



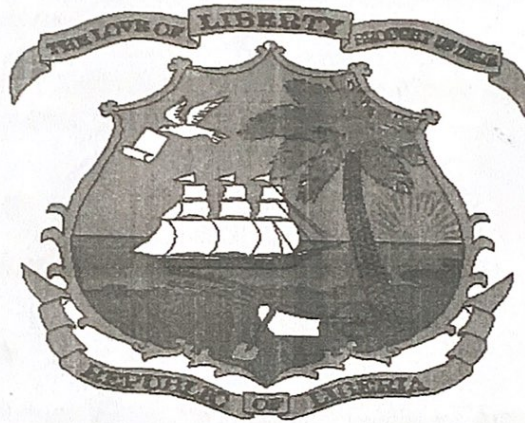
**“AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW  
PETROLEUM (EXPLORATION AND PRODUCTION)  
REFORM LAW OF LIBERIA, 2014”**

**APPROVED: OCTOBER 9, 2019**

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

**PRINTED: OCTOBER 17, 2019**

**AN ACT**  
**TO AMEND CERTAIN PROVISIONS OF THE NEW**  
**PETROLEUM (EXPLORATION AND PRODUCTION)**  
**REFORM LAW OF LIBERIA, 2014**



**REPUBLIC OF LIBERIA**



**AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW PETROLEUM  
(EXPLORATION AND PRODUCTION) REFORM LAW OF LIBERIA, 2014**

WHEREAS, Liberia is still a frontier territory in terms of petroleum resources development;

WHEREAS, a series of bid rounds were conducted under the NOCAL Act of 2002 which resulted in exploration activities in the deep-water offshore Liberia;

WHEREAS, this consultative process resulted into the separation of the policy setting functions, the regulatory functions, and the operations functions by placing them, respectively, in the Ministry of Mines and Energy, the Liberia Petroleum Regulatory Authority and the restricted National Oil Company of Liberia, a regime which is expected to bring more transparency and integrity to the management of the Liberian petroleum sector; and

WHEREAS, there is a need from time to time to make periodic adjustments to the statutes, laws and rules governing the petroleum sector.

NOW THEREFORE, it is enacted by the Senate and House of Representatives of the Republic of Liberia in Legislature assembled.

**Section 1. SHORT TITLE**

This Act shall be known as “the Petroleum Act Amendments of 2019”.

**Section 2. DEFINITIONS**

- a. “**Authority**” - shall mean the Liberia Petroleum Regulatory Authority.
- b. “**Exploration and Production Act**” - shall mean an Act to Repeal the New Petroleum Law of Liberia 2002 and Establish the New Petroleum (Exploration and Production) Reform Law, 2014, Approved October 5, 2016 and Printed October 10, 2016.
- c. “**NOCAL**” – shall refer to National Oil Company of Liberia.
- d. “**Petroleum Operations**” - shall mean all or any of the operations related to the exploration for, development, extraction, production, separation and treatment, storage, transportation and sale or disposal of petroleum up to the point of export or the agreed delivery point in Liberia or the point of entry into a refinery, and includes natural gas processing operations, but does not include petroleum refining operations.
- e. “**Reconnaissance Petroleum Rights**” - means reconnaissance license given to oil companies prospecting for oil & gas.

### **Section 3. AMENDED PROVISIONS**

Upon passage of this Act, the following sections of the Exploration and Production Act, are hereby amended: 6.3; 7.6; 7.7(d); 36 and 68.3; to read as follows:

#### **6. Constitution of Blocks**

- 6.3 The surface of offshore blocks shall not exceed 3,500 sq.km and the surface of onshore blocks shall not exceed 2, 000 sq. km.

#### **7. Establishment of the Liberia Petroleum Regulatory Authority**

- 7.6 General policy oversight and direction shall be provided to the Authority by a Board of Directors consisting of five (5) Liberians including the Chairperson, appointed by the President. They shall be persons of high integrity, shall have qualifications and experience in geosciences, engineering, management, law or taxation and finance relevant to the responsibilities of the Authority, and shall not otherwise be an officer in the public service. They shall serve at the will and pleasure of the President. The Director General, who shall be Ex officio, shall serve as Secretary to the Board of Directors. In addition to its responsibility for general policy oversight and direction, the Board shall have the specific responsibilities set forth elsewhere in this Act and shall also have responsibility for:

- a. establishing programs for the long-term development of the Authority's capacity;
- b. approving the annual budget and staffing levels of the Authority; and
- c. establishing policies and goals for the obtaining of external funding and approving the integration of any such funding into the agency's budget and expenditure programs.

In carrying out its general policy oversight and direction responsibilities, the Board shall consult on a regular basis with the Minister of Mines and Energy, the Minister of Finance and Development Planning, and the Executive Director of the Environmental Protection Agency.

- 7.7 (d) A Board member may participate in a meeting by telephone or video conference if all participants in the meeting can hear each speaker. Action by the Board shall require the affirmative vote of at least three members of the Board. The Board may also act by unanimous written consent. A Board member may not appoint a proxy.



#### 14. Licensing Petroleum Agreements

14.1 Petroleum Agreement may be granted in three (3) forms; (i.) International Open Competitive Bidding; (ii.) Direct Negotiations and (iii.) Executive Allocation to NOCAL.

a. International Open Competitive Bidding

A petroleum agreement may be awarded on the basis of an international competitive bidding process conducted in accordance with the provisions of sections 15 through 17 of the Exploration and Production Act.

b. Direct Negotiations

- i. The Authority may grant petroleum rights through direct negotiation in special cases (e.g. Ultra-deep Blocks) with approval from the President that such blocks will require separate prequalification guidelines.
- ii. Provided, however, no company may be approved for the direct negotiation or tender process unless it undergoes prequalification and is found to be technically and financially capable of operating the allocated block either solely or in conjunction with other capable partners
- iii. All Production Sharing or other Agreements executed as a result of direct negotiation or tenders shall be submitted to the Legislature for ratification.

c. Executive Allocation to NOCAL

- i. The Authority shall grant petroleum rights to NOCAL through Executive Allocation in consultation with the National Legislature. The President shall announce the allocation of a 100% interest in a block to NOCAL through executive allocation. After such, NOCAL shall exercise its commercial options to either operate a block solely, divest some of its interest in the block through farm-outs, etc.
- ii. Executive Allocation shall be done by the President and the Authority shall do prequalification of a list of companies presented by NOCAL
- iii. NOCAL shall have the option to develop said petroleum acreages by itself or in partnership with any oil company through farm-ins by tendering or by direct negotiations.

- iv. All Production Sharing or other Agreements executed as a result of Executive Allocations shall be submitted to the Legislature for ratification.

**36. Citizen Participation in Revenue from Petroleum Agreements**

- a. In addition to local contents provisions in the Exploration and Production Act, each Petroleum Agreement shall contain a provision of at least five percent (5%) total equity stake for companies owned by natural persons of Liberian Citizenship. Such interest may be limited to equity interest and may not be carried interest.
- b. The citizen participation fund shall be used in accordance with a plan that will make the benefits broadly available as widely as practicable to all citizens from both urban and rural areas within the Republic, through one or more mechanisms that will ensure that the benefits are extended to the neediest and vulnerable groups of citizens.
- c. Additionally, communities hosting or lying adjacent to the petroleum block shall be prioritized in the allocation of the funds derived from citizen participation in revenues from petroleum agreements.

**68. Dispute Resolution**

- 68.3 Following passage of this Act, Section 68.3 of the Exploration and Production Act is hereby repealed.

**Section 5.** This Act shall take effect immediately upon publication into handbills.

**ANY LAW TO THE CONTRARY NOTWITHSTANDING**



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

SENATE'S ENGROSSED BILL NO. 35 ENTITLED:

"AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW  
PETROLEUM (EXPLORATION AND PRODUCTION)  
REFORM LAW OF LIBERIA, 2014"

On Motion, the Bill was read. On motion, the Bill was  
adopted on its first reading and sent to committee Room on  
Tuesday, August 27, 2019 @ 14:30 G.M.T.

On Motion, the Bill was taken from Committee Room for its  
second reading. On motion, under the suspension of the rule,  
the second reading of the Bill constituted its third and final  
reading and the Bill was adopted, passed into the full force of  
the law and ordered engrossed today, Friday, September 20,  
2019 @ 13:16 G.M.T



SECRETARY OF THE LIBERIAN SENATE, R.L.

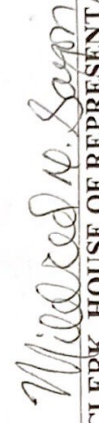
SECOND SESSION OF THE FIFTY-FOURTH LEGISLATURE  
OF THE REPUBLIC OF LIBERIA

HOUSE'S ENDORSEMENT TO SENATE'S ENGROSSED  
BILL NO. 35 ENTITLED:

"AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW  
PETROLEUM (EXPLORATION AND PRODUCTION)  
REFORM LAW OF LIBERIA, 2014"

On Motion, the Bill was read. On motion, the Bill was  
adopted on its first reading and sent to committee Room on  
Monday, September 23, 2019 @ 13:15 G.M.T.

On Motion, the Bill was taken from Committee Room for its  
second reading. On motion, under the suspension of the rule,  
the second reading of the Bill constituted its third and final  
reading and the Bill was adopted, passed into the full force of  
the law and ordered engrossed today, Thursday, September  
26, 2019 @ 15:37 G.M.T.

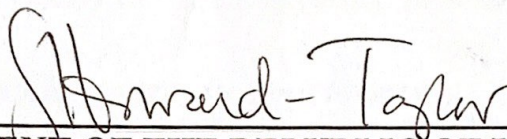


CHIEF CLERK, HOUSE OF REPRESENTATIVES, R. L.

-2019-

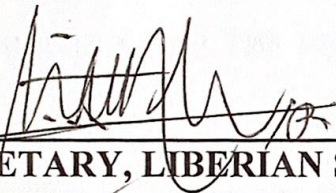
ATTESTATION TO:

“AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW  
PETROLEUM (EXPLORATION AND PRODUCTION) REFORM  
LAW OF LIBERIA, 2014”



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



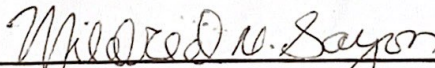
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SECRETARY, LIBERIAN SENATE



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SPEAKER, HOUSE OF REPRESENTATIVES, R.L.



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CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.





**The Liberian Senate**  
CAPITOL BUILDING, CAPITOL HILL, MONROVIA, LIBERIA  
WEST AFRICA

**2019**

**SECOND SESSION OF THE FIFTY-FOURTH  
LEGISLATURE OF THE REPUBLIC OF LIBERIA.**

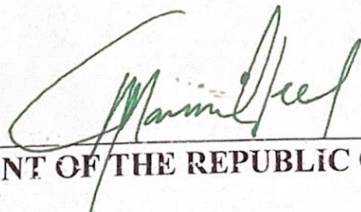
SCHEDULE OF SENATE'S ENROLLED BILL NO. 20 ENTITLED:

**"AN ACT TO AMEND CERTAIN PROVISIONS OF THE NEW  
PETROLEUM (EXPLORATION AND PRODUCTION) REFORM LAW OF  
LIBERIA, 2014"**

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

APPROVED THIS 9th DAY OF October A.D. 2019

AT THE HOUR OF 11:55 Am.

  
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THE PRESIDENT OF THE REPUBLIC OF LIBERIA