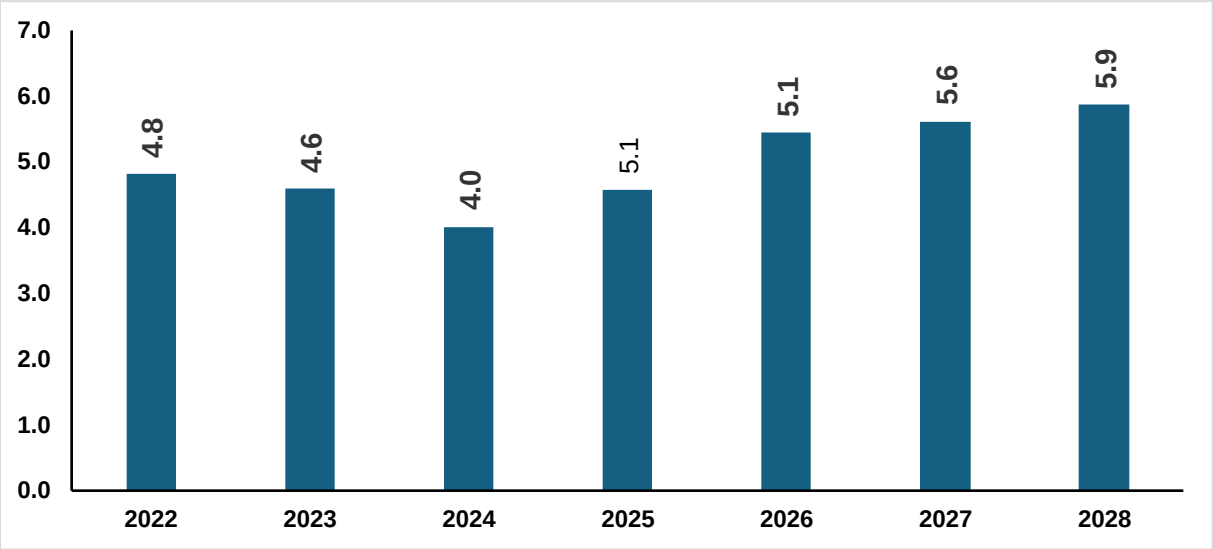
Global inflation is expected to decline gradually but remain above pre-pandemic levels, with world consumer prices averaging 6.2 percent in recent years and estimated to fall to 4.2 percent in 2025 and 3.7 percent in 2026. Inflationary pressures are forecasted to converge back to target earlier in advanced economies, reaching 2.2 percent in 2026, compared with emerging markets and developing economies for which it declines to 4.6 percent over the same period. Commodity prices, especially for oil and food, are expected to stabilize, with crude oil prices projected to average $69.8 per barrel in 2025 and $68.0 in 2026, contributing to easing inflation globally. Nevertheless, external financing conditions remain tight, and debt sustainability continues to pose a challenge for low-income countries, including Liberia, underscoring the need for prudent macroeconomic management and targeted policy interventions. Figure 1 below depicts world output growth.

Domestic Economic Performance and Outlook

Growth is projected at 5.1 percent in 2026, same as 2025 performance, but up from 4.0 percent in 2024, primarily supported by growth in all the major sectors. The medium-term outlook remains positive for 2026 to 2028, with an average growth rate of 5.5 percent, contingent upon improved public financial management, an increased private sector participation and political stability.

Strategic investments in Agriculture, Mining & Panning and Services, together with upgrades to key economic infrastructures, mainly roads and energy, are expected to ignite domestic production and set the economy on the path of long-term progress.

Figure 2: Liberia's GDP Growth Rate



Source: Liberian Authorities & IMF

Sector Contribution to GDP

The Mining & Panning Sector is anticipated to grow by 10.7 percent in 2026, compared to 2025 growth of 17.0 percent. This increase in production is largely due to expansions in gold and iron ore. The sector contributed 18.4 percent to Real GDP in 2025 and is expected to contribute 19.4 percent in 2026, contingent on new exploration licenses and foreign investments. It is further projected to grow at 10.8 in 2027 and 11.4 percent in 2028.

The Agriculture & Fisheries Sector is projected to grow by 4.1 percent in 2026, which is the same as compared to 2.9 in 2025. The decrease in 2025 is on account of decline in the production of key commodities, including rubber. The production of rubber decreased by 2.3 percent to 73,769 metric tons, from 75,471 metric tons in 2024 on account of low production by small farm holders. While rubber decreased, cocoa production increased by 55.0 percent to 33,459 metric tons, from 24,819 metric tons in 2024 on account of increase in harvest. Agriculture & Fisheries contributed 28.7 percent to Real GDP in 2025 and are expected to spike moderately in 2026 to 28.5 percent. Looking ahead, the sector is expected to grow by 4.0 percent in the medium term.

Table 1: Sector Composition of Real GDP Growth Rate

	2022	2023	2024	2025	2026	2027	2028
Real GDP (Millions of US$)	**3398.4**	**3554.2**	**3696.9**	**3865.8**	**4076.1**	**4305.1**	**4557.6**
Agri. & Fisheries	1009.3	1017.8	1059.9	1110.0	1161.6	1214.7	1269.1
Forestry	292.9	296.5	299.7	303.2	306.7	310.3	313.9
Mining & Panning	621.8	657.2	670.7	710.8	789.3	880.5	989.7
Manufacturing	199.1	216.9	232.2	246.0	260.6	276.1	292.3
Services	1275.3	1365.8	1434.3	1495.8	1557.9	1623.7	1692.6
Real GDP Growth (%)							
Real GDP	**4.8**	**4.6**	**4.0**	**5.1**	**5.1**	**5.6**	**5.9**
Agri. & Fisheries	3.1	0.8	4.1	2.9	4.1	4.0	4.0
Forestry	1.6	1.2	1.1	1.2	1.2	1.2	1.2
Mining & Panning	14.0	5.7	2.1	17.0	10.7	10.8	11.4
Manufacturing	2.2	8.9	7.1	-2.8	4.9	5.9	5.9
Services	4.8	7.1	5.0	3.3	3.7	4.1	4.2
Share of GDP (%)							
Agri. & Fisheries	29.7	28.6	28.7	28.7	28.5	28.2	27.8
Forestry	8.6	8.3	8.1	7.8	7.5	7.2	6.9
Mining & Panning	18.3	18.5	18.1	18.4	19.4	20.5	21.7
Manufacturing	5.9	6.1	6.3	6.4	6.4	6.4	6.4
Services	37.5	38.4	38.8	38.7	38.2	37.7	37.1
Nominal GDP (Millions of US$)	**3974.4**	**4390.5**	**4777.6**	**5219.7**	**5525.4**	**5873.6**	**6291.7**

Source: Liberian Authorities & IMF

The Service Sector is projected to grow by 3.7 percent in 2026. Growth in 2025 is estimated at 3.3 percent down from 5.0 percent recorded in 2024. The sector is the largest contributor to Real GDP with a share of 38.7 percent the same in 2024. The slowdown in growth rate was largely due to softer activity in the trade and hotels services subsector, construction-related services, government services, and other services. However, operational improvements in power infrastructure increased electricity supply by 122.6 million kilowatt-hours (23.8%) to 637.9 million kilowatt-hours in 2025, from 515.3 million kilowatt-hours in the previous year.

The Manufacturing Sector is expected to expand by 4.9 percent in 2026, from a contraction of 2.8 percent in 2025 as compared to 7.1 percent recorded in 2024. The decline in 2025 was on account of subdued domestic demand, structural conditions and inventory effect in cement and beverage production. Cement production declined by 8.3 percent to 648,128 metric tons in 2025, from 706,629 metric tons produced in 2024, while beverage production (alcoholic and non-alcoholic) fell by 8.6 percent to 39.0 million liters in 2025, from 42.6 million liters in 2024.

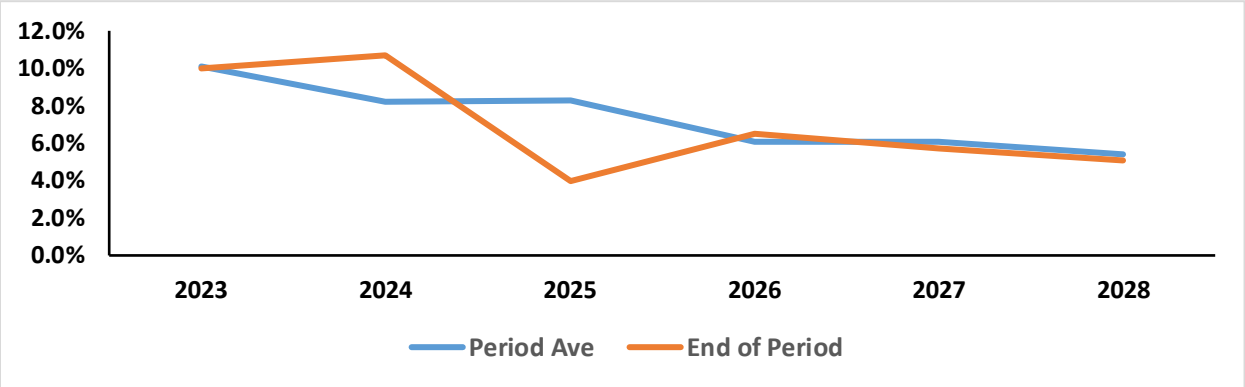
The Forestry Sector has maintained stable and consistent growth in recent years, supported by ongoing forest conservation agreements. The sector is expected to grow at a rate of 1.2 percent and a share of 7.5 percent to Real GDP in 2026. Growth in this sector declined slightly to 1.0 percent in 2025, down from 1.1 percent in 2024. This slight decline reflects government efforts aimed at minimizing deforestation. Hence, growth is expected to strengthen in the medium term, driven by planned revisions to conservation agreements and the introduction of key reforms. These efforts aim to enhance flexibility for responsible logging while promoting reforestation and sustainable forest management practices.

Inflation

At the end of December 2025, the inflation rate stood at 4.0 percent, a 6.0 percentage point decline when compared to 10.7 percent recorded for the same period in 2024. (Figures 3 and 4 below). Inflationary pressures showed signs of moderation in the second quarter of 2025, following a sharp uptick in the first quarter of 2025.

Liberia's average headline inflation rate is forecasted to reduce to 6.1 percent in 2026, down from 8.5 percent estimated in 2025. It is further projected to moderately reduce to 5.6 percent in the medium term (2027-2029) on account of tight monetary and fiscal policy measures.

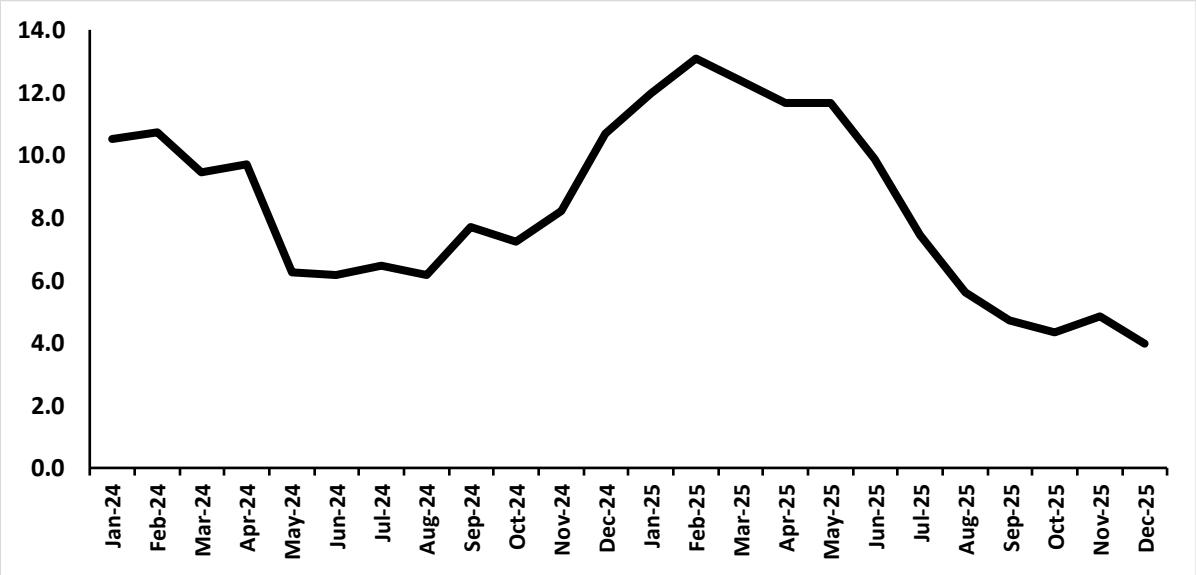
Figure 3: Year-on-Year Inflation Rate



Source: Liberia Institute for Statistics and Geo-Information Services

The stabilization of the inflationary pressure reflected an improved domestic food supply, prudent monetary and fiscal policies, and significant monetary policy tightening, reflecting structural pressures in the foreign exchange market and rising demand.

Figure 4: Monthly Inflation Rate



Source: Liberia Institute for Statistics and Geo-Information Services

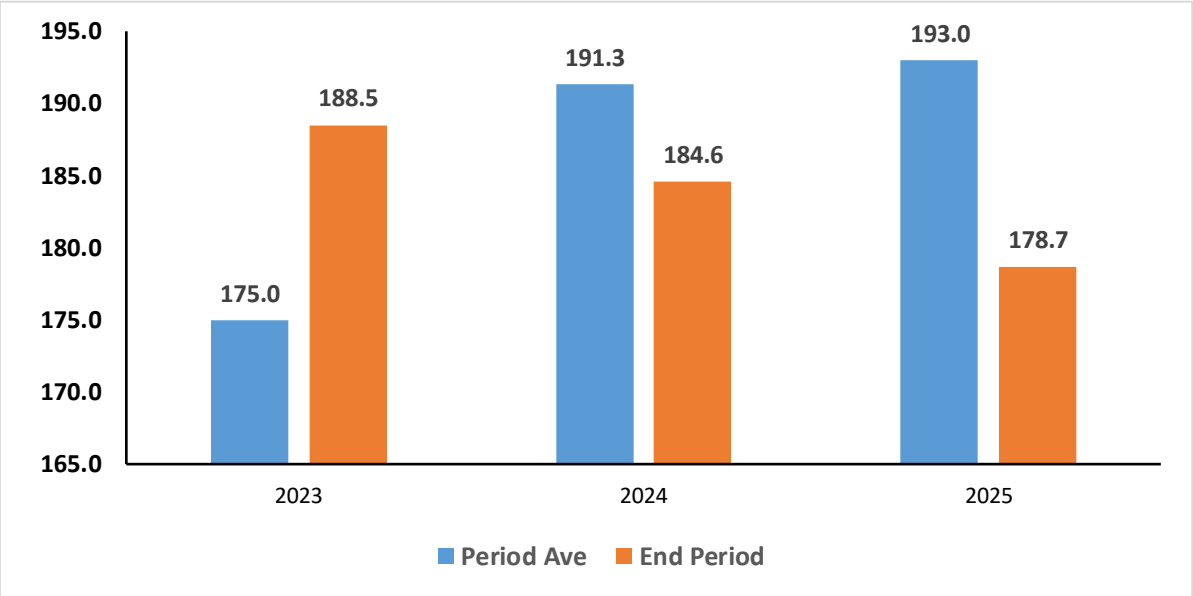
Exchange Rate Development

Low inflation and stable exchange rate are vital for economic stability. The average exchange rate between the Liberian dollars and the United States dollars depreciated by 0.9 percent to L$192.93/US$1.0 from L$191.31/US$1.0 reported in 2024. However, the period average exchange rate strengthened by 3.2 percent against the United States Dollars to L$178.7/US$1.0 from L$184.6/US$1.0 at end 2024, reflecting a gradual improvement in the currency's value. The

gradual appreciation of the Liberian dollar against the US dollar is attributed to improved foreign exchange inflows, tighter monetary and fiscal policies, increased in export earnings and reduced import demand.

Figure 5 below illustrates both the period average and end-period exchange rates of the Liberian dollar against the US dollar from 2023 to 2025. In 2023, the exchange rate was relatively high, with an average of L$174.96/US$1.0 and an end-period rate of L$188.5/US$1.0.

Figure 5: Figure 5: Exchange Rate Development



Source: Central Bank of Liberia

SECTION 2: FY2025 BUDGET

The FY2025 Draft National Budget was developed in alignment with Liberia's medium term development plan, the ARREST Agenda for Inclusive Development (AAID) which was launched in January 2025. One of the key priorities of the administration is to restore fiscal discipline and sustainability to achieve a fiscal primary balance of 6.8 percent of GDP by the end of 2027 through a combination of rationalization of non-priority spending and revenue mobilization. The medium-term fiscal target is to achieve a primary surplus of 2.5 percent of GDP by 2027.

Public Sector Investment Programs

Public Sector Investment Programs (PSIPs) are strategic frameworks adopted by the GoL to plan and execute investments in public infrastructure and services. The PSIPs look at the following:

1. The Medium-Term Fiscal/Expenditure Framework (MTFF/MTEF), designed to draw consistent linkages between the medium- and long-term policy objectives in Liberia's national development agenda, as set out in the AAID Agenda and the Vision 2030, and the framework for resource allocation: the national budget.
2. AAID is built on a foundation of inclusiveness, sustainability, justice and equality, transparency and accountability. Its objectives are as follows:
    - Aims at contributing to Liberia's transition to a lower middle-income country
    - Seeks to address interconnected challenges, including low literacy rates (59.9%) and high unemployment, which fuel societal instability.
    - Encourages a mindset shift among Liberians to recognize their potential for national development, considering national contingencies as well as regional socio-economic dynamics.
    - Calls for collaboration among all stakeholders, such as government, private sector, diaspora, and development partners, to revitalize the agribusiness sector, enhance infrastructure, and improve education and healthcare services as well as enhance inclusion and social cohesion of all citizens and residents.
    - Seeks to diversify economic activities, reduce reliance on exports of unprocessed commodities through investments in sectors that support domestic manufacturing, and promote tourism and technology.

The AAID consists of the following pillars:

PILLAR 1: ECONOMIC TRANSFORMATION

Sectors: Agriculture, and Industry & Commerce

Strategic Goal: Build a competitive, diversified, inclusive and resilient economy that is private sector driven for sustainable economic growth.

- The Economic Transformation pillar focuses on providing appropriate policy incentives for a conducive investment environment that supports local production, industrialization, employment and wealth creation, innovations, export growth, and import rationalization.

PILLAR 2: INFRASTRUCTURAL DEVELOPMENT

Sector: Infrastructure & Basic Services

Strategic Goal: Develop modern, reliable, inclusive and climate resilient infrastructure to support sustainable socio-economic development. The Infrastructural Development pillar focuses largely on the developments and programs in transport, seaports, energy and electricity and ICT infrastructure as well as housing.

- The Infrastructural Development pillar priorities creating resilient and accessible transport, seaports, water, electricity and ICT infrastructure as well as housing that promotes economic development, social inclusion, and environmental sustainability across Liberia.

PILLAR 3: RULE OF LAW

Sector: Security & Rule of Law

Strategic Goal: Establish a just, equitable, and accountable legal framework that ensures the protection of rights, promotes good governance, and fosters a stable environment.

- The Rule of Law pillar involves improving access to justice, ensuring the independence of the judiciary, and fostering community engagement in governance to uphold the rule of law as a foundation for sustainable development and social equity in Liberia.

PILLAR 4: GOVERNANCE AND ANTI-CORRUPTION

Sectors: Public Administration, Municipal Government, and Transparency & Accountability

Strategic Goal: Build accountable and effective institutions that can promote value for money service delivery, prevent and combat corruption and deepen decentralized governance.

- The Governance and Anti-Corruption pillar focuses on building a capable state by strengthening governmental systems both at the national and sub-national levels where public trust in institutions, political stability, and social cohesion can be enhanced.

PILLAR 5: ENVIRONMENTAL SUSTAINABILITY

Sector: Energy & Environment

Strategic Goal: Promote responsible management of natural resources, protect biodiversity, and enhance resilience to environmental and climate changes, while fulfilling the country's Nationally Determined Contributions, supporting economic growth and improving the quality of life for citizens.

- This pillar highlights measures to be taken to ensure that the environment is protected by the strict application of existing laws, policies and global conventions. It also identifies actions to be undertaken to remedy the situation for restoring the environment in a sustainable manner.

PILLAR 6: HUMAN CAPITAL DEVELOPMENT

Sectors: Education, Health, and Social Development

Strategic Goal: Develop a skilled, knowledgeable, healthy and empowered population, to drive sustainable and inclusive socio-economic development.

- It involves improving quality education and vocational training, promoting health and nutrition, and reducing vulnerability, inequality, and inequities facing disadvantaged groups.

Stages of the MTEF Budget Process

- The Public Financial Management Law passed in 2009 ushered in a substantial change in the budget process in Liberia, with the introduction of the first Medium-Term Expenditure Framework (MTEF) budget process in fiscal year (FY) 2012/13.
- The MTEF process has three main objectives: to ensure fiscal discipline by spending what the public sector can afford; to allocate resources in line with national priorities; and to ensure those resources are used as efficiently as possible.
- To strengthen the link between national priorities and the budget, the MTEF calls for two separate stages of the budget preparation process: a strategic phase and an operational phase. The strategic phase is used to review high level priorities and strategies before detailed resource allocation is undertaken as part of the operational phase. The operational

phase of the budget preparation concludes with the passing of the national budget by the national legislature.

- The MTEF has a three-year rolling baseline. This means that revenues (the amount of money coming into the Government coffers) and expenditure (the amount of money the Government intends to spend) must be planned over a three-year horizon, in line with national priorities. Any planning also needs to consider the off-budget expenditure by donors. Since Ministries, Agencies and Commissions (MACs) are informed of the resources that are likely to be available to them over a three-year period they are then able to plan.

Fiscal Measures

The focus of the FY2025 approved national budget is the GoL's commitment to the implementation of its AAID which is geared towards sustainable economic recovery and poverty reduction. Thus, the budget is guided by a few fiscal measures or principles to ensure the effective and efficient use of the available resources. These measures are divided into two parts, fiscal rules and fiscal targets:

Fiscal Rules

These Fiscal Rules which have been approved by the Cabinet will be used alongside Public Financial Management Instruments like the PFM Act of 2009 and its 2019 amendment and the PPCC Act of 2000 to guide expenditure decisions in the wake of the challenging global economic conditions which have local consequences. Overall control for executing the National Budget will be exercised through the application of the following general rules, which shall apply to all transactions:

- Total aggregate allotments for a particular appropriation line in a given fiscal year may not exceed the amount appropriated for that line in the Annual Appropriations Act.
- Heads of individual spending M&As are responsible for the proper and efficient execution of their budget and are fully accountable to the President and the Legislature for their performance in the implementation of their budgets.

The National Budget for Fiscal Year 2025 is US$880.7 million. With the Government's unwavering commitment to fund projects mainly in the infrastructure, basic services, energy, environment, health and education sectors, the only real scope for adjustment is the recurrent portion of the budget. Therefore, the introduction of the below Fiscal Rules shall help the government run an adjusted recurrent budget without necessarily forgoing the delivery of services critical to the mandate of ministries and agencies and at the same time ensure value for money.

Allotment Requirements

- No ministry or agency shall be eligible to receive allotments for goods and services (Account Code 22) unless they have submitted a Procurement Plan to the Public Procurement Concession Commission (PPCC) and the PPCC has approved the plan. Ministries and agencies will update their Procurement Plans periodically, as necessary, to ensure more accurate allotment requests.
- No ministry or agency shall be eligible to receive allotments for activity (All Accounts) unless their Spending Plan has been submitted and approved by the Department of Budget and Development Planning at the Ministry of Finance and Development Planning (MFDP).
- Ministries and agencies shall update their spending plans on a monthly/quarterly basis to ensure more accurate allotment requests, where necessary. If there are no substantial changes to the Spending Plan, then the ministry or agency should still report to the Department of Budget that the Spending Plan has not been changed.
- No payments shall be made for any expenditure that does not have sufficient allotment. This includes salary payments. Therefore, it is incumbent that ministries and agencies request quarterly allotments for salaries prior to the respective monthly payroll cycles in the quarter. Ministries and agencies that do not submit such allotment request will be penalized and all payments for goods and salaries (Code 22) will be suspended.

Advance Requirements

- Select ministries and agencies are entitled to receive advances and make use of bank accounts. However, these privileges are contingent on timely reporting and maintenance of accounting records. Therefore, payments for ministries and agencies will be suspended except for salaries if expenditure reports on the use of outstanding advances are not provided and entered the Information Financial Management Integration System (IFMIS) 25 days after the end of each month.

Expenditure Reporting

- All ministries and agencies are required to provide quarterly and monthly financial statements as per the PFM regulations. The failure of ministries and agencies to provide the required reports within 25 days after the reporting cycle will result in the suspension of future payments for non-salary expenditures.

Bank Reconciliations

- To support better financial reporting and cash management, ministries and agencies managing their own bank accounts are required to provide monthly bank reconciliations to the Financial Reporting Unit of the office of the Comptroller and Accountant General (CAG) of the Republic of Liberia within 5 days after the end of the month. If these ministries and agencies do not provide the required reconciliations by the reporting deadline, then payments for non-salary expenditure will be suspended.

MFDP Checks

- To support cash management, checks issued by the MFDP's Comptroller and Accountant General's Office shall expire 6 months after they have been issued. Accordingly, the consequences are as follows:
    - ✧ If the check was issued to make payment for legally binding obligation of the government as evidenced by an approved Local Purchase Order (LPO) then the payment voucher will have to be resubmitted for payment.
    - ✧ If the check was issued to make payment for an expenditure without an approved LPO, then both the voucher and payment will be canceled.

Lease Obligations and Other High Value Contracts

- Ministries are not to execute lease contracts unless funds have been specifically appropriated for the specific lease contract under Account Codes – 221301 Land Rental and Lease, 221302 Residential Property Rental and Lease and 221303 Office Buildings Rental and Lease.
- This condition shall also apply to other high value contracts, e.g. Equipment Leases (221304) or Consulting Services (221701)
- Failure to comply with this fiscal rule may result in penalties and reductions in future allotments.

Consultancy Services

- The remuneration for individual-based consultancy contracts shall not exceed the remuneration of the principal deputy of the institution. In exceptional cases where there is a compelling need, this rule may be relaxed based on approval of PPCC.
- Consultancy contracts shall not be approved for positions in the civil service structure for which skills can be readily found in an institution.

- Consultancy contracts must be task-based and must clearly include knowledge transfer provisions so that civil servants are trained to take up the task on the expiry date of the contract.
- Consultancy contracts shall not be for a period more than a Fiscal Year (or 12 months).

Travel Restrictions

- The Revised Travel Ordinance shall be reintroduced in Fiscal Year 2025.
- Except for government delegations headed by the Minister of Foreign Affairs, the Minister of Finance, Minister of Justice, Minister of Defense and the Minister of State, the maximum number of persons for a government funded Cabinet delegation shall not exceed three (3), inclusive of the head of delegation. Delegations of the Minister of Foreign Affairs shall not exceed five (5) persons, inclusive of the Minister. Delegations headed by the Minister of Finance, the Minister of Justice, the Minister of Defense and the Minister of State, shall not exceed Four (4) persons, inclusive of the minister. Cabinet delegations larger than the stipulated minimum shall require the express approval of the President. Special considerations shall be made for high level travels like that of the United Nations General Assembly as well as Annual Meetings of the International Monetary Fund (IMF), World Bank (WB), African Development Bank (AfDB), African Union (AU), and the Economic Community of West African States (ECOWAS).
- Cabinet Ministers and Heads of Spending Entities are strongly advised to manage their Foreign Travel appropriations prudently and efficiently and avoid spending hugely on travels whose dividends to the country cannot justify the total cost of travel.
- Except for the Vice President, Speaker, Pro Tempore, Chief Justice, and the ministers of Foreign Affairs and Finance and Development Planning, Justice, Defense and State for Presidential Affairs who shall travel by Business Class, all other travels shall be by economy class.
- Officials not in the category above may travel Business Class if their travel is externally funded.
- To save cost and where circumstances deem it feasible, the Government of Liberia shall be represented by Ambassadors or Special Nominees from the Liberian Embassy/ Mission at meetings and conferences held in countries where there are Liberian Embassies and Missions.
- Any change to travel plans unless expressly approved by a competent authority (i.e., the President or Head of Institution) shall be the full responsibility of the traveler.

- Travels should be properly planned at least 10 days in advance to avoid exorbitant ticket charges or travel will not be funded, unless approved exceptionally by the President for travel of a cabinet minister.
- Total GoL funded representation at any program/event held outside Liberia shall not exceed 5 persons unless special events expressly approved by the President.
- Total number of days spent abroad for which per diem shall be paid by the GoL shall not exceed seven (7) unless for special events expressly approved by the President.
- Ordinarily, total number of days for Domestic Travels shall not exceed Ten (10) days.

Printing and Publication

- Ministries, Agencies, Commissions and Authorities are encouraged to use electronic means such as emailing and publication of documents on their websites rather than physically printing documents to curtail printing costs. Unless otherwise required by Law, the number of printed copies should not exceed 50.

Foreign Training/Workshop

- For the Fiscal Year 2025, the GOL shall partially fund trainings, workshops, and study tours that are otherwise funded by external agencies. This does not apply to foreign scholarships based on National Capacity Development Strategy and managed by the Inter-Ministerial Scholarship Committee.
- Ministries/Agencies/Authorities/Commissions are encouraged to conduct local training and workshops in their conference rooms or Government-owned facilities preferably where minimum rental fees are required and pay special attention to catering costs.

Air Ticket Cost

- All Line Ministries and Agencies shall liaise with the Financial Regulation Unit in determining the cost of air tickets for the assurance of comparison with International Air Ticket Prices. All spending entities shall enter into contracts with registered tax compliant and qualified Travel Agencies for the supply of air tickets to GOL Officials.

Retirement

- All officials of government returning from a trip must provide proof (copy of stamped passport or boarding pass) of travel for last trip before undertaking another trip except for the president and vice president.

- All Officials undertaking domestic travels must present receipts for hotel accommodation within Three (3) days upon return from trips.

Purchase of Locally processed Rice

- Spending Entities are encouraged to prioritize the purchase of locally processed rice. This includes but is not limited to purchases by the AFL, Police Training Academy, the Bureau of Correction and Independence Day or special holidays rice bonuses.

Purchase of Locally processed furniture and fixture

At least 25% of the furniture and fixture purchased by spending entities shall be locally produced.

State Owned Enterprises (SOEs) Pay

- Where board fees are paid to Board Members, there shall be no sitting fees.
- Cabinet Ministers occupying either statutory or appointed Board Positions on Public Corporations or Autonomous Agencies shall not be entitled to Board or Sitting Fees.
- Boards are required to present proposal for Board fees to the President for approval Commissions without oversight boards are required to submit compensation proposal of senior management for approval by the President
- In cases where board has performed exceptionally and bonus is being paid, such proposal should be made to the President for approval.

Vehicle Maintenance & Repair

- The government will only be responsible for maintaining and ensuring utility vehicles and vehicles assigned to Presidential Appointees provided those vehicles have not been purchased under the Fleet Management Program in which case it becomes the responsibility of the owner.
- Maintenance of Government vehicles mentioned above shall be the sole responsibility of General Services Agency (GSA).

Purchase of New Vehicles/Fleet Management Policy

- GSA shall design a unique vehicle purchase scheme for vehicles that have completely deteriorated beyond effective use and not in working condition for auction/sale.
- GSA shall design a special vehicle turn over mechanism to avoid the possession of GOL vehicle by individuals leaving the employ of government.

- GSA shall design a special vehicle purchase scheme for political appointees who do not currently have assigned vehicles and have never benefited from the fleet management program.
- Spending Entities shall enter into contract with registered, tax compliant and qualified vendors for the purchase and maintenance of GOL vehicles subject to GSA Vehicle and Fleet Management System and Procedures.
- The vehicle purchase scheme shall be offered to civil servants all across the public service with the agreement that vehicles purchased will be used for government business and at the same time maintained and insured by the owner. However, vehicles determined by the GSA to have completely deteriorated beyond effective use and are not in working condition for which the cost of repair is prohibitively high shall be auctioned by the GSA.

Exchange Rate

- To avoid inflation or any form of distortion in the economy, the exchange rate used in any fiscal period, forward-looking, should be flexible towards the given CBL rate taking into consideration all Economic Indicators and variables.

Currency payment

- All Ministries and Agencies should ensure that contract for the purchase of goods or services be made flexible to accommodate payment in Liberian Dollars as and when necessitated by liquidity conditions.
- All staff including Elected and Appointed Officials should also make arrangement and be prepared to receive salary and wages in Liberian Dollars. The ratios will be determined based on liquidity position of the government.

Petty Cash Policy

- A policy will be established to guide the criteria by which petty cash funds will be established and approved, and proper management of those funds in accordance with the prevailing Financial Rules and Procedures of the Government of Liberia. The use of certain expenditure categories/codes (i.e. Operating expenses, other specialized materials, etc.) to meet **emergency** expenditures have the tendency to by-pass required procurement processes and thus, will be discontinued. Entities will need to work with MFDP to ensure appropriate codes are utilized.

Public Debt

- A head of government agency shall not incur or settle any commitment for which public money has not been provided by the National Budget or authorized to be charged on the Consolidated Fund.

Subsidies & Grants

- To strengthen the execution of Grant and Subsidies a policy was developed in 2018 as a step towards strengthening financial reporting and monitoring within Government operations to improve the overall effectiveness of how financial resources are used to deliver key services to its citizens. Although the policy is not being fully implemented, it is an essential tool for ensuring that the Government has well-structured fiscal policy goals which align the Government's spending.
- The transfers of funds to support service deliveries by non-government institutions in several sectors, including Education, Health, Social Development, Agriculture Sectors, etc. are key to our development initiatives. Recipients of grants and subsidies include universities, community colleges, hospitals and social welfare programs, etc. which support activities for youth and vulnerable populations. All Grants and Subsidy Recipients are required to:
  - ✧ provide detailed line-item use of funds allocated in the National Budget to their parent entity
  - ✧ must be monitored by parent entities to ensure funds provided are utilized to meet the objectives of the National Development Plan and report on the use of said funds.
- Overall control of National Budget execution will be exercised through application of the following general rules, which shall apply to all transactions:
  - ✧ Total aggregate allotments for a particular appropriation line in a given fiscal year may not exceed the amount appropriated for that line in the Annual Appropriations Act.
  - ✧ Heads of individual spending M&As & SOES are responsible for the proper and efficient execution of their budget and are fully accountable to the President and the Legislature for their performance in the implementation of their budgets.

MTEF Budget Sectors

The formulation of the budget on a sector-specific basis highlights the policy direction of the budget and simplifies the budgetary process. This guides the GoL in measuring the impact of the budget on different sectors and improves the coordination among M&As within each sector during

the budget preparation and execution thereby creating a credible budget. The MTEF budget is divided into the following sectors:

1. Agriculture
2. Education
3. Energy and Environment
4. Health
5. Industry and Commerce
6. Municipal Government
7. Infrastructure & Basic Services
8. Public Administration
9. Security and Rule of Law
10. Social Development Services
11. Transparency and Accountability

FY2025 Appropriations

In accordance with the budget law, the Executive Branch of Government submitted a draft budget of US$851.8 million to the National Legislature, inclusive of grant and borrowing for fiscal year 2025 (January 1 to December 31, 2025). Of the total, recurrent and Non-PSIP expenditure of the budget accounted for 87.1 percent (US$766.9 million) while capital expenditure accounted for 12.9 percent (US$113.8 million). Compared to FY2024 National Budget, FY2025 budget increased by 15.3 percent. Of the total resource envelope, 7.0 percent (US$60.0 million) accounts for external resources while 93.0 percent accounted for domestic revenue mobilization. Of the external resources, 33.3 percent accounted for grants while 66.7 percent accounted for loans.

FY2025 approved resource envelop amounted to US$880.7 million, representing a 19.2 percent or US$141.8 million increase over the FY2024 recast budget. This growth is due to steady domestic revenue performance, especially taxes on income and profit, goods and services, and international trade, as well as an increase in external resources.

Of the total FY2025 approved resource envelope, US$804.7 million is projected from domestic revenue, constituting 91.4 percent, with a year-on-year increase of 16.5 percent or US$113.8 million from US$690.9 million in FY2024. The major components of domestic revenue are Tax Revenue, accounted for US$639.0 million or 79.4 percent, and Non-Tax Revenue accounted for million or 19.8 percent (US$159.7 million). Contingent revenue amounted to US$18.8 million or 2.4 percent, of which the Liberia Petroleum Regulatory Authority (US$12.8 million) and Maritime DCO (US$6 million) are projected.

Recurrent and Non-PSIP expenditure for this fiscal year 2025 amounted to US$766.9 million representing 87.1 percent while capital expenditure accounted for US$113.8 million representing 12.9 percent of the resource envelope for FY2025. Of the budgeted recurrent spending,

compensation of employees amounted to US$315.6 million reflecting 41.2 percent of expenditure (recurrent) and 35.9 percent of the National Budget; expenditure for the use of goods and services amounted to US$149.6 million, representing 19.5 percent of total budgeted Recurrent and Non-PSIP expenditure and 16.9 percent of the budget; interest expenditures amounted to US$153.0 million representing 19.9 percent of Recurrent and Non-PSIP expenditures and 17.4 percent of the National budget; expenditure for the provision of grants accounted for US$123.3 million representing 16.1 percent of the recurrent and Non-PSIP expenditures and 14.0 percent of the resource envelope. Expenditure for the provision of social benefits amounted to US$21.9 million representing 2.9 percent of the recurrent and Non-PSIP expenditure and 2.5 percent of the draft budget.

Table 2: Budgetary Analysis by Sectors of Liberia

	Budget Sectors	Compensation of Employees	Use of Goods and Services	PSIP	Debt Service	Grants	Subsidies	Social Benefits	Total	FY2024
FY2025	Public Administration	86.4	47.6	21.3	153.0	29.0	3.5		340.8	277.5
	Municipal Government	12.4	9.5	-	-	11.0		6.0	38.9	32.3
	Transparency and Accountability	14.1	8.3	-	-	7.6		-	30.1	23.7
	Security and Rule of Law	65.7	35.0	-	-	25.5		-	126.3	109.7
	Health	45.5	10.9	12.5	-	18.3		4.3	91.4	79.1
	Social Development Services	2.9	1.0		-	-		8.6	12.5	18.9
	Education	60.4	21.1	13.4	-	24.8		-	119.7	108.4
	Energy and Environment	9.1	5.0	4.3	-	2.7		3.0	24.1	20.5
	Agriculture	3.0	2.0	7.4	-	4.4		-	16.8	6.7
	Infrastructure and Basic Services	10.5	5.6	54.9	-	-		-	71.0	54.0
	Industry and Commerce	5.7	3.5	-	-	-		-	9.2	8.2
	Total	**315.6**	**149.6**	**113.8**	**153.0**	**123.3**	**3.5**	**21.9**	**880.7**	**738.9**
FY2024	**Total**	**301.9**	**114.6**	**75.4**	**108.0**	**116.2**		**22.9**	**738.9**	

Source: Ministry of Finance and Development Planning

Economic Classifications

A significant driver of recurrent spending is the **wage bill** which amounted to US$315.6 million in FY2025 accounting for 35.8 percent of the total budgeted expenditure compared to 40.9 percent (US$301.9 million) budgeted for compensation in FY2024. The 4.5 percent increase in the wage bill is driven by upward adjustment in the salary of some civil servants in the lower income bracket particularly affecting the education, security, health and security sectors. Furthermore, the inclusion of some volunteer teachers on the government's official payroll also contributed to the increase in wage bill.

Appropriations for the **use of goods and services** accounted for 17.0 percent (US$149.6 million) of FY2025 budget compared to 15.5 percent (US$114.6 million) budgeted for FY2024 resulting to an increase of 30.5 percent. The increase in the use of goods and services is driven mainly by expansion in the GoL activities; thereby, leading to an increase demand in utilities like specialized materials for health and educations services, cleaning materials, property/personnel insurance, office building and residential property rental and lease fees, official representations including ambassadorial services, among others. Additionally, the government absorbed other activities as a consequence the termination of most USAID programs in Liberia.

Appropriation for **capital expenditure** including Public Sector Investment Projects (PSIP) spending for FY2025 amounted to US$113.8 million which represents 12.9 percent of the resource envelope compared to 10.2 percent (US$75.4 million) budgeted for FY2024, thus showing an increase of 51.0 percent; base on the GoL commitment to increase investments in roads and bridges, energy, transport equipment, machinery, furniture and fixture, ICT infrastructure, among others.

Appropriations for the provision of **grants** accounted for 14.0 percent (US$123.3 million) of FY2025, compared to 15.7 percent (US$116.2 million) of FY2024 budget; thereby reflecting an increase of 9.0 percent. The provision of grants increased on account of transfers to educational institutions, including county universities and community colleges, transfers to medical institutions, contribution to international organizations, ECOWAS Trade Agreement Levy, and etc…

Appropriations for **social benefits** accounted for 2.5 percent (US$21.9 million) of the total budgeted spending for FY2025, compared to 3.1 percent (US$22.9 million) for FY2024; thus, showing a marginal decrease of 4.4 percent. Social benefits are directed to retirement benefits, pension, former elected officials, incapacity, death benefits and funeral expenses, and others.

Appropriations for **debt service** accounted for 17.4 percent (US$153.0 million) of the total budgeted spending for FY2025, compared to 14.6 percent (US$108.0 million) for FY2024; thus, showing a 4.1 percentage point increase. The increase in debt service payment is on account of interest service and principal repayment on securities, multilateral and bilateral loans. Of the total projected debt service, interest payment accounted for 42.0 percent and principal repayment accounted for 58.0 percent. The increase in debt service is anchored on government commitment to administer its debt sustainability measures.

Budget Sectors

On the sectoral basis, appropriations for the **Agriculture** Sector accounted for 1.9 percent (US$16.8 million) of the fiscal-calendar year budget compared to 0.9 percent (US$6.7 million) of FY2024 budget, representing an increase of 149.0 percent. This increase is on account of expenditure on agriculture value chain project with specific focus in rice and cassava production, vegetable and poultry farm, recruitment and placement of essential workers and maintenance of warehouses in anticipation of increased harvest from investment in previous fiscal year

Appropriations for **Education** accounted for 13.6 percent (US$119.7 million) of FY2025 compared to 14.7 percent (US$108.4 million) of FY2024 budget, representing an increase of 10.4 percent. This increase is as a result Government's spending priorities to the sector include the expansion and renovation of public-school facilities, grants to universities, and the implementation of the free and compulsory education, inclusion of volunteer teachers on the GoL's payroll, and others.

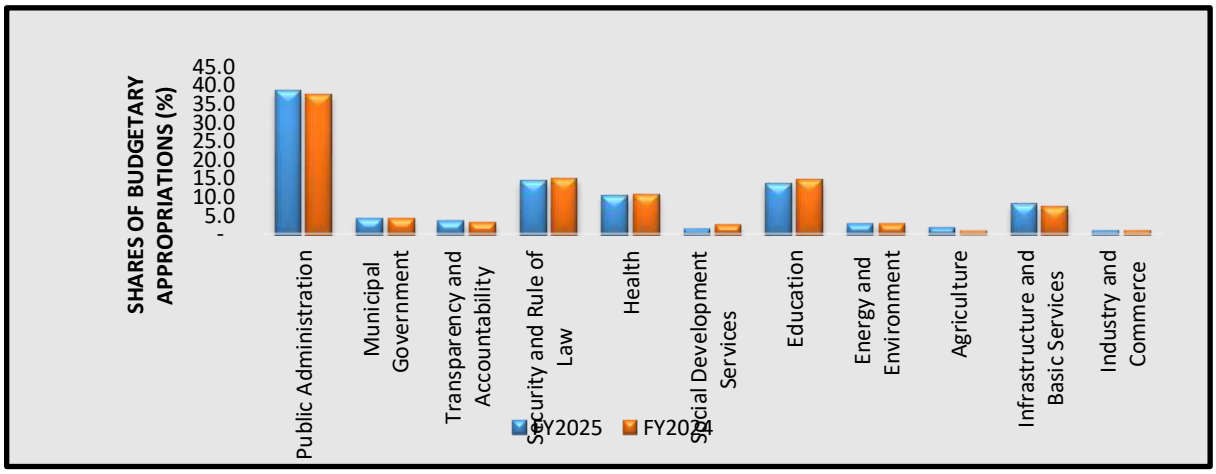
Appropriations for **Energy and Environment** represented 2.7 percent (US$24.1 million) of FY2025 budget compared to 2.8 percent (US$20.5 million) of FY2024 budget, thus representing an increase of 17.5 percent. The increment is due to prioritization of climate resilient initiatives, River Gee Hydro project, and ensuring stable electricity given in the dry season through the CSLG project under the West African Power Pool Program, etc.

Appropriations for **Health** accounted for 10.4 percent (US$91.4 million) of the budget compared to 10.7 percent (US$79.1 million) of FY2024 budget. This represented an increase of 15.8 percent. The increment is based on the Construction of Regional Diagnostics Center, rural housing facilities for health workers, medical equipment for health facilities, mental health intervention and the national drug revolving program among others.

Appropriations for **Industry and Commerce** for fiscal year 2025 accounted for 1.0 percent (US$9.2 million) compared to 1.1 percent (US$8.2 million) of FY2024 budget, thus representing an increase of 12.2 percent. The increase is on account of the operationalization of

the Liberia Standards Laboratory, Vulnerable Small Business Support Program, support to expand domestic private sector-led economic growth and development via Small Medium Enterprises (SMEs) development.

Figure 6: Budgetary Appropriation by Sectors of Liberia



Source: Ministry of Finance and Development Planning

Appropriations for the provision of **Infrastructure and Basic Services** accounted for 8.1 percent (US$71.0 million) of the total appropriation for FY2025 compared to 7.3 percent (US$54.0 million) of FY2024 budget; this represents an increase of 31.3 percent. The biggest drivers in this sector are road financing, the Southeastern Corridor Roads Asset Management Project (SECRAMP), pliability road intervention, meteorological equipment, bailey beaches, procurement of machinery and equipment, among others.

Municipal Government appropriations for FY2025 accounted for 4.4 percent (US$38.9 million) compared to 4.4 percent (US$32.3 million) of FY2024, representing an increase of 20.5 percent. Key components include County Development Funds (CDF), Cheeseman burg Landfill, and Urban Sanitation Project, as well as the transformation of solid waste management, decentralization, and the implementation of the County Development Agenda (CDA).

Appropriations for **Public Administration** accounted for 38.7 percent (US$340.8 million) of FY2025 budget compared to 37.6 percent (US$277.5 million) of FY2024 budget. This represents a decrease of 22.8 percent. Key drivers of this sector's allocation are servicing domestic and foreign debts, ECOWAS trade levy, social benefits, vendor share, and honoring other legal obligations.

Appropriations for **Security and** Rule **of Law** accounted for 14.3 percent (US$126.3 million) of FY2025budget compared to14.8 percent (US$109.7 million) of FY2024 budget, representing 15.1

percent increase. Key expenditure components under this sector are food, fuel and lubricants, drugs and medical supplies for prisons and barracks, renovation of various barracks, construction of judiciary and justice complex, intelligence services and security operations. Another driver for the increase is based on the upward adjustment in the salaries of some civil servants in the lower income bracket.

In the FY2025 budget, US$12.5 million appropriations for the **Social Development Services** Sector accounted for 1.4 percent compared to 2.6 percent (US$18.9 million) of FY2024 budget. This represents a decrease of 34.4 percent. Major social development expenditure will focus on contribution to at risk youth rehabilitation program, construction of albino headquarter project, district development projects, support to the National Commission on Disability, the National Youth Service Program, renovation of county youth centers, renovation of Judy Juah Vocational Center, renovation of Panama Agriculture Vocational Training Center, the special presidential back to school program, among others.

Appropriations for the **Transparency and Accountability** Sector amounted to 3.4 percent (US$30.1million) of FY2025 budget compared to 3.2 percent (US$23.7 million) of FY2024 budget, representing an increase of 27.1 percent. Supports to the sector are intended to promote and uphold democratic and participatory governance systems with sustained and equitable benefits of economic growth and social development through anti-graft institutions like the Public Procurement and Concessions Commission, Office of the Ombudsman, Liberia Extractive Industries Initiative, Liberia Anti-Corruption Commission, Governance Commission, Internal Audit Agency, General Auditing Commission, and many more.

SECTION 3: OUTTURN AND DEVELOPMENTS

This section provides information on the status of revenue collection and budget execution against the approved National Budget.

Government Finance Statistics (GFS)

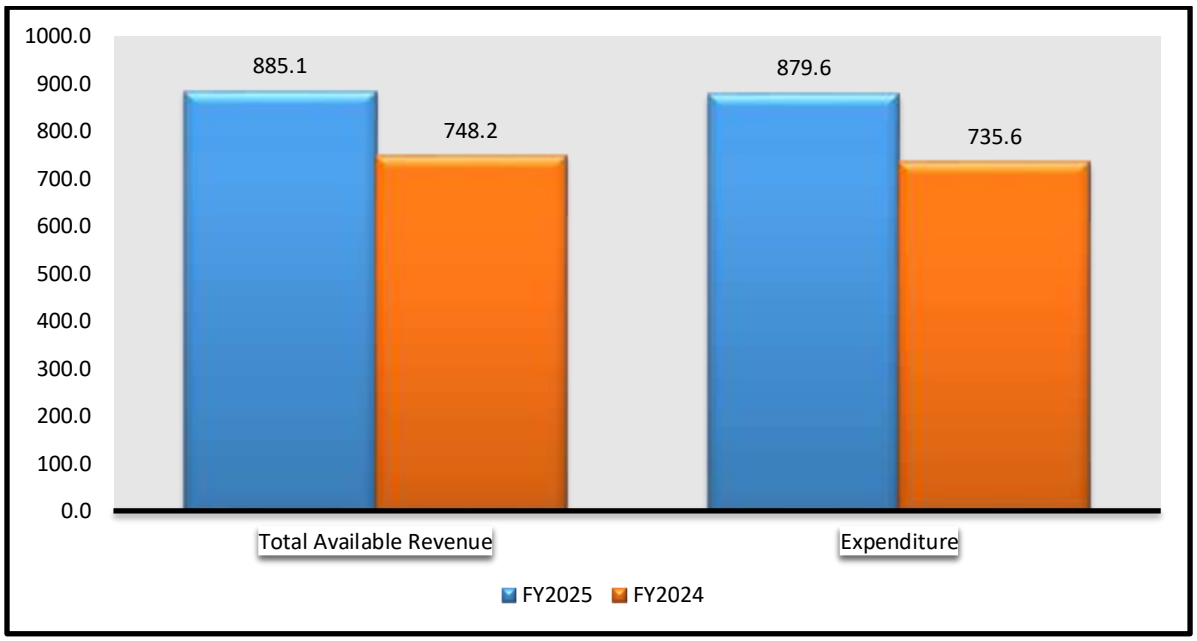
Government Finance Statistics (GFS) captures economic activities of the government covering revenues, expenditures, deficit/surplus, transactions in assets, transactions in liabilities and other economic flows. GFS forms the basis for fiscal monitoring by international monetary institutions, most notably the IMF. Table 6 in the appendix below provides cumulative information of the GoL's Finance Statistics as at end December 31, 2025. This includes all government fiscal transactions for the fourth quarter of 2025.

Domestic revenue including grant at the end of FY2025 amounted to US$872.6 million. Of this amount, tax revenue accounts for 79.4 percent, non-tax revenue accounts for 17.7 percent and grants accounts for 2.9 percent. Notwithstanding, the GoL's total expenditure for both recurrent and Non-PSIP and capital spending amounted to US$879.6 million. Of the total expenditure, recurrent and Non-PSIP expenditure accounted for 92.0 percent, and capital expenditure accounted for 8.0 percent.

Flow of Funds

The flow of funds describes financial flows within the public sector; basically, it highlights actual revenue collections against government expenditure. Total flow of funds collected domestically by the Government of Liberia, including grants at the end of the period FY2025 is US$872.6 million which accounted for 98.6 percent of the total resource envelope. Table 7 in the appendix and Figure 7 below show the performance of inflow of funds for the period FY2025. Compared to the same period for FY2024, total inflow of funds realized at the end of the period under review increased by 18.4 percent, whereas expenditure increased by 19.7 percent.

Figure 7: Performance of Flow of Fund



Source: Ministry of Finance & Development Planning

Revenue

Out of the total approved resource envelope of US$880.7 million, core (domestic) revenue amounted to US$798.7 million representing 89.2 percent. Of the US$880.7 million, tax revenues accounted for 73.1 percent (US$639.0 million) while non-tax revenues accounted for 18.3 percent (US$159.7 million). Borrowing accounted for 8.9 percent (US$76.0 million) of the total resource envelope, and Contingent Revenue-Domestic accounted for 2.1 percent (US$18.8 million).

Taxes on international trade accounted for 35.8 percent (US$228.7 million) of budgeted tax revenues, taxes on income and profits accounted for 48.0 percent (US$306.4 million) of tax revenues, and taxes on goods and services accounted for 13.8 percent (US$88.4 million). Property income accounted for 79.0 percent (US$115.9million) and administrative fees accounted for 20.6 percent (US$30.2 million) of the budgeted non-tax revenues projection, respectively.

Total revenue collected at the end of FY2025 amounted to US$885.7 million. This represents 100.8 percent of the total resource envelope. Domestic revenues accounted for 97.0 percent, while grants accounts for 3.0 percent of the total collected resources. Compared to the same period of the previous fiscal year, domestic revenue mobilization experienced an increase of 26.8 percent. Table 8 in the appendix and Figure 7 above provides a breakdown of the GoL revenue performance for FY2025.

External Resources

Total projection of off-budget development assistance for FY2025 for projects amounted to US$373.7 million; of which grants accounted for US$214.2 million representing 54.3 percent while loans accounted for US$159.6 million representing 45.6 percent. Thus, as at end December 2025, the actual disbursement of external assistance amounted to US$306.5 million, representing 56.5 percent of total projected development assistance; of which grants account for US$191.3 million representing 59.8 percent while loans accounted for US$ 114.9 million representing 40.2 percent.

Table 3: Aid Projections and Disbursement by Sectors

Budget Sectors	FY2025 Projection (Jan- Dec 2025)				FY2025 Disbursement Jan-Dec 2025.)			
	Grants	Loan	Total	% Share of Proj.	Grants	Loan	Total	% Share of Disbur.
Pillar 1: Economic Transformation	**31.7**	**35.8**	**67.5**	**18.1**	**45.7**	**22.2**	**67.9**	**22.2**
Industry and Commerce	3.8	10.5	14.3	3.8	8.3	4.9	13.2	4.3
Agriculture	27.9	25.3	53.2	14.2	37.5	17.3	54.8	17.9
Pillar 2: Infrastructural Development	**13.2**	**59.8**	**73.0**	**18.5**	**16.6**	**27.3**	**43.9**	**14.3**
Infrastructure and Basic Services	10.5	56.3	66.8	17.9	10.9	23.9	34.8	11.3
Energy and Environment	2.7	3.6	6.2	1.7	5.7	3.4	9.1	3.0
Pillar 3: Rule of Law	**8.7**	**0**	**8.7**	**2.4**	**1.7**	**0**	**1.7**	**0.5**
Security and Rule of Law	8.7	0	8.7	2.3	1.7	0	1.7	0.5
Pillar 4: Government and Anti-Corruption	**37.3**	**17.6**	**54.9**	**14.7**	**35.2**	**8.9**	**44.0**	**14.4**
Transparency and Accountability	4.9	0	4.9	1.3	6.4	0	6.4	2.1
Public Administration	25.9	17.6	43.5	11.6	27.6	8.9	36.4	11.9
Municipal Government	6.5	0	6.5	1.7	1.2	0	1.2	0.4
Pillar 5: Environmental Sustainability	**16.7**	**15.7**	**32.4**	**10.6**	**15.6**	**31.5**	**47.1**	**15.4**
Energy and Environment	16.7	15.7	32.4	8.7	15.6	31.5	47.1	15.4

Pillar 6: Human Capital Development	**106.6**	**30.6**	**137.3**	**36.7**	**76.6**	**25.1**	**101.9**	**33.3**
Education	31.8	0	31.8	8.5	17.2	0	17.2	5.6
Energy and Environment			0		0.1	0	0.1	0.0
Health	51.9	16.3	68.2	18.3	35.4	13.8	49.2	16.1
Public Administration			0		0.2	-	0.2	0.1
Social Development Services	22.9	14.3	37.2	10.0	24.0	11.2	35.2	11.5
Grand Total	**214.2**	**159.6**	**373.7**	**100.0**	**191.3**	**114.9**	**306.5**	**100.0**

Source: Ministry of Finance and Development Planning

- Human Capacity Development: 33.3 percent (US$101.9 million) was disbursed to **Pillar 6**
- Economic Transformation: 22.2 percent (US$67.9 million) was disbursed to **Pillar 1**
- Environmental Sustainability: 15.4 percent (US$47.1 million) was disbursed to **Pillar 5**
- Governance and Anti- Corruption:14.4 percent (US$44.0 million) was disbursed to **Pillars4**
- Infrastructure Development: 14.3 percent (US$ 43.9 million) was disbursed to **Pillars 2 and**
- Security Rule of Law: 0.5 percent (US$ 1.7 million) was disbursed to **Pillars 3**

Budget Execution

The total allotment at end of FY2025 National Budget was US$880.9 million (100.2 percent). Of this amount, US$879.6 million was spend, accounting for 99.9 percent of allotment as at end December 2025. Expenditure for the period under review accounted for 99.9 percent of the National Budget.

On the sectoral basis, Public Administration, Education, Security & Rule of Law, Health, and Transparency and Accountability accounted for a substantial portion of the budget execution at the end of FY2025. Based on economic classification, Compensation of Employees, Use of Goods and Services, Interest and Grants account for significant portion of the budget execution. Table 3 and 4 shows a breakdown of GoL allotment by sectors and economic classifications at the end of the period under review FY2025, compared to the same period in the previous fiscal year allotment increase by 19.3 percent

Table 4: Budget Execution by economic classifications

	Budget	Allotm.	Cash	Allotm. (% of Budget)	Cash (% of Allotm.)	Cash(% of Budget)
Compensation of Employees	315.6	309.0	309.2	97.9	100.1	97.9
Use of Goods and Services	149.6	199.2	194.2	133.2	97.5	129.8
Capital Spending	113.8	74.4	70.6	65.3	94.9	62.0
Debt Service	153.0	152.2	155.3	99.5	102.1	101.5
Grants	123.3	121.0	125.6	98.2	103.8	101.9
Subsidies	3.5	4.1	3.8	117.1	92.7	108.5
Unreconciled	-	-	-	-	-	-
Social Benefits	21.9	21.1	21.1	96.2	100.0	96.2
Total	**880.7**	**880.9**	**879.6**	**100.0**	**99.9**	**99.9**

Source: Ministry of Finance and Development Planning

Total expenditure incurred by spending entities at the end of the FY2025 amounted to US$879.6 million, compared to US$735.1 million recorded for the same period in FY2024; thus, representing an increase of 19.7 percent. This increase is underpinned by the increment in the compensation of selected categories of civil servants (security, medical, and educational works and others). Therefore, total expenditure incurred during the period under review accounted for 99.9 percent of the National budget.

Allotment for **Wage Bill** accounted for 97.9 percent of total appropriation for compensation of employees out of which expenditure accounted for 100.1 percent during the period under review. Expenditure for payment of salaries and benefits to GoL employees accounted for 97.9 percent of the total appropriation for wages budgeted for FY2025. Compensation of employees' accounted for 35.4 percent of the total expenditure incurred, compared to 39.6 percent incurred at the end of the of FY2024, thus representing an increase of 6.2 percent. The increase in the wage bill is driven by upward adjustment in the salary of some civil servants in the lower income bracket particularly affecting the education, security, health and security sectors. Furthermore, the inclusion of some volunteer teachers on the government's official payroll also contributed to the increase in wage bill.

Allotment for the provision of **Goods and Services** accounted for 133.2 percent of the total appropriation for the use of goods and services for FY2025, out of which 97.5 percent was spend. At the end of the period under review, 129.8 percent of the appropriation for the use of goods and

services accounted for total expenditure. The use of goods and services accounted for 22.1 percent of the total expenditure incurred during the period under review FY2025 compared to 17.1 percent incurred at the end of the same period of FY2024, thus reflecting an increase of 54.4 percent. The increase in the use of goods and services is driven mainly by expansion in the GoL activities; thereby, leading to an increase demand in utilities like specialized materials for health and educations services, cleaning materials, property/personnel insurance, office building and residential property rental and lease fees, official representations including ambassadorial services, among others. Additionally, the government absorbed other activities as a consequence the termination of most USAID programs in Liberia.

Allotment for the provision of **Capital Spending** accounted for 65.3 percent of total appropriation for grants for FY2025, out of which 94.9 percent was spent. Thus, 62.0 percent of the total appropriation for capital spending accounted for total expenditure at the end of the period under review. Capital spending accounted for 8.0 percent of the total expenditure incurred during the period under review, compared to 9.7 percent in FY2024, on the GoL investments in roads and bridges, energy, transport equipment, machinery, furniture and fixture, ICT infrastructure, among others.

Allotment for the provision of **Grants** accounted for 98.2 percent of total appropriation for grants for FY2025 out of which 103.8 percent were commitment. Thus, 101.9 percent of the total appropriation for grants was expended at the end of the period under review. Grant accounted for 14.3 percent of the total expenditure incurred during the period under review, compared to 14.9 percent incurred at the end of the of FY2024, thus representing a decrease of 14.7 percent. The provision of grants increased on account of transfers to educational institutions including county universities and community colleges, transfers to medical institutions, contribution to international organizations, ECOWAS Trade Agreement Levy, and etc.

Allotment for **Debt Service** accounted for 99.5 percent of total budgetary appropriation for FY2025 out of which 102.1 percent was spent. Thus, 101.5 percent of total appropriation for debt service accounted for the total expenditure at the end of FY2025. Debt service accounted for 17.7 percent of the total expenditure during the period under review, compared to 16.1 percent for the same period in FY2024, thus reflecting an increase of 30.9 percent. The increase in debt service is anchored on government's commitment to administer its debt sustainability measures.

Allotment for **Social Benefits** accounted for 96.2 percent of total appropriation for social benefits for FY2025, out of which 100.0 percent was spent. Thus, 96.2 percent of total appropriation for

social benefits accounted for expenditure at the end of the period. Social benefits accounted for 2.4 percent of the total expenditure during the period under review compared to 2.5 percent incurred for the same period in FY2024, thus representing an increase of 14.2 percent change.

Budget Sectors

Allotment for the **Agriculture sector** accounted for 69.4 percent of the total appropriation for the Agricultural sector for FY2025, out of which 99.1 percent was spent. Expenditure for the sector accounted for 68.3 percent of total appropriation for the sector. The agricultural sector accounted for 1.3 percent of the total expenditure incurred compared to 0.9 percent for the same period in FY2024. Thus, reflecting an increase of 80.0 percent. This increase is on account of spending agriculture value chain project with specific focus in rice and cassava production, vegetable and poultry farm, recruitment and placement of essential workers and maintenance of warehouses in anticipation of increased harvest from investment in previous fiscal year.

Allotment for **Education sector** accounted for 99.6 percent of the total appropriation for the educational sector out of which 98.2 percent was spent. Thus, 97.8 percent of total appropriation for the education sector were committed at the end of the period. The sector accounted for 13.3 percent of the total expenditure made during the period under review compared to 14.1 percent spent for the same period in FY2024 reflecting an increase of 12.9 percent. This increase is as a result Government's spending priorities in this sector, which include the expansion and renovation of public-school facilities, grants to universities and the implementation of the free and compulsory education, inclusion of volunteer teachers on the GoL's payroll, and others.

The **Energy and Environment sector** reported an allotment of 96.8 percent of the total appropriation for the sector for FY2025. Of this amount, 98.6 percent was spent. Thus 95.4 percent of total appropriation for the sector accounts for expenditure. This sector accounted for 2.6 percent of the total expenditure during the period under review compared to 2.4 percent issued for the same period in FY2024, thus reflecting an increase of 30.8 percent. This increase is due to prioritizing climate resilient initiatives, River Gee Hydro project and ensuring stable electricity given in the dry season through the CSLG project under the West African Power Pool Program, etc.

Allotment for **Health sector** accounted for 97.6 percent of the total appropriation for the health sector for FY2025, out of which 100.2 percent was spent. As at end of December 2025, the health sector accounted for 97.8 percent of the total actual expenditure. The sector accounted for 10.2 percent of the total expenditure incurred during the period under review compared to 10.1 percent incurred for the same period in FY2024, reflecting an increase of 20.3 percent. The increase is

based on the Construction of Regional Diagnostics Center, rural housing facilities for health workers, medical equipment for health facilities, mental health intervention and the national drug revolving program among others.

Table 5: Budget Sector

Budget Sectors	**Budget**	**Allotm.**	**Cash**	Allotm. (% of Budget)	Cash (% of Allotm)	Cash(% of Budget)
Public Administration	340.8	349.3	355.7	102.5	101.8	104.4
Municipal Government	38.9	37.9	35.8	97.6	94.3	92.1
Transparency and Accountability	30.1	30.3	29.9	100.7	98.7	99.4
Security and Rule of Law	126.3	130.4	131.4	103.3	100.8	104.0
Health	91.4	89.2	89.4	97.6	100.2	97.8
Social Development Services	12.5	13.5	13.5	107.7	100.3	108.1
Education	119.7	119.2	117.1	99.6	98.2	97.8
Energy and Environment	24.1	23.3	23.0	18.8	98.6	95.4
Agriculture	16.8	11.6	11.5	69.0	99.1	68.3
Infrastructure and Basic Services	71.0	66.1	62.6	93.1	94.6	88.1
Industry and Commerce	9.2	10.1	10.0	109.1	99.4	108.4
Total	**880.7**	**880.9**	**879.6**	**100.0**	**99.9**	**99.9**

Source: Ministry of Finance and Development Planning

Industry and Commerce sector revealed an allotment of 109.1 percent of total appropriation for the sector for FY2025. Of this amount, 99.4 percent reflect actual commitment. Thus, 108.4 percent of total appropriation for the sector accounted for total expenditure at the end of December 2025. This sector accounted for 1.1 percent of the total expenditure realized during the period under review compared to 1.1 percent incurred for the same period in FY2024 thus revealing an increase of 25.7 percent. The increase is on account of the operationalization of the Liberia Standards Laboratory, Vulnerable Small Business Support Program, support to expand domestic private sector-led economic growth and development via Small Medium Enterprises (SMEs) development.

Allotment for the **Infrastructure and basic services** sector accounted for 93.1 percent of total appropriation for the sector, out of which 94.6 percent was spent. Thus, 88.1 percent of total budgetary appreciation for infrastructure and basic services accounted for cash expenditure at the

end of the fourth quarter of FY2025. The sector accounted for 7.1 percent of the total commitment incurred during the period under review compared to 8.0 percent for the same period in FY2024 reflecting an increase of 6.2 percent. The biggest drivers in this sector are road financing, the Southeastern Corridor Roads Asset Management Project (SECRAMP), pliability road intervention, meteorological equipment, bailey beaches, procurement of machinery and equipment, among others.

Allotment for the **Municipal Government sector** accounted for 97.6 percent of the total appropriation for the sector. Of this amount, 94.3 percent was spent. Thus, 92.1 percent of total appropriation for the sector accounts for actual expenditure at the end of the period under review. This sector accounted for 4.1 percent of the total expenditure compared to 4.2 percent incurred for the same period in FY2024, thus revealing an increase of 15.4 percent. Key components include County Development Funds (CDF), Cheesemanburg Landfill, and Urban Sanitation Project, as well as the transformation of solid waste management, decentralization, and the implementation of the County Development Agenda (CDA).

Allotment for **Public Administration** accounted for 102.5 percent of total appropriation for the sector for FY2025, out of which 101.8 percent accounted for actual expenditure. Thus, 104.4 percent of total appropriation for public administration sector was executed at the end of fiscal period. The sector accounted for 25.6 percent of the total cash spent during the period under review, compared to 38.5 percent for the same period in FY2024, reflecting an increase of 25.6 percent. Key drivers of this sector's allocation are servicing domestic and foreign debts, ECOWAS trade levy, social benefits, vendor share, and honoring other legal obligations.

Security and Rule of Law sector reported an allotment of 103.3 percent of total budgetary appropriation for the sector for FY2025. Of this amount, 100.8 percent was spent. Thus,104.0 percent of total appropriation for the sector was executed at the end of the period under review. This sector accounted for 14.9 percent of the total expenditure during the period under review same as FY2024, thus revealing an increase of 19.6 percent. Key expenditure components under this sector are food, fuel and lubricants, drugs and medical supplies for prisons and barracks, renovation of various barracks, construction of judiciary and justice complex, intelligence services and security operations. Another driver for the increase is based on the upward adjustment in the salaries of some civil servants in the lower income bracket.

Allotment for **Social Development** services accounted for 107.7 percent of total appropriation for the sector for FY2025, out of which 100.3 percent was executed. Thus, 108.1 percent of total

budgetary appreciation for social development services accounts for expenditure at the end of the period. The sector accounted for 1.5 percent of total expenditure during the period under review compared to 2.5 percent for the same period in FY2024, reflecting a decrease of 27.7 percent.

Transparency and Accountability sector reported an allotment of 100.7 percent of total budgetary appropriation for the sector for FY2025. Of this amount, 98.7 percent was executed. Thus, 99.4 percent of total appropriation for the sector accounted for the expenditure at the end of the period under review. This sector accounted for 3.4 percent of the total commitment during the period under review, compared to 3.2 percent for the same period in FY2024, thus revealing an increase of 25.8 percent.

Public Debt

Total public debt stock as at end December 30, 2025 stood at US$2.8 billion. Of the total debt stock, domestic debt stock accounted for US$1.2 billion, which represents 42.9 percent of the total debt stock, and external debt stock accounted for US$1.6 billion, and represents 57.7 percent of the total debt stock. The total debt stock as a percentage of nominal GDP stands at 54.1 percent.

Table 6: Public Debt Stock and Debt Service as at End-December 2025

	FY2024	FY2025
Debt Stock (Billions of US$)	**2.6**	**2.8**
Domestic	1.1	1.2
External	1.5	1.6
Debt Service Millions of US$)	**111.4**	**151.3**
Domestic	**51.0**	**80.2**
Principal	14.8	33.2
Interest	36.3	47.0
External	**56.0**	**66.4**
Principal	36.5	46.0
Interest	19.5	20.4
Core debt service	**107.1**	**146.5**
Subscriptions	**4.3**	**4.7**

Source: Ministry of Finance and Development Planning

Total debt service for the period under review was US$151.3 million, of which core debt service accounted for US$146.5 million. Of the total core debt service, principal repayment amounted to US$79.2 million and interest was US$67.3 million. Total principal repayment to external creditors was US$66.36 million, while domestic recorded US$33.2 million. On the other hand, interest

payment to external creditors was US$20.4 million and US$47.0 million was paid to domestic creditors.

Comparatively, total core debt service increased by 36.9 percent in FY2025 from US$107.1 million recorded for FY2024. Total subscription payments to international organizations during the period was US$4.7 million while US$4.3 million payment was made in FY2024, accounting for 10.0 percentage increase.

SECTION 4: PERFORMANCE OF ARREST AGENDA

This section highlights an overview significant progress across six key national development drivers: Agriculture, Roads, Rule of Law, Education, Sanitation, and Tourism; demonstrating coordinated efforts toward sustainable development and improved public service delivery.

- **Agriculture**: Major strides include support for smallholder farmers, expansion of climate-smart practices, establishment of nurseries and seed production facilities, and launch of large-scale poultry and irrigation projects. School feeding programs have scaled up, benefiting thousands of students.
- **Roads**: Infrastructure development spans primary, feeder, and community roads, totaling hundreds of kilometers improved or under construction. The National Transit Authority has expanded services and fleet capacity to enhance mobility.
- **Rule of Law**: Institutional reforms include drafting critical legislation, launching alternative dispute resolution mechanisms, digitizing court processes, and advancing justice through the operationalization of the War and Economic Crimes Court and legal reviews.
- **Education**: Substantial investments in teacher training, student welfare, and learning infrastructure are evident. Over 2,000 volunteer teachers deployed, thousands of girls supported via hygiene and scholarship programs, and widespread ICT and lab upgrades mark major educational gains.
- **Sanitation**: Key water supply and sewage rehabilitation projects have increased access to clean water for millions of gallons and improved sanitation services in urban and rural communities.
- **Tourism**: Foundational steps taken to grow the sector include regulatory reform, digital innovation (mobile app, data platforms), reduced visa costs, and investment in ecotourism and cultural heritage sites.

Collectively, these achievements reflect a multi-sectoral approach to national transformation, aligned with Liberia's development agenda, the ARREST Agenda for Inclusive Development (the AAID).

Table 7: Key Achievements of AAID Drivers: For FY2025

Sector	Key Interventions & Achievements	Major Impacts & Outcomes
Agriculture	• **Input Support & Subsidies:** Provided subsidies (US$1,000.00 each), seed rice, fertilizer, 25 rice mills, and 60 power tillers to more 150 farmers under the Emergency Rice Production Offensive (ERPO) project. • **Mechanization:** Commenced construction of 8 mechanization hubs across 5 counties (1 completed, 7 at 85 percent) • **Cooperative Support:** Formalized 1,432 farmer cooperatives and provided extension services to 358 of them. • **Livestock & Fisheries:** Commissioned Liberia's first semi-industrial fishing vessel.	• **Increased Yields:** Rice output increased to 155,000 MT (totaling 250,000 MT overall); Cassava to 57,777 MT; and Cocoa/rubber/oil palm/coffee to 700,000 MT. • **Food Security:** Produced 501,006 MT of poultry meat and 30,417 crates of eggs. • **Job Creation:** Fostered agricultural youth entrepreneurship and formalized farming operations.
Road	• **Primary Roads:** Paved, expanded, and rehabilitated **121.6 km** of primary roads. • **Secondary & Feeder Roads:** Rehabilitated **231.67 km** of secondary roads. • **193.99 km** of **feeder roads** across the country. • **Urban Roads:** Upgraded and maintained **137 km** of urban community roads with drainage systems. • **Equipment & Safety:** Procured 285 pieces of heavy "yellow machines" for road maintenance and installed 62 traffic signs.	• **Enhanced Connectivity:** Improved year-round access between remote agricultural production areas and major markets. • **Economic Boost:** Significantly reduced travel time and transportation costs, increasing local trade volumes.
Rule of Law	• **Alternative Dispute Resolution (ADR):** Drafted ADR legislation and established 4 pilot offices. Referred 278 cases to ADR, resulting in 152 settlements. • **Child & Human Rights:** Diverted 422 juvenile cases from the adult system; issued 554 Child Justice Exit Clearances. • **Anti-Narcotics:** LDEA arrested 552 (132 female, 420 male) suspects and seized over 9,904 kg of illicit drugs (valued at US$2.2 million).	• **Decongestion:** Reduced court dockets and prison overcrowding through ADR and new prison facilities. • **Child Protection:** Positioned Liberia as a regional model for child-friendly justice. • **Public Safety:** Ranked among Africa's 10 most peaceful countries in the 2025 Global Peace Index.

	• **Justice Infrastructure:** Rolled out the Case Management Information System (CMIS); built/renovated prisons to ease overcrowding; advanced the establishment of the War and Economic Crimes Court.	
Education	• **Teacher Capacity:** Recruited and deployed **2,148** volunteer teachers; placed **9,381** teachers on the government salary payroll; trained 692 teachers in continuous professional development. • **Infrastructure & Supplies:** Renovated 20 public schools, built 3 model secondary schools, and established digital/STEM labs in 156 schools. Produced 17,288 armchairs. • **Student Support:** Provided school feeding to **239,000** students; conducted vision screening for 103,789 students; provided scholarships to 988 girls. • **TVET Expansion:** Integrated TVET programs into high schools and constructed 10 new disability-accessible TVET centers.	• **Learning Environment:** Drastically reduced classroom overcrowding and improved physical infrastructure. • **Access & Equity:** Increased enrolment and retention of vulnerable students (especially girls) through feeding programs and scholarships. • **Workforce Readiness:** Expanded vocational training to prepare youth for the job market.
Sanitation	• **TVET Expansion:** Integrated TVET programs into high schools and constructed 10 new disability-accessible TVET centers. • **Water Supply:** LWSC produced and distributed **846 million gallons** of water. Made 3,210 new household connections and regularized 1,174 illegal connections. • **Sewage Management:** Connected 1,751 newly constructed urban homes to the sewer system; safely removed over 72,000 cubic meters of sludge. • **Solid Waste:** Reopened/renovated two major transfer stations in Monrovia (Fiamah and Stockton Creek). • **Green Energy Integration:** Completed feasibility studies for a landfill gas (LFG) methane recovery system at the Cheesemanburg landfill.	• **Public Health:** Safeguarded communities from waterborne diseases by reducing non-revenue water (leaks) from 61 percent to 54 percent • **Urban Hygiene:** Reduced neighbourhood waste overflow through modernized collection logistics and transfer stations.
Tourism	• **Institutional Framework:** Established the **National Tourism Authority** and passed the 2025 National Tourism Act.	• **Economic Diversification:** Laid the foundational infrastructure

	• **Digital Access:** Launched and operationalized an e-Visa and visa-on-arrival portal at Roberts International Airport. • **Eco-Tourism:** Supported 23 Eco-tourism initiatives and established 35 Village Savings and Loan Associations (VSLAs) in forest-edge communities to fund eco-friendly enterprises (guest hosting, crafts). • **Youth Integration:** Trained 40 youth leaders in climate-resilient eco-tourism and hospitality services.	to make Liberia a premier travel destination. • **Ease of Access:** Digitized entry processes, capturing biometric and facilitating easier tourist arrivals. • **Community Livelihoods:** Created alternative, eco-friendly income streams for rural and forest-edge communities.

SECTION 5: PROSPECTS AND CHALLENGES

Liberia's macroeconomic condition is expected to remain favorable for 2025 and in the medium term. Exports are projected to rise due to anticipated increase in major commodities' outturn and all major sectors of the economy while imports are expected to increase as economic activities recover.

Government revenue is anticipated to increase given the expected rise in primary commodity export; additionally, expenditure is projected to rise because of increase spending on capital projects. Growth is projected at 5.2 percent over the medium term beyond (2025 -2027), reflecting developments in the primary sector, particularly Agriculture & Fishery sub-sector. In terms of sectoral contribution to real GDP growth in 2025, the Services and the Agriculture & Fisheries sectors are projected to account for the highest contribution. The forecasted growth in the Agriculture and Fisheries sector is on account of high projected increase in the production of Rubber, Cocoa, Rice and Cassava. While the projected growth in services is based on an anticipated surge in Construction, Trade & Hotels and Transportation & Communication services.

The government is gradually making strives to intervene in Liberia's infrastructure gaps; the GoL has made major intervention to improve the appalling conditions of major highways across the country, most especially in the southeastern, western, and northern regions. Despite these roads not being asphalt pavement, they are improved to pliable status as compared to the immediate past. Furthermore, the GoL and its partners remain committed to revitalizing the economy through the provision of funding and technical assistance for the implementation of public sector investment projects like the RIA highway expansion, Gbarnga to Salayea highway, the Southeastern corridors highway, allocation for Solid Waste Management, training of young people in the area ITC, etc.

The government is committed to improving the investment climate to promote private sector growth; expand markets; and at the same time mobilizing additional domestic resources to increase fiscal space to respond to the growing public service demands and expenditure pressures. Also, a top priority for the GoL, is the fight against illicit drugs and corruption which is evident by the establishment of the Assets Recovery Task Force and the initiation of preliminary activities leading to the establishment of the War and Economic Crime Court. Moreover, the government is resolved to curtail the growing waves of fire outbreaks across the country, particular in urban communities.

APPENDIX

Table 8: Government Finance Statistics

	Budget	Cash
Total revenue	**798.7**	**872.6**
Tax	639.0	692.6
Non- Tax	159.7	154.4
Grant	-	25.6
Expenditure (Cash)	**880.7**	**879.6**
Recurrent Expenditure	**766.9**	**809.0**
Compensation of employees	315.6	309.2
Use of goods and services	149.6	194.2
Debt Service	153.0	155.2
Interest service	64.2	87.5
Principal repayment	88.8	67.7
Grants	123.3	125.6
Subsidies	3.5	3.8
Social benefits	21.9	21.1
Capital expenditure	**113.8**	**70.6**
Spending on capital	113.8	70.6
Unreconciled	-	-
Overall balance	**-82.0**	**-7.0**
Financing	**82.0**	**7.0**
Accounts Cash (+/-)	6.0	73.7
Amortization	-	(79.2)
Borrowing	76.0	12.5
Domestic Borrowing	16.0	-
Foreign Borrowing	60.0	12.5
WFP	40.0	
International Monetary Fund (IMF)	-	12.5
European Union	20.0	

Source: Ministry of Finance and Development Planning

Table 9: Flow of Funds

`	FY2025 Approved Budget	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY2025 ACTUAL Q4	FY2024 ACTUAL Q4
CORE REVENUE PLUS GRANTS AND BORROWING	**880.7**	**68.4**	**52.5**	**74.4**	**83.1**	**63.8**	**71.3**	**69.8**	**72.3**	**67.1**	**84.7**	**63.6**	**114.1**	**885.1**	**748.2**
CORE REVENUE	**804.7**	**68.4**	**52.5**	**74.4**	**83.1**	**63.8**	**71.3**	**69.8**	**72.3**	**67.1**	**72.2**	**63.6**	**114.1**	**872.6**	**698.7**
TOTAL TAX REVENUE	**639.0**	**60.3**	**43.4**	**61.5**	**66.8**	**51.6**	**60.2**	**59.9**	**54.9**	**51.1**	**59.0**	**49.1**	**74.7**	**692.6**	**560.0**
Taxes On Income & Profits	**306.4**	30.4	23.8	34.2	33.5	26.7	27.0	28.2	29.3	28.7	28.1	21.1	36.1	347.2	256.1
Property Taxes	**6.1**	0.3	0.4	0.5	0.5	0.5	0.4	0.5	0.4	0.6	0.2	0.5	0.4	5.4	4.8
Taxes On Goods and Services	**88.4**	6.3	6.7	6.8	6.5	8.1	6.5	5.9	2.7	5.5	6.4	5.3	7.8	74.5	69.1
Taxes On International Trade	**228.7**	20.3	12.6	19.6	23.8	16.4	26.3	25.3	22.4	16.3	24.0	22.0	30.1	259.1	219.3
Other Taxes	**9.3**	3.0	0.0	0.3	2.5	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3	6.6	10.6
NON-TAX REVENUE	**159.7**	**8.1**	**9.1**	**12.9**	**16.4**	**12.2**	**11.1**	**9.8**	**17.4**	**16.0**	**13.2**	**14.5**	**13.8**	**154.4**	**138.7**
Property Income	**115.9**	6.0	7.0	10.3	12.8	9.8	8.3	6.6	12.8	8.6	8.6	9.8	9.7	110.3	94.7
Administrative Fees	**37.4**	1.5	1.6	1.9	2.3	1.0	1.5	2.7	3.4	4.0	3.2	2.2	3.1	28.2	24.2
Fines, Penalties and Forfeits	**0.7**	0.5	0.5	0.7	1.2	0.3	1.3	0.3	1.1	1.4	1.5	1.2	1.1	10.9	19.8
Other	**5.7**	0.2	0.0	0.0	0.0	1.0	0.0	0.3	0.1	2.0	0.0	1.3	0.0	5.0	0.1
GRANTS (ON-BUDGET)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**25.6**	**25.6**	**0.0**
From Foreign Governments	**0.0**	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
From International Organizations	**0.0**	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.6	25.6	0.0
BORROWINGS	**76.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**12.5**	**0.0**	**0.0**	**12.5**	**49.5**
Domestic	**16.0**	-	-	-	-	-	-	-	-	-	-	-	-	-	9.5
External	**60.0**	-	-	-	-						12.50	-	-	12.50	40.0
Contingent Revenue-Domestic	**18.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	

Tax revenue (Maritime-DCO)	**6.0**	-	-	-						**0.0**	
Liberia Petroleum Regulatory Authority (LPRA)	**12.8**	-	-	-						**0.0**	
Revenue in transit	**0.0**	-	-	-	-	-	-			**0.0**	

Source: Ministry of Finance and Development Planning

Table 10: Budgetary Allotment

	Budget Sectors	Compensation of Employees	Use of Goods and Services	Capital Spending	Debt Service	Grants	Subsidies	Social Benefits	PSIP [1]	Total	FY2024 Q4
FY2025Q4	Public Administration	80.6	61.5		152.2	51.0	4.1	-		349.3	282.9
	Municipal Government	12.4	9.6	-	-	15.9		-		37.9	31.4
	Transparency and Accountability	14.3	10.0	-	-	6.0		-		30.3	24.3
	Security and Rule of Law	63.9	45.5	5.7	-	13.0		2.2		130.4	110.7
	Health	45.6	15.7	13.2	-	14.7		0.0		89.2	77.3
	Social Development Services	2.0	1.0	-	-	-		10.5		13.5	18.5
	Education	61.9	31.9	-	-	17.0		8.4		119.2	108.3
	Energy and Environment	9.6	5.7	4.7	-	3.2				23.3	19.7
	Agriculture	2.9	2.0	6.5	-	0.1		-		11.6	6.6
	Infrastructure and Basic Services	10.1	11.9	44.1	-					66.1	51.0
	Industry and Commerce	5.6	4.5	-	-	-		-		10.1	7.9
	Total	**309.0**	**199.2**	**74.4**	**152.2**	**121.0**	**4.1**	**21.1**		**880.9**	**738.6**
FY2024 Q4	**Total**	**296.5**	**130.9**	**66.2**	**113.2**	**113.2**		**18.7**		**738.6**	

Source: Ministry of Finance and Development Planning

Table 11: Cash Expenditure

	Budget Sectors	Compensation of Employees	Use of Goods and Services	Capital Spending/PSIP	Debt Service	Grants	Subsidies	Social Benefits	Unreconciled	Total	FY2024 Q4
FY2025 Q4	Public Administration	86.4	59.7		155.3	50.5	3.8	-		355.7	283.2
	Municipal Government	12.2	7.4	-	-	16.2		-		35.8	31.0
	Transparency and Accountability	14.2	9.4		-	6.2		-		29.9	23.7
	Security and Rule of Law	64.8	46.4	4.5	-	13.2		2.5		131.4	109.8
	Health	45.6	16.0	13.2	-	14.3		0.2		89.4	74.3
	Social Development Services	2.0	1.1		-	-		10.4		13.5	18.7
	Education	60.6	31.4		-	17.1		7.9		117.1	103.6
	Energy and Environment	9.5	5.7		-	7.8		-		23.0	17.6
	Agriculture	3.0	2.0	6.2	-	0.2		-		11.5	6.4
	Infrastructure and Basic Services	5.3	10.6	46.6	-					62.6	58.9
	Industry and Commerce	5.6	4.4	-	-	-		-		10.0	8.0
	Total	**309.2**	**194.2**	**70.6**	**155.3**	**125.6**	**3.8**	**21.1**	**-**	**879.6**	**735.1**
FY2024 Q4	**Total**	**291.0**	**125.8**	**71.6**	**118.6**	**109.5**	**-**	**18.4**	**0.2**	**735.1**	

Source: Ministry of Finance & Development Planning

Table 12: Revenue Performance

`	FY2025 Approved Budget	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY2025 ACTUAL Q4	FY2024 ACTUAL Q4
CORE REVENUE PLUS GRANTS AND BORROWING	**880.7**	**68.4**	**52.5**	**74.4**	**83.1**	**63.8**	**71.3**	**69.8**	**72.3**	**67.1**	**84.7**	**63.6**	**114.1**	**885.1**	**748.2**
CORE REVENUE	**804.7**	**68.4**	**52.5**	**74.4**	**83.1**	**63.8**	**71.3**	**69.8**	**72.3**	**67.1**	**72.2**	**63.6**	**114.1**	**872.6**	**698.7**
TOTAL TAX REVENUE	**639.0**	**60.3**	**43.4**	**61.5**	**66.8**	**51.6**	**60.2**	**59.9**	**54.9**	**51.1**	**59.0**	**49.1**	**74.7**	**692.6**	**560.0**
Taxes On Income & Profits	**306.4**	30.4	23.8	34.2	33.5	26.7	27.0	28.2	29.3	28.7	28.1	21.1	36.1	347.2	256.1
Property Taxes	**6.1**	0.3	0.4	0.5	0.5	0.5	0.4	0.5	0.4	0.6	0.2	0.5	0.4	5.4	4.8
Taxes On Goods And Services	**88.4**	6.3	6.7	6.8	6.5	8.1	6.5	5.9	2.7	5.5	6.4	5.3	7.8	74.5	69.1
Taxes On International Trade	**228.7**	20.3	12.6	19.6	23.8	16.4	26.3	25.3	22.4	16.3	24.0	22.0	30.1	259.1	219.3
Other Taxes	**9.3**	3.0	0.0	0.3	2.5	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3	6.6	10.6
NON-TAX REVENUE	**159.7**	**8.1**	**9.1**	**12.9**	**16.4**	**12.2**	**11.1**	**9.8**	**17.4**	**16.0**	**13.2**	**14.5**	**13.8**	**154.4**	**138.7**
Property Income	**115.9**	6.0	7.0	10.3	12.8	9.8	8.3	6.6	12.8	8.6	8.6	9.8	9.7	110.3	94.7
Administrative Fees	**37.4**	1.5	1.6	1.9	2.3	1.0	1.5	2.7	3.4	4.0	3.2	2.2	3.1	28.2	24.2
Fines, Penalties and Forfeits	**0.7**	0.5	0.5	0.7	1.2	0.3	1.3	0.3	1.1	1.4	1.5	1.2	1.1	10.9	19.8
Other	**5.7**	0.2	0.0	0.0	0.0	1.0	0.0	0.3	0.1	2.0	0.0	1.3	0.0	5.0	0.1
GRANTS (ON-BUDGET)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**25.6**	**25.6**	**0.0**
From Foreign Governments	**0.0**	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
From International Organizations	**0.0**	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.6	25.6	0.0
BORROWINGS	**76.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**12.5**	**0.0**	**0.0**	**12.5**	**49.5**
Domestic	**16.0**	-	-	-	-	-	-	-	-	-	-	-	-	-	9.5
External	**60.0**	-	-	-	-						12.50	-	-	12.50	40.0
Contingent Revenue-Domestic	**18.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	
Tax revenue (Maritime-DCO)	**6.0**	-	-	-										**0.0**	
Liberia Petroleum Regulatory Authority (LPRA)	**12.8**	-	-	-										**0.0**	

Source: Ministry of Finance and Development Planning