Liberia requested TIWB tax audit assistance for transfer pricing (TP) and international taxation issues in August 2015 following meetings with the OECD in Monrovia. The TIWB Secretariat liaised with the Open Society Foundations to provide funding for the programme. All missions under the tax audit programme were supplemented by an industry expert from the OECD who provided an in-depth insight and knowledge of the internal operations of the mining industry, the entire mining pipeline and its associated processes. The TIWB Experts co-ordinated their advice with that of other capacity building providers, including ATAF and World Bank Group. The lead TIWB Expert assisted LRA to increase the capacities of its auditors and conducted 10 onsite missions from June 2016 to November 2018. Between missions, remote assistance was provided as needed and the experts responded to issues raised by LRA very quickly. Under the expert’s guidance, LRA progressed two audit cases on multinational enterprises engaged in mineral extraction. Tax issues covered under this TIWB programme included TP, intragroup services, assets and depreciation, and intangibles. The TIWB Expert rated the support of the TIWB Secretariat highly.

Impact of the practical audit assistance programme

The TP audit assistance programme helped Liberia achieve the following results:

- **Human Resource Development - Skill and Knowledge Transfer**: Six LRA tax officials were trained to apply their acquired knowledge and skills for selecting audit cases based on risk assessments. LRA officials furthered their skills in formulating information requests to taxpayers, conducting initial interviews, and preparing for meetings. As the TIWB programme progressed, LRA tax officials engaged in more detailed discussions on audit case selection and audit strategies.

- **Institutional Development – Legislative changes, tools, process, and procedures**: The TIWB Expert engaged in a more holistic approach to deliver support to LRA by promoting measures to change taxpayers’ behaviours, build confidence in the tax auditors group, and provide advice on LRA policy
development, legislation and wider skills-building. The TIWB Expert helped to prepare Liberian tax officials for meetings with taxpayers.

- **Lessons Learned:** The TIWB Expert identified a number of prerequisites to ensure successful TIWB assistance: an effective TP legislation needs to be put in place and the tax administration should have a defined group of auditors with a good understanding of the tax audit process to benefit from the TIWB support throughout the duration of the programme. Leadership and tax auditor confidence is crucial for Host Administration officials to take ownership of the audits during and in-between missions. Complementing the audit programme with an industry expert allows for more specialised assistance, leading to greater impact on capacity building within the Host Administration.