



## Doing Business in Liberia:

# 2016 Country Commercial Guide for U.S. Companies

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# Doing Business in Liberia

## Market Overview

- Liberia was one of the three countries in West Africa most affected by 2014 Ebola Virus Disease (EVD) epidemic; the WHO declared the country Ebola free for the second time in September 2015, although there have been a few new cases.
- The economic impact of the EVD outbreak was compounded by continuing decline in iron ore and rubber prices, which affected planned investment in the mining sector; the country's economy is market-based and largely depends on natural resources, foreign aid, and foreign direct investment.
- The post-Ebola recovery is weak as the economy suffers from falling commodity prices; the IMF estimated the real GDP growth at 0.3 percent in 2015 as a result of lower production in mining and agriculture sectors; and forecast 3.9 percent in 2016 as services sector is expected to remain resilient.
- Consumer price inflation declined from 9.9 percent by end 2014 to 7.3 percent in March 2015, as lower international oil prices more than offset higher domestic food prices.
- In 2015, Liberia's exports were valued at \$259.5 million, with rubber and iron ore accounting for 71 percent of total exports; the falling international commodity prices depressed the export sector. Total imports were valued at \$2.2 billion, mainly driven by higher importation of food, manufactured goods, petroleum products and machinery. The perpetual higher import volumes indicate that the economy is import-based primarily dependent on extractive industries.
- Liberia's leading trade partners in 2015 include the United States (31%), the European Union (21%), China (20%), and African countries (8%) including the ECOWA (3%). The leading sources of imports were Asia, particularly China (30%), Europe (23%) and North America (20%).
- Best prospect sectors for U.S. investment include agribusiness, energy and power generation, infrastructure development, construction, manufacturing, storage/packaging and warehousing, transportation, and the services sector including financial services, professional services, information technology, and hospitality.
- On December 16, 2015, Liberia acceded to the World Trade Organization (WTO), paving the way for the GOL to standardize its trade and investment laws and regulations consistent with internationally acceptable norms. The Liberian senate has endorsed the "Act to Ratify the Protocol on the Accession to the World Trade Organization (WTO)". For detail on Liberia's accession to the WTO, <http://www.moci.gov.lr/doc/LR.LiberiaAccession.WTOFactSheet.121015.pdf>

## Market Challenges

- Liberia has a population of about 4 million people with nearly 64 percent of them living on less than USD 1.25 a day; the World Bank estimated the country's per capita GDP in 2015 at USD 458, <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>, giving the population a relatively low purchasing power.
- Tariffs, customs duties, tax rates and other statutory fees can be arbitrary, and in some cases, collected by different government agencies; however, the Liberia Revenue Authority (LRA) is working closely with the government's revenue generating entities to centralize and standardize revenue collections systems.
- Limited infrastructure -- such as electricity, roads, ports and Roberts International Airport, running water, and the internet -- pose real-time challenges to effective business operations;

the Freeport of Monrovia, the country's main external trade gateway, provides slow and expensive services.

- Liberia has one commercial court, with limited capacity, and laws relating to contracts and procurements can be inconsistent and are sometimes breached with impunity.
- Liberian law reserves ownership of 16 business activities exclusively for Liberian citizens, and sets a threshold on 12 others as stipulated in the Investment Act of 2010, [http://photos.state.gov/libraries/liberia/328671/pdfs/investment\\_act\\_2010.pdf](http://photos.state.gov/libraries/liberia/328671/pdfs/investment_act_2010.pdf)

### Market Opportunities

- Projects to reconstruct damaged infrastructure -- including roads, bridges, seaports, airports, electricity and power generation, and storage facilities -- represent significant investment opportunities for capital projects.
- Strategic sector opportunities for U.S. companies include the following: road transport, such as large-scale fleet-to-service concessionaires; coastal transport, including short-haul cargo services along Liberia's coast; fisheries, including fishing harbor management, fish processing, and aquaculture production; fruits and vegetables, including cold storage, processing and preservation to target year-round demand.

### Market Entry Strategy

- U.S. companies interested in doing business in Liberia should consider hiring an agent, attorney, or distributor to develop and foster local partnerships. It would be unwise to attempt to enter the market without doing thorough market research or becoming familiar with the business environment, as well as the legal and regulatory frameworks.
- Potential investors who have strong desire to do business in Liberia are advised to undertake a field visit or market research tour to the country to gauge the viability of their investment, get a first-hand, on-the-ground understanding and build in-country rapport or relationship. Investors can find information and guidance on doing business in Liberia via National Investment Commission, <http://www.investliberia.gov.lr/>, Ministry of Commerce and Industry (MOCI) <http://www.moci.gov.lr/>, and U. S. Embassy <http://monrovia.usembassy.gov/doing-business-local.html>

## Political and Economic Environment

Political Environment

<http://www.state.gov/r/pa/ei/bgn/6618.htm>

## Selling US Products & Services

### Using an Agent to Sell US Products and Services

A business may operate in Liberia as a locally incorporated entity or a branch of a foreign entity (subsidiary), but Liberian law requires having a registered agent or office in the country. Liberia Business Law allows the use of agents, partners or distributors to register a business, represent a business, sell goods and services and open branch offices. U.S. companies are highly encouraged to exercise due diligence when hiring the services of an agent, distributor, partner or a legal counsel. It is advisable to select one who is familiar with the country's business environment including legal and regulatory frameworks, as well as investment laws, tax procedures and customs processes.

Banks, law firms, business associations, business advisory or consultancy firms can assist with references and due diligence, but do not normally offer fee-for-service reference checks. You can find a list of major law firms in Monrovia on the U.S Embassy Monrovia website:

<http://monrovia.usembassy.gov/acs/lawyers.html>. You may also get information on market research, business incubation, matchmaking and business linkages on the websites of Building Markets <http://liberia.buildingmarkets.org/>, and The Marketplace Incubator <http://themarketplacebds.com/incubator.php>.

### Establishing an Office

Under the Liberian corporate law, all businesses are required to register or apply for an 'authority' to do business or provide services in Liberia. The Liberia Business Registry (LBR) handles business registration and Ministry of Commerce and Industry (MOCI) handles applications to do business or provide service in Liberia. A business entity registered under non-Liberian laws and intends to operate or take part in a bid in Liberia must apply for an 'authority' to do business in Liberia. Fee structure for registration varies depending on whether a business is local, foreign, sole proprietorship, partnership, or corporation. Businesses retain private security services to guard their premises or properties. Steps involved in establishing a local office are:

- Reserve a unique company name with LBR: an applicant can do a name search online or at the LBR helpdesk; business names can be reserved for up to 120 days. Business regulations require that all businesses operating in Liberia have a unique name to be registered.
- Get a registration application form (RF-001) from LBR, fill it in and submit it with the following: articles of incorporation, copy of ID documents, empowered person's or registered agent's form, incorporator's form, shares and shareholders' form, and information for tax authority form.
- LBR officers review the application package and request a Tax Identification Number (TIN) and bank payment slip (BPS) on behalf of the business in question; all businesses operating in Liberia must have a TIN, which is obtained free of charge from Ministry of Finance and Development Planning.
- Proceed to CBL payment window located at LBR to pay the associated fees, and get a flag receipt (emblazoned with the Liberian flag - proof of payment).
- Present the flag receipt to the LBR registrar where the process is completed; the entire process takes 1-4 weeks. Registration of a business is valid for 12 calendar months from the date of registration; carrying on commercial activities in Liberia without being registered will result in penalties.

The LBR has a schedule of fees that applies to different types of legal entity when registering a new enterprise, [http://www.moci.gov.lr/doc/LBR\\_Fee\\_Schedule.pdf](http://www.moci.gov.lr/doc/LBR_Fee_Schedule.pdf)

## Franchising

Franchising is not a popular business model in Liberia partly because the concept is unfamiliar in the country's business culture, and it is difficult for local entrepreneurs to secure start-up capital. Liberia has a few foreign franchises, including in remittances (Western Union, MoneyGram), petroleum (TOTAL), and durable goods businesses. Generally, establishing a franchise in Liberia can be challenging because of the lack of electricity, limited communication infrastructure, limited availability of financing for local entrepreneurs, poor intellectual property rights protection, scarcity of skilled labor, and weak transportation links.

## Direct Marketing

Direct marketing is difficult in Liberia as it is hindered by limited internet penetration and access, non-existent postal delivery services, lack of electricity, and low literacy rate. Mobile phone companies employ short message service (SMS) to market and advertise their products and services. Commonly used methods of marketing products in Liberia are radio advertising, billboards, loudspeaker announcements in commercial areas, and newspaper advertisements.

## Joint Ventures/Licensing

According to Liberian Business Law, "Joint ventures or partnerships exist when two or more partners or corporate bodies agree to work as co-owners of a business for profit and they put such an agreement in writing and sign it. Legislation requires that within 90 days after the signing of such an agreement, an acknowledged copy of the partnership agreement or a memorandum of partnership (MOP) stating the name of the partnership and the character of business must be filed with the office of the registrar of deeds of the county in which the principal office or the partnership or its registered agent is to be located". A partnership with a non-Liberian partner is treated as a foreign-owned entity and is billed as such. Registration is channeled through different government agencies depending on the sector or industry. For example, registering a construction company requires coordination between the Ministry of Public Works and the Association of Liberian Construction Contractors (ALCC) on the one hand, and the Liberia Business Registry (LBR) on the other. The LBR is a one-stop-shop that handles registration processes for different categories of business to make the process easier and faster. When doing business in Liberia, it is important to find out whether the business needs to have a permit from, register with, or make some other notification to any other public authority. Licensing and supervisory authorities may be at different levels (district, county, or national). Common licenses, permits and tax registrations that a business may need include but not limited to:

- Zoning and land use permits, especially for new manufacturing businesses and certain home-based business operations;
- Health department permits, especially if a business involves the preparation and/or sale of food;
- Sales tax license for the selling of almost all products and services;
- Fire department permits, especially for businesses that will attract large numbers of customers (e.g., night clubs and bars).

Some of the relevant agencies that issue licenses/permits include, but not limited to:

- Ministry of Justice (MOJ), <http://www.moj.gov.lr/>: permits and clearances for all security-related companies;
- Ministry of Public Works (MPW), <http://www.mpw.gov.lr/>: permits and license required by construction companies;
- Liberia Maritime Authority (LMA), <http://www.maritimeliberia.com/>: permits and licenses required by marine-related activities;
- Land Commission (website suspended): land use permit;
- Ministry of Land, Mines & Energy (MLME): permits and licenses required for operations in extractive industries;
- Ministry of Commerce & Industry (MOCI), <http://www.moci.gov.lr/>: licenses and permits required for import/export of commodities;
- Bureau of Fisheries under the Ministry of Agriculture (MOA), <http://www.moa.gov.lr/>, [http://www.liberiafisheries.net/licensing\\_requirements/industrial](http://www.liberiafisheries.net/licensing_requirements/industrial): licenses and permits required to engage in industrial fishing activities.

All non-Liberians wishing to establish a resident domestic construction company are required to do so in partnership with a registered Liberian-owned construction, engineering or architectural company(ies) with proven experience of at least ten (10) years in the construction industry.

Some service firms, including legal and accounting firms, have partnered with larger foreign firms to increase recognition and credibility with potential clients. The real estate and timber sectors boast a fair number of joint ventures. Opportunities exist for joint ventures or partnership in mining and construction sectors. There are technical, financial, managerial, and cultural constraints to joint venture operations in Liberia. For example, skilled local engineers and architects are often in limited supply.

## Selling to the Government

Public procurement processes in Liberia are handled by the Public Procurement and Concessions Commission (PPCC), which regulates all public tenders across government. PPCC is faced with numerous challenges in regulating tenders as procurement entities largely fail to follow procedures outlined in the Amended and Restated PPCC Act of 2010. The GOL is Liberia's largest purchaser of goods and services, but its financial resources remain limited and large public procurements are usually donor-funded. Foreign suppliers may participate in international bids for public procurement contracts. Overall, Liberia has a robust legal framework for public procurement as it complies with most of the international best practices considered relevant by both the Public Expenditure and Financial Accountability (PEFA) framework and Global Integrity. The GOL is not a party or signatory to the WTO Government Procurement Agreement ([https://www.wto.org/english/tratop\\_e/gproc\\_e/gproc\\_e.htm](https://www.wto.org/english/tratop_e/gproc_e/gproc_e.htm)).

Below are some of the key elements of Liberia's procurement framework to ensure transparency, accountability, and competitiveness in public procurement of goods, services, and works:

- Mandatory professional training for public procurement officials (PPCC Act, Section 5(o)),
- Regulations addressing conflicts of interest (Section 13),
- Strict formal limits for sole sourcing (Section 101), and requirement to use advertised open competitive bidding as the default method of procurement (Section 46),

- An independent administrative procurement complaints body, the Complaints, Appeals and Review Panel (CARP), that allows unsuccessful bidders to challenge the PPCC decisions (Section 10),
- Mandatory publication of bidding opportunities (Sections 49(3)(a) and 57(1)), intention to award (Section 31(1)) and contract awards (Section 37),
- Establishment of an independent oversight mechanism for all contractual agreements undertaken by the government.

### **U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (African Development Bank, World Bank)**

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

### **Web Resources**

Commercial Liaison Office to the African Development Bank: <http://www.export.gov/afdb>

Commercial Liaison Office to the World Bank: <http://export.gov/worldbank>

### **Distribution & Sales Channels**

A credible agent, often in-house at wholesale-retail traders, is crucial for effective representation in consumer and durable goods markets. Many of the larger Monrovia-based retailers have branch locations in other cities and towns. Sales and distribution channels include business houses such as stores, supermarkets, shops, hotels, filling stations, restaurants and market stalls.

### **Express Delivery**

The Ministry of Post and Telecommunications (MOPT) carries out postal products and services including expedited mail service (EMS), parcel, packets, letters, regular mail, registered mail, express mail, and ordinary mail delivery services. It also offers mail insurance, institutional mail delivery services, home mail delivery, diplomatic pouch services, drop bag service, and locked box service. Although express delivery system is not developed in Liberia, some courier services are offered by the local agents of international parcel delivery companies such as DHL, Fedex and UPS in the country. The expected shipping times, charges, guidelines, and restrictions tend to vary depending on which delivery service used.

### **Selling Factors & Techniques**

Businesses target imported consumer and durable goods for business entities, government officials, NGO workers, UN personnel and staff, civil servants and a larger expatriate community with high

disposable income. Sales or promotional materials need to be in English, which is commonly spoken throughout the country.

### eCommerce

E-commerce platform is not developed in Liberia, because information communication technology (ICT) infrastructure including the internet, and electricity is limited. Most Liberians do not have access to the internet and use of credit cards is extremely limited, which makes online shopping non-practicable for most Liberians. Some Liberians in the United States run e-commerce ventures such as online shops and content publishing that targets Liberians. Liberia lacks home mail delivery and a standard address system. Although costly, FedEx and DHL do deliver mail and parcels to clients in Monrovia and its environs. A few commercial banks have introduced automatic teller machine (ATM) platforms, including point of sale (POS) transactions and Liberian dollar mobile money transactions.

### Trade Promotion & Advertising

Many trade organizations exist, but there are few organized trade promotion programs in the country. Circulation and penetration of newspaper, radio and television, which are the primary media for trade promotion and advertising, is largely concentrated in Monrovia. Radio and increasingly mobile phone advertising are popular and effective for country-wide coverage. Trade promotion programs, including advertisements, are done in English or one of the indigenous local languages. The popular methods of advertising include banners, billboards, graphic designs, stickers, fliers, branding of company's assets, printing on merchandise (t-shirts, key-holders, caps, mugs, etc.), annual reports, corporate brochures, business cards, catalogues, logos, editorial ads, and outdoor events.

### Pricing

Generally, prices are determined by market forces. However, the Ministry of Commerce & Industry (MOCI) monitors prices and sets price ceilings for certain essential commodities, including petroleum products, rice, cooking oil, and cement. In the past, the MOCI price controls have contributed to product scarcity, price hikes, and black-market sales. Importers are required to submit cost information to the MOCI for approval. Permitted mark-up varies according to product, and is based on freight on board (FOB) value. Invoiced prices are subject to arbitrary revision. Liberia does not have a value added tax (VAT) system. The MOCI requires all business entities to display price tags on their commodities denominated in either Liberian dollars or United States dollars, in line with prevailing exchange rates. As a result of exchange rate fluctuations, prices of basic goods may fluctuate by up to 5 percent on a weekly basis. Although the Central Bank of Liberia (CBL) sets the official exchange rates, the market forces determine the prevailing exchange rates.

### Sales Service/Customer Support

The quality of sales service and customer support varies at most bigger and well-established businesses. Most businesses find that new employees require extensive and ongoing training in providing better customer service.

## Due Diligence

U.S. firms wishing to do business in Liberia are encouraged to conduct thorough due diligence on potential business partners, agents, distributors, attorneys, etc. Hiring a local attorney or accounting firm is recommended and contact information for attorneys, accounting firms, banks, and business associations can be obtained from the Liberia Chamber of Commerce, <http://www.lccr.org/>. Embassy Monrovia provides fee-based commercial services such as International Company Profile (ICP), International Partner Search (IPS), Gold Key Service and Single Company promotion. Please contact your nearest U.S Export Assistance Center (USEAC) , <http://export.gov/eac/>, if your company desires one of our services.

## Local Professional Services

There are several business associations, a number of banks, accounting firms, law firms, car rental services, ICT services, business development services, and tax and investment consultancy firms. Presently, there is no single database of local professional service providers, but a mixed list of different business categories has been screened and compiled by Building Markets in Liberia and can be found here, <http://liberia.buildingmarkets.org/supplier/26120>

## Principle Business Associations

There are several business associations, trade unions, and professional bodies in Liberia. Some of the major business associations include the following:

- Liberia Chamber of Commerce (LCC), <http://www.lccr.org/page.php?&7d5f44532cbfc489b8db9e12e44eb820=OQ%3D%3D>
- Liberia Business Association (LIBA), no website
- Concern Liberian International Business Organization (COLINBO), <http://www.businessportals.com/supplier/concern-liberian-int1.html>
- Coalition of Liberian Business Associations (COLBA), no website
- Liberia Bankers Association (LBA), no website
- Liberia Marketing Association, no website
- Association of Liberian Construction Contractors (ALCC), no website
- Engineering Society of Liberia (ESOL), <http://liberia.buildingmarkets.org/supplier/21339>
- Association of Liberian Professional Secretaries & Clerks (ALIPROSEC), no website
- Liberia Timber Association (LTA), <http://libtimber.com/>
- Liberia Labor Congress, no website

## Limitations on Selling US Products and Services

The Liberia Investment Act of 2010 limits entry into certain business sectors by restricting ownership in these sectors to Liberian citizens and setting thresholds in other sectors for non-Liberians. According to Section 16, “**ownership of the following business activities or industries shall be reserved exclusively for Liberians**”:

1. Supply of sand
2. Block making
3. Peddling

4. Travel Agencies
5. Retail sale of rice and cement
6. Ice making and sale of ice
7. Tire repair shops
8. Auto repair shops with investments of less than US\$ 550,000
9. Shoe repair shops
10. Retail sale of timber and planks
11. Operation of gas stations
12. Video clubs
13. Operation of taxis
14. Importation or sale of second-hand or used clothing
15. Distribution in Liberia of locally manufacture products, and
16. Importation and sale of used cars (except authorized dealerships which may deal in certified used vehicles of their make).

Section 16 continues: **“Foreign investors may invest in the following business activities provided that where such of the listed enterprises is owned exclusively by non-Liberians the total capital invested shall not be less than US\$300,000; and, where such of the listed enterprises is owned by non-Liberian in partnership with Liberians and the aggregate shareholding of the Liberian is at least 25%, the total capital invested shall not be less than US\$300,000”:**

1. Production and supply of stone and granite
2. Ice manufacturing
3. Commercial printing
4. Advertising agencies, graphics and commercial artists
5. Cinemas
6. Production of poultry and poultry products
7. Operation of water purification or bottling plant (exclusively the production and sale of water in sachets)
8. Entertainment centers not connected with a hotel establishment
9. Sale of animal and poultry feed
10. Operation of heavy duty trucks
11. Bakeries, and
12. Sale of pharmaceuticals

The Act also stipulates that “For enterprises owned exclusively by non-Liberians, the total capital invested shall not be less than USD 500,000. For enterprises owned in partnership with Liberians and the aggregate shareholding is at least 25 percent, the total capital invested shall not be less than USD 300,000”.

### Selling U.S. Products and Services Web Resources

- U.S. Embassy Monrovia Commercial Section: <http://monrovia.usembassy.gov/doing-business-local.html>
- The World Bank’s "Doing Business" Survey: <http://www.doingbusiness.org/data/exploreeconomies/liberia>
- National Investment Commission: <http://www.investliberia.gov.lr/>

- Ministry of Commerce and Industry: <http://www.moci.gov.lr/>
- Ministry of Finance and Development Planning: <http://www.mfdp.gov.lr/>
- Public Procurement and Concession Commission: [h: ttp://www.ppcc.gov.lr](http://www.ppcc.gov.lr)
- Liberia Chamber of Commerce: <http://www.lcclr.org/>
- Ministry of Public Works: <http://mpw.gov.lr/>
- Ministry of Transport: <http://mot.gov.lr/>
- Ministry of Lands, Mines and Energy: <http://www.molme.gov.lr/>
- National Port Authority: <http://www.npaliberia.com/>
- Liberian Airport Authority: <http://www.liberiaca.com/>
- International Finance Corporation (IFC): [http://www.ifc.org/wps/wcm/connect/region\\_ext\\_content/regions/sub-saharan+africa/news/liberia\\_private\\_sector\\_revival](http://www.ifc.org/wps/wcm/connect/region_ext_content/regions/sub-saharan+africa/news/liberia_private_sector_revival)

## Trade Regulations, Customs, & Standards

### Import Tariffs

Imports are subject to tariff duties ranging between 2.5 percent and 25 percent, which constitute a major source of government income. Import duties are specific (based on weight) for some commodities, and ad valorem (based on cost, insurance and freight value) for others. Specific duties apply to foodstuffs, beverages, petroleum products, and certain rubber and textile products. The Liberia Revenue Code of 2009 provides a regulatory basis for customs duties and standards. Cost of equipment and machinery used in the year the asset is placed into service is eligible for a tax deduction of up to 30 percent of the cost of the equipment. Construction cost of a new hotel or a tourist resort is eligible for a tax deduction of up to 30 percent of the cost of the investment. Additionally, cost of buildings or fixtures used to manufacture finished products containing at least 60 percent local raw materials is eligible for a tax deduction of up to 10 percent. Machinery, equipment, raw materials, semi-finished products and other supplies to be used in the project are exempted from import duty up to 90% of their dutiable value. Manufactured goods exported from the production of the project are entitled to full rebate on import duties and full refund of both income tax and excise tax. Contact the Liberia Revenue Authority (LRA) for specific categories of duties or tariffs, <http://www.lra.gov.lr/>

The GOL has not finalized technical and policy preparations to implement the common tariff regime of the Economic Community of West Africa States (ECOWAS). Liberia is one of the small ECOWAS countries that will have to significantly adjust its average tariff as it moves to the recently adopted Common External Tariff (CET). For instance, Liberia's current statutory tariff schedule, including waivers allowing imports of essential goods (e.g. rice, cement) at zero tariff rates, must be harmonized with its regional neighbors. Migrating to the CET and removing tariff waivers will significantly impact the economy's average tariff.

Below is a summary of common taxes and mandatory contributions:

Tax or mandatory contribution	Statutory tax rate	Tax base
Corporate income tax	25% of taxable income, or 2% of turnover	Taxable income or turnover
Social security	4.75%	Gross salaries
Social security contributions on employee	3%	Gross salaries
Municipal tax	Fee scale	Type of business
Property tax	1.5%	Assessed value of building
Tax on interest	15%	Money market account
Goods & service tax	7%	Value added

Sources: <http://www.doingbusiness.org/data/exploreeconomies/liberia/paying-taxes/>

### Trade Barriers

The Investment Act of 2010 explicitly excludes foreigners from participating in a number of economic sectors. It sets aside 16 business sectors or industries exclusively for Liberian citizens, and places a threshold to entry for non-Liberians to another 12 business sectors or industries. There are non-tariff barriers including limited physical infrastructure -- roads, electricity, effective internet system, etc.-- as well as opaque administrative procedures that foster corruption in the form of bribery. These issues, coupled with porous borders and weak protection of intellectual property rights, have resulted in low trade tax collection, high level of smuggling, and increased informal cross border trade. Import and

export permits are required for all goods shipped to and from Liberia. These irregularities sometimes constitute technical barriers to effective trade in the country.

### Import Requirements & Documentation

Importers must request permission from the Ministry of Commerce and Industry (MOCI) to import specific goods from a particular country or trading zone, specifying the quantity and quality of the goods. Written requests must accompany the invoice and bill of lading. When importers receive import authorization, they then purchase Import Permit Declaration (IPD) from Ministry of Finance and Development planning. Importers arrange pre-shipment/destination inspection through a pre-shipment inspection company (currently BIVAC), at a cost of 1.5 percent of the shipment's value. Pre-shipment inspections are required for goods valued at US\$ 3,500.00 and above; a penalty for imports that do not undergo pre-shipment inspection ranges from 10 percent to 30 percent. When those steps are completed, the IPD is issued and the import is approved. After clearing customs, importers present cost information to the MOCI for price approval. The Ministry has also streamlined the licensing system (Import and Export Permits) with issuance of a regulation to reduce the categories of restricted items from 33 to 27 essential ones, including rice. BIVAC – Bureau Veritas Group is the exclusive pre-shipment inspection (PSI) provider for Liberia. BIVAC has listed the following products as items exempted from import duties (customs):

- Goods imported with a value below the threshold of US\$ 1,000 FOB,
- Reasonable amount of personal effects and household items;
- Supplies for diplomatic missions, and United Nations organizations;
- Gold, precious stones, objects of art;
- Explosives, pyrotechnic products, arms, ammunition, weapons and implements of war imported by the Liberian Armed Forces and the Liberian Police service;
- Fresh fish caught by local Liberian canoes; and
- Goods imported by parcel post not exceeding US\$ 1,000.

Details are available on BIVAC Guide to Importers,

<https://verigates.bureauveritas.com/wps/wcm/connect/aec580004d1fd6d59658bed3ae22b828/GSIT+-Liberia+Guide+to+importers++IPD+file+Ed+11-2013.pdf?MOD=AJPERES>

### U.S. Export Controls

Liberia is subject to export controls of arms and related materiel as established by UN Security Council Resolution 1903, which can be viewed at:

[http://www.sipri.org/databases/embargoes/un\\_arms\\_embargoes/liberia/UNSC\\_res1903.pdf](http://www.sipri.org/databases/embargoes/un_arms_embargoes/liberia/UNSC_res1903.pdf)

A list that consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available here: <http://developer.trade.gov/consolidated-screening-list.html>.

### Temporary Entry

The Liberia Revenue Code provides for temporary entry of personal effects and temporary importation of certain consumable goods. The government has reportedly been assessing a goods and services tax

(GST) of 7 percent on goods that are trans-shipped through Liberia. In 2010, ECOWAS introduced a Value Added Tax (VAT) into Liberia's tax system to ensure consistency in both external and domestic taxation and harmonize with other West African countries. However, VAT is not applied in Liberia.

### Labeling/Marking Requirements

The Ministry of Commerce and Industry (MOCI)'s regulations require that product labels show net weight, manufacture dates, expiration dates, ingredients, origin and price. The labeling language should include English. However, this regulation is not uniformly followed throughout the country as the MOCI lacks an enforcement mechanism. The MOCI conducts periodic commodity inspections at businesses to ensure its regulations are being implemented. Products are often displayed with price-tags in US\$ or Liberian dollars, or both, in major shopping centers. The MOCI's regulations require that product labels show net weight, manufacture dates, expiration dates, ingredients, and origin. However, it lacks the mechanisms to effectively enforce labeling and marking requirements.

### Prohibited & Restricted Imports

Generally, Liberian law prohibits convict-made goods and recognizes international regulations on narcotics and other contrabands. Importation of certain goods, including illegal drugs, weapons, explosives, ammunitions, knives and deadly weapons, counterfeit money, are either prohibited or restricted. Details can be obtained from the websites of BIVAC,

<http://www.bureauveritas.com/wps/wcm/connect/76121e004c665a108f6f8ff9c9cb4444/GSIT+-+Liberia+Guide+to+importers+Rev+Feb+2011.pdf?MOD=AJPERES&CACHEID=76121e004c665a108f6f8ff9c9cb4444>, and the MOCI website:

<http://www.moci.gov.lr/doc/MoCI.Conditional.Imports040714.v2.pdf>

### Customs Regulations

Liberia Revenue Authority (LRA) is an independent, autonomous authority established by an act of the legislature in September 2013. The LRA began official operations in July 2014 as semi-autonomous revenue enforcing and collecting agency, working closely with the Ministry of Finance and Development planning (MFDP) and other revenue generating agencies of government. While LRA collects needed revenue on behalf of the government, the MFDP remains directly in charge of tax policy and allocates national revenue. Below is the contact information for LRA's customs office:

Commissioner of Customs

Liberia Revenue Authority (LRA), <http://liberiarevenueauthority.mruads.com/index.php?>

Phone: (231) 886-727666, Email: [ssaamoi@yahoo.com](mailto:ssaamoi@yahoo.com)

### Trade Standards

#### Overview

The National Standards Laboratory (NSL) of Liberia as a testing and calibration facility was linked to Liberia's initiative and processes to meeting its World Trade Organization (WTO) accession. NSL's mandates include establishing a reliable standard framework to facilitate trade and enforce the criteria of the International Organization for Standardization (IOS). It also helps to improve Liberia's sanitary

and phytosanitary (SPS) system—food safety, animal and plant health—to ensure quality control for food and basic commodities. It is also part of a regional program working to strengthen quality assurance systems to support competitiveness and harmonization of technical barriers to trade (TBT) and SPS measures in West Africa. The facility also nominally helps the GOL monitor and prevent counterfeit and substandard goods from entering Liberian market. As a member of ECOWAS, Liberia is subject to ECOWAS requirements on biosecurity and SPS. The lab renders testing in the area of microbiological and chemical analyses on food and non-food products, and metrological services such as calibration and verification of length, mass, temperature and volume. The NSL has begun providing technical support to food producing industries in the country as well as training inspectors of various regulatory bodies of government.

### **Standards**

The National Standard Labor has three basic laboratories: chemical, microbiology, and metrology. The chemical lab tests for quality and safety of food, water and non-food materials; microbiology lab tests to detect spoilage and disease causing microorganisms in food, water and non-food materials including drugs; and the metrology lab provides testing and calibration of devices used for weights, volume, dimension, and temperature in line with international standards. The lab also strives to build technical capacity of collaborating bodies through trainings in quality management and food safety management systems.

#### *NIST “Notify U.S.” Service*

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

### **Conformity Assessment**

The National Standard Labor focuses on testing, measurement, and calibration of products to ensure originality and safety of their substances. Liberia conforms to ECOWAS regulations on biosecurity and SPS. The Inspectorate Division of the Ministry of Commerce & Industry also conducts routine technical inspections in a bid to ensure conformity assessment and compliance in terms of weight and measures, industrial compliance, food safety, as well as warehousing and storage.

### **Product Certification**

There are no mutual recognition agreements with U.S. organizations on product certification. Certifications in Liberia are handled by various agencies depending on the products, sectors and industries involved.

The list includes:

- Ministry of Commerce and Industry, <http://www.moci.gov.lr>
- Liberia Revenue Authority, [www.liberiarevenueauthority.mruads.com](http://www.liberiarevenueauthority.mruads.com)
- Ministry of Foreign Affairs, <http://www.mofa.gov.lr/public2/index.php>
- Ministry of Agriculture, <http://www.moaliberia.org/>
- Ministry of Health and Social Welfare, <http://www.mohsw.gov.lr/>
- Central Bank of Liberia, <http://www.cbl.org.lr/>,

- Forestry Development Authority, <http://www.fda.gov.lr/>.
- Ministry of Lands, Mines & Energy, <http://www.molme.gov.lr/>
- SGS, <http://www.sgs.com/en/news/2013/04/sgs-multi-purpose-commercial-laboratory-in-monrovia-liberia-now-offering-low-level-gold-analyses>

### Accreditation

Accreditations in Liberia are handled by a number of agencies depending on the areas of concern. For instance, health system accreditations are managed by the Ministry of Health & Social Welfare <http://www.mohsw.gov.lr/>, and education system accreditations are managed by Ministry of Education <http://moe.gov.lr/site/> and University of Liberia <http://www.tlcafrica.com/lu/lu.htm>, while products accreditations are normally handled by Ministry of Commerce & Industry, <http://www.moci.gov.lr>. Accreditations relating to minerals, lands, and energy resources are handled by the Ministry of Lands, Mines & Energy, <http://www.molme.gov.lr/>

### Publication of technical regulations

Bureau Veritas Group (BIVAC), a French international inspection company, provides pre-shipment inspection (PSI) services on behalf of the GOL. BIVAC has published technical regulations on pre-shipment and destination inspections (DI) covering threshold value of imported goods, exemptions, list of prohibited products, and list of restricted imports. The threshold value of imported goods subject to PSI and DI is USD 3,500 for Ocean Freight, and USD 1,500 for Airport Freight and Border Posts. All vehicles are subject to inspection regardless of price. You can access BIVAC's regulations here: <https://verigates.bureauveritas.com/wps/wcm/connect/aec580004d1fd6d59658bed3ae22b828/GSIT+-Liberia+Guide+to+importers++IPD+file+Ed+11-2013.pdf?MOD=AJPERES>

### Contact Information

- National Investment Commission: <http://www.investliberia.gov.lr/>
- Ministry of Commerce and Industry: <http://www.moci.gov.lr>
- Liberia Revenue Authority: [www.liberiarevenueauthority.mruads.com](http://www.liberiarevenueauthority.mruads.com)
- Ministry of Finance & Development Planning: [www.mfdp.gov.lr](http://www.mfdp.gov.lr)
- Ministry of Commerce and Industry: <http://www.moci.gov.lr/>
- Liberia Business Registry: <http://www.lbr.gov.lr/>
- Bureau Veritas Liberia : [http://www.bureauveritas.com/wps/wcm/connect/bv\\_com/group/home/worldwide-locations/africa/liberia](http://www.bureauveritas.com/wps/wcm/connect/bv_com/group/home/worldwide-locations/africa/liberia)
- International Finance Corporation (IFC): [http://www.ifc.org/wps/wcm/connect/region\\_ext\\_content/regions/sub-saharan+africa/news/liberia\\_private\\_sector\\_revival](http://www.ifc.org/wps/wcm/connect/region_ext_content/regions/sub-saharan+africa/news/liberia_private_sector_revival)
- World Bank Doing Business: <http://www.doingbusiness.org/data/exploreeconomies/liberia>
- Liberia Chamber of Commerce: <http://www.lcclr.org/page.php?&7d5f44532cbfc489b8db9e12e44eb820=OQ%3D%3D>
- Embassy Monrovia's website: <http://monrovia.usembassy.gov/doing-business-local.html>

### Trade Agreements

Liberia has bilateral and multilateral agreements with several countries including the United States. The GOL has a number of economic, trade and investment agreements with the United States Government

under which the country enjoys duty-free and preferential trade benefits. They include the African Growth and Opportunity Act (AGOA), a Trade and Investment Framework Agreement (TIFA), and the Generalized System of Preferences (GSP). Together with GSP, AGOA provides duty-free treatment for about 6,800 products exported from eligible African countries. These trade programs intend to boost mutually beneficial trade by reducing barriers to trade and investment between the two countries. Liberia's main exports to the United States are rubber, wood, art and antiques, palm oil and diamonds, and the U.S. exports to Liberia include agricultural products (with rice as the leading category), vehicles, machinery, textiles, optic and medical instruments.

Liberia has a comprehensive timber trade agreement with the European Union, known as the Voluntary Partnership Agreement (VPA), aimed at controlling illegal logging and improving forest sector governance. The GOL, along with other ECOWAS member governments, also has a free trade arrangement--an Economic Partnership Agreement (EPA)--with the European Union (EU). The EPA would gradually open about 75 percent of the EU market to ECOWAS countries.

The MOCI launched the Liberia Trade Policy and the Export Strategy in April 2014. The policy reiterates the government's commitment to fast track Liberia's accession to the WTO, with emphasis on promoting private sector growth. These instruments aim to increase Liberia's trade capacity and infrastructure, harmonize its trade regime, provide a blueprint for industrial development, and connect the country to global markets. On December 16, 2015, Liberia acceded to the WTO, paving the way for the GOL to standardize its trade and investments laws and regulations consistent with internationally acceptable norms. For details on Liberia's accession to the WTO, <http://www.moci.gov.lr/doc/LR.LiberiaAccession.WTOFactSheet.121015.pdf>.

Liberia is ideally situated to have easy access to ECOWAS markets of nearly 300 million consumers, but its total regional trade volume is low due to insufficient infrastructure and inadequate trade instruments.

### Licensing Requirements for Professional Services

There are different licensing requirements for professional services in Liberia depending on the services, sectors, and industries involved; and processing of licenses is handled by various professional bodies. For instance, licensing for financial and insurance services are managed by the Central Bank of Liberia <http://www.cbl.org.lr/>, and licensing for educational services are handled by Ministry of Education <http://moe.gov.lr/site/>, while licensing for legal services are managed by Liberia Bar Association and Ministry of Justice <http://www.moj.gov.lr/>; and all accounting and professional services are licensed by the Liberia Instituted of Certified Accountants (LICPA).

### Trade Regulation Web Resources

Bureau Veritas Liberia - <http://www.bureauveritas.com/home/worldwide-locations/africa/liberia/>

Ministry of Commerce and Industry - <http://www.moci.gov.lr>

Liberia Revenue Authority - [www.liberiarevenueauthority.mruads.com](http://www.liberiarevenueauthority.mruads.com)

Ministry of Foreign Affairs - <http://www.mofa.gov.lr/public2/index.php>

Ministry of Agriculture - <http://www.moaliberia.org/>

Ministry of Health and Social Welfare - <http://www.mohsw.gov.lr/>

Central Bank of Liberia - <http://www.cbl.org.lr/>,

Forestry Development Authority - <http://www.fda.gov.lr/>.

Ministry of Lands, Mines & Energy - <http://www.molme.gov.lr/>

SGS - <http://www.sgs.com/en/news/2013/04/sgs-multi-purpose-commercial-laboratory-in-monrovia-liberia-now-offering-low-level-gold-analyses>

Ministry of Education - <http://moe.gov.lr/site/>

Ministry of Justice - <http://www.moj.gov.lr/>

# Investment Climate Statement

## Summary

Liberia is located in West Africa and has a population of about 4 million people (2008 Census). The Government of Liberia (GOL) continues to prioritize foreign direct investment (FDI) to realize its economic development goals. The GOL is working with its international partners to secure funding that would cover a gap of \$812 million to implement the interventions contained within its 2015-2017 Economic Stabilization & Recovery Plan (ESRP). The ESRP focuses on recovering output and growth, increasing resilience and reducing vulnerability, and strengthening public finances and service delivery disrupted by the Ebola crisis.

However, the availability of resources to adequately deliver on the GOL's development plans remains a challenge. Inflow of FDI is critical given Liberia's difficult macroeconomic outlook, coupled with the underperformance of its natural resources sector, which has resulted in an estimated revenue loss of \$70 million during the financial year (FY) 2015-2016 period. The current administration recognizes that attracting FDI requires an enabling legal and regulatory environment and is open to resolving issues that hinder improvements to the investment climate.

Though Liberia has a limited domestic market, it provides numerous investment opportunities across various sectors including; agriculture, forestry, fisheries, mining, telecommunications, services sector, manufacturing, and warehousing and storage facilities. The United States, China, Europe, and other African countries are the main export destinations. A cabinet level Inter-Ministerial Concessions Committee (IMCC), chaired by the National Investment Commission (NIC), is responsible for negotiating concession agreements, which are ratified and approved by the national legislature and the president respectively. Currently, the export sector relies heavily on rubber and iron ore, accounting for 71 percent of total exports in 2015 (Central Bank of Liberia, 2015 Report).

Business registration statistics from 2015 indicate that the Liberia Business Registry (LBR) registered 7,110 businesses, of which 6,437 were local businesses and 673 were foreign owned businesses, including locally incorporated and registered businesses owned by non-Liberian citizens. The LBR is a one-stop business registration center that handles all business registration processes within three to four business days. Liberia has several state-owned enterprises (SOEs), some of which perform regulatory functions for their sectors, while others are dysfunctional. The SOE sector is critical to the GOL's economic development agenda, and their operational management is governed by the Public Financial Management (PFM) Law of 2009.

The followings are the key sectors which have historically attracted significant FDI in Liberia:

- Mining
- Agriculture including forestry
- Services including hotels and restaurants
- Banking and financial services
- Telecommunications

The following are the best prospective sectors for U.S. investment in Liberia:

- Agribusiness (marketing of agriculture products)
- Manufacturing (food processing and packaging)
- Transportation, storage, and warehousing facilities
- Energy and power generation

- Construction and real estate
- Services
- Telecommunications (especially fast-speed internet services)

Liberia offers investors a business-enabling environment with attributes such as:

- A free-floating exchange rate regime and guarantees that investors can transfer profits out of Liberia
- Investment laws that protect investors against expropriation and nationalization
- Comparatively more public awareness of incidences of corruption and government willingness to fight such corruption

Current market challenges include the following:

- Difficult and opaque procedures to obtain clear title to property
- Lack of protection and awareness regarding intellectual property rights, including artistic works, pharmaceutical products, and computer software.
- Lengthy and complex process to register a business or conclude concession agreements, requiring compliance with regulations and procedures of various government agencies.
- Weak judicial institutions and judicial sector corruption.

Overall, the government seeks to establish an investment climate that is welcoming to foreign investment as it continues to push forward with business reform programs. As Liberia transitions to a middle income country, the GOL’s determination to improve the investment climate will be critical to overall economic growth.

Table 1

Measure	Year	Index/Ranking	Website Address
<b>Transparency International's Corruption Perceptions index</b>	2015	83 of 168	<a href="https://www.transparency.org/country/#LBR">https://www.transparency.org/country/#LBR</a>
<b>World Bank's Doing Business Report "Ease of Doing Business"</b>	2016	179 of 189	<a href="http://www.doingbusiness.org/data/exploreeconomies/liberia/">http://www.doingbusiness.org/data/exploreeconomies/liberia/</a>
<b>U.S. FDI in Liberia (M\$, stock positions)</b>	2014	\$ 873	<a href="http://www.bea.gov/international/factsheet/factsheet.cfm">http://www.bea.gov/international/factsheet/factsheet.cfm</a>
<b>World Bank GNI per capita</b>	2014	\$ 370	<a href="http://data.worldbank.org/country/liberia">http://data.worldbank.org/country/liberia</a>

## Openness to and Restrictions upon Foreign Investment

### Attitude Toward FDI

Liberia's economy is based on a free enterprise system and the GOL adopts an open-door policy towards FDI. Overall, the GOL continues to make starting a business easier by eliminating business trade license fees. It has streamlined the steps and procedures involved in the business registration process to make it easier and faster. The transfer of property has also been made easier through a digitized records system at a land registry, known as the Center for National Documents and Records Agency (CNDRA). The report also indicates that Liberia made progress in reforms related to contract enforcement, issuance of construction permit and cross-border trade. Despite these measures and a commitment by the GOL to improve the regulatory environment for investment, Liberia's business climate remains poor with a ranking 179<sup>th</sup> out of 189 in the World Bank's 2016 Doing Business report. This poor ranking is partially attributed to non-regulatory factors such as the general infrastructure constraint including lack of electricity for many businesses, limited road network to connect commercial and population corridors, and difficulty SMEs face in accessing finance and market. Furthermore, there are laws and practices that discriminate against foreign businesses by prohibiting, limiting, or conditioning foreign investment in certain economic sectors as stipulated in the Investment Act of 2010. The intent of these laws is to empower Liberian entrepreneurs. However, the International Finance Corporation's (IFC) Investment Climate Team collaborates with the GOL to improve the investment climate by increasing access to finance and inspiring greater confidence in Liberia as an investment destination.

### Other Investment Policy Reviews

Neither UNCTAD nor the OECD has conducted an investment policy review for Liberia in the last few years.

### Laws/Regulations of FDI

To obtain a new concession agreement or long-term investment contract, potential investors have to engage in lengthy bidding and negotiation processes. In addition to the Investment Act and Revenue Code of 2000, the Public Procurement and Concessions Act of 2005 and the National Competitive Bidding Regulations, theoretically provide a clear, standardized, and transparent system for awarding concessions and public tenders. However, requests for Expressions of Interest (EOI), International Competitive Bids (ICB), and Invitations to Bid (ITB) are often poorly advertised, which hampers the process from the onset. An Inter-Ministerial Concession Committee (IMCC) chaired by the National Investment Commission (NIC) includes the Ministries of Justice and Finance and Development Planning. The IMCC is statutorily responsible to handle bids, evaluate, award, and finalize concession agreements for the GOL. The President of Liberia sends the IMCC-awarded concessions to the national legislature for ratification. Concession agreements become legally binding (laws) after having been ratified by the legislature, signed by the president, and printed into handbills by the Ministry of Foreign Affairs (MFA). Depending on contract clauses and stipulations, a re-negotiation and subsequent round of ratification may be necessary in the case of ownership transfers. Besides the general weakness of the judiciary, there is no executive or other interference in the court system that could significantly affect foreign investors.

The following list of websites may help navigate the laws, rules, procedures, and reporting requirements for foreign investors:

- <http://www.ppcc.gov.lr/> : The PPCC prepares, monitors, and guides public procurement policies, procedures, and guidelines for awarding concessions;

- <http://www.lra.gov.lr/>: The Liberia Revenue Authority (LRA) collects all lawful revenues due the government, and is the custodian of the 2000 Revenue Code;
- <http://www.investliberia.gov.lr/> : The National Investment Commission (NIC) is the investment promotion agency of the GOL, and chief negotiator of all concession agreements;
- <http://www.mfdp.gov.lr/> : The Ministry of Finance & Development Planning (MFDP) is responsible for the country's fiscal policies, and is the custodian of the Public Financial Management Act of 2009.

### *Business Registration*

All businesses are required to register and/or apply for an authority to do business or provide services in Liberia. There are several ways to legally structure a business in Liberia. Currently, the options are as follows:

- Sole proprietorship
- Partnership or Limited Partnership
- Business Corporation
- Limited Liability Company (LLC)
- Non-profit
- Foreign Corporation
- Foreign Maritime Entity

Business registration is handled by Liberia Business Registry (LBR), <http://www.lbr.gov.lr> (site currently under maintenance). Certain business types require a notarization by the GOL, and foreign companies are advised to refer to the LBR for advice on registration processes. The wait-time required to register a business can be between three and four working days. The NIC is the investment promotion agency that facilitates foreign investment and crafts investment policies. It is the chief negotiator of all concession agreements and the custodian of the Investment Act. Investors seeking to invest in Liberia generally take one of the following three paths:

- Standard Business – requires no incentive from the government; typically, these are small businesses with capital of less than \$500,000, but some larger businesses fall into this category; sector specific licenses and permits may be required for registration and incorporation; for more information, please refer to <http://investliberia.gov.lr/business/permits/>
- Special Investment Incentives – typically businesses that invest less than \$10 million and seek government incentives; for more information on incentives, please refer to <http://investliberia.gov.lr/invest/incentives/>
- Concessions – typically businesses that invest more than \$10 million and seek extra consideration from the government; for information on the process of negotiating a concession, please refer to <http://investliberia.gov.lr/invest/concession/>

In cases where an entity is already registered in different country and wants to do business, provide services, or take part in a bids in Liberia, that entity must apply for an “Authority to do Business” through the LBR, <http://www.lbr.gov.lr>. The fees charged for this process are found on the LBR's website. The GOL established the Department of Small Business Administration (SBA) in December 2014, with the objective of promoting the interests and fostering the development of micro, small, and medium enterprises (MSMEs). According to Liberia's MSME Policy, micro enterprises are firms with three or fewer employees; small enterprises are firms with four to 20 employees; and medium enterprises are those with 21 to 50 employees. For more information on the policy, please refer to this link: <http://www.moci.gov.lr/doc/Final%20MSME%20Policy%20Liberia%202011-2016.pdf>

## **Industrial Promotion**

Liberia is well known for its opportunities in the extractive and forestry sectors. The country also offers a wide range of opportunities in agriculture, mining, energy and power generation, agribusiness, and warehousing and storage. The NIC has packaged opportunities in four strategic sectors that have programs to guide potential investors and attract investment. This information is disseminated to the general public via this link, <http://www.investliberia.gov.lr/invest/sector>. The strategic sector opportunities are as follow:

- Road Transport: large scale fleet to service concessionaires; small scale trucking services targeting small and medium sized businesses.
- Costal Transport: operating short haul cargo services along the coast targeting demand from oil rigs and concessions across the country; market opportunity also exists in intra-West Africa trade.
- Fisheries: Liberia has 186,322 km<sup>2</sup> of fishing ground within its Exclusive Economic Zone (EEZ) along the coast; strong local and regional demand creates opportunities for fish harbor management, fish processing, and aquaculture production.
- Fruits and Vegetables: Liberia has abundant rainfall, temperate climate, and rich soil that offers ideal growing conditions for tropical fruits and vegetables; there is potentially high demand from domestic, regional, and international markets for locally grown fruits and vegetables.

## **Privatization Program**

Not applicable.

## **Screening of FDI**

Not applicable.

## **Competition Law**

In December 2015, the WTO approved Liberia's membership to the organization, and the Liberian Senate has passed a Competition Law, which is expected to maintain and encourage a free market economy, as well as to promote fair competition in trade, meeting WTO standards.

## **Conversion and Transfer Policies**

### **Foreign Exchange**

There are no restrictions or limitations placed on foreign investors in converting, transferring, or repatriating funds associated with an investment (e.g. remittances of investment capital, earnings, loans, lease payment, or royalties). Liberian law allow for the transfer of dividends and net profits after tax to investors' home countries. The Investment Act allows unrestricted transfer of capital, profits, and dividends "through any authorized dealer bank in a freely convertible currency." The Central Bank of Liberia (CBL)'s regulation concerning transfers of foreign currency stipulates that every business house, entity, or individual wishing to make a foreign transfer of funds may do so without limitation of amount to be transferred; however, the amount to be transferred must have been in an entity's bank account for no less than three banking days prior to the transfer. Though conversion restrictions do not exist, the CBL currency auctions are often oversubscribed, and it may take investors more than a week to exchange large sums of money. The bank regularly intervenes in the foreign exchange market through

weekly foreign exchange auctions and monthly Treasury bill auctions to stabilize the exchange rate, facilitate imports, maintain a low inflation rate, and spur economic growth.

Liberia has a floating exchange rate system with both Liberian Dollars (LRD), known as “Liberty” notes, and the U.S. Dollars (USD) being legal tender. Large-scale business and government transactions are conducted in USD, while retail or day-to-day routine transactions are conducted largely in LRD. Contracts and tax agreements are typically specified in USD, and about 85 percent of taxes are paid in USD. The USD can be freely exchanged for LRD in commercial banks, licensed foreign exchange bureaus, petrol stations, and large supermarkets. It is advisable for foreign investors to conduct foreign exchanges at commercial banks or established licensed forex bureaus.

### **Remittance Policies**

There are no recent changes or plans to change Liberia’s investment remittance policies to affect access to foreign exchange. Generally, there are no legal time limitations on remittances, or on the inflows or outflows of funds for remittances of profits or revenue. In general, corporations can remit as much as one million USD through commercial banks. Transferring banks are required to file normal cash transaction reports with the CBL. Depending on the amount to remit and the bank(s), the wait-period to remit each type of investment returns range from a few hours to three business days. However, individuals without a bank account are limited to two over-the-counter transfers of up to \$5,000 within a 30-day period. The CBL instituted thresholds for suspicious transactions for which banks must exercise customer due diligence and know your customer rules. The thresholds are \$25,000 and above for individuals, and \$40,000 and above for corporations. Liberia does not engage in currency manipulation tactics.

Liberia is a member of the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA). GIABA is a financial action taskforce (FATF) which strengthens the capacity of its member states – Economic Community of West African States (ECOWAS) countries – towards the prevention and control of money laundering and terrorist financing in West Africa. It conducts periodic assessments of the implementation of anti-money laundering and counter-terrorist financing measures in Liberia.

### **Expropriation and Compensation**

Liberia's Investment Act specified cases under which the government can legally expropriate property. The Act guarantees foreign enterprises against expropriation and nationalization “unless the expropriation is in the national interest for a public purpose, is the least burdensome available means to satisfy that overriding public purpose, and is made on a non-discriminatory basis in accordance with due process of law.” The U.S. Embassy is aware of one case of expropriation (Metco case, 2002-2015) in which the claimant was compensated following years of legal proceeding and negotiations; the compensation amount was in a freely transferrable currency, but did not represent a fair market value at the time of the expropriation. In this case claimant was afforded due process, but the failure of a lower court to enforce the Supreme Court’s ruling delayed the settlement of the matter, offsetting the essence of the due process. In the past five years there have not been any government actions or shifts in policy that would indicate possible expropriations in the foreseeable future. Currently, there are no high risk sectors in the economy that are prone to expropriation actions; and there is no indirect expropriation, such as confiscatory tax regimes or regulatory actions that deprive investors of substantial economic benefits from their investments.

Historically, the GOL favors signing non-exclusive concession agreements with major investors. This practice allows the GOL to sign overlapping concession agreements for different resources. For example, the GOL may sign an agricultural concession agreement, but also allow itself flexibility to sign a mineral and/or timber concession in the same area. As multinational investors develop concession areas, some foreign businesses buy risk insurance to mitigate against the possibility of operational disruption caused by land expropriation. Liberia is a signatory to the Multilateral Investment Guarantee Agency (MIGA) Convention that guarantees the protection of foreign investments.

## Dispute Settlement

### **Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts**

Liberia's judicial power is vested in a Supreme Court and subordinate courts similar in structure to those of the U.S. The official legal system, based on Anglo-American Common Law, is shadowed by, and frequently conflicts with, local customary law based on unwritten, indigenous practices, culture, and traditions. These competing and un-reconciled legal systems often lead to frequent conflicts between Monrovia-based entities and those in rural communities. The judicial system suffers from inadequately trained and poorly compensated judges and other judicial officers, often leading to faulty proceedings and corruption. Many observers believe that judgments can be purchased, and foreign firms tend to be at a disadvantage. It may take a long time to obtain hearing dates, because of inadequate resources and backlogs of cases. The Commercial Code of Liberia sets out provisions for sales, leases, financial leases, mortgages, secured transactions, and commercial arbitration. The code backs the Commercial Court that was established five years ago to resolve issues arising from commercial transactions and contractual relationships. In theory, the court presides over all financial, contractual, and commercial disputes, serving as an additional avenue to expedite commercial and contractual cases. In practice, because of a dearth of regulating legislation, some cases remain unresolved. Among the laws in the Commercial Code are a finance lease law and the new mortgage law that were developed with technical support from the IFC. The present Commercial Court does not have standing to hear intellectual property claims, nor is there a specialized court to hear claims of unfair labor practices.

The Investment Act protects the right of investors to settle disputes either through the judicial system or through alternative dispute resolution (ADR) mechanisms. Concerning dispute settlement procedures, parties to an investment dispute may specify any arbitration, or other dispute resolution procedure upon which they agree. The Investment Act states that, "where a dispute arises between an investor and Government in respect of an enterprise, all efforts shall be made through mutual discussion to reach an amicable settlement." Private entities entering into investment contracts with the GOL frequently include arbitration clauses specifying dispute settlement outside of Liberia. The Liberian Constitution categorically defines separation of powers where the judicial system remains independent of the executive branch. However, the general weakness of the overall judiciary presents a mixed picture showing that the current judicial process is not procedurally competent, fair, or reliable. Judgments of foreign courts are recognized and enforceable under the courts, and problems with foreign investments are handled under the same legal jurisdictions. However, opaque and inadequate interpretations of laws, poor administration of those laws, political interferences, incompetency of judges, and corruption may interfere with the judicial process.

### **Bankruptcy**

Liberia does not have a bankruptcy law. However, the Liberia Bankers Association, the Law Reform Commission (LRC), and other relevant stakeholders have drafted a Bankruptcy, Insolvency and

Restructuring Act. The act is intended to protect creditors' rights so that bankruptcy and insolvency cases can be adjudicated and resolved. The House of Representatives has held series of public hearings on the draft bill, but it is yet to be passed into law. According to the World Bank's Doing Business Report, <http://www.doingbusiness.org/rankings>, Liberia ranks at 168 out of 189 countries for ease of resolving insolvency.

### **Investment Disputes**

Liberian Civil Procedure Law governs both domestic and international arbitrations taking place in Liberia; there is no specific statute governing arbitration. Liberia is a member of the International Center for Settlement of Investment Disputes (ICSID) and is a signatory to the MIGA Convention that guarantees the protection of foreign investments. It may take several years to enforce both foreign and domestic arbitrations awards, from filing an application to the court of first instance to obtaining a writ of execution, with provision for an appeal. Administering investment disputes or commercial arbitrations as well as enforcement proceedings are undertaken in the Commercial Court and Civil Law Court, with appeal directly to the Supreme Court.

In July 2012, the Ministry of Lands, Mines and Energy (MLME) canceled 25 mining licenses due to the licenses holders' non-compliance with their contract stipulations. The complaints included the companies' failure to pay fees and their involvement in unsanctioned mining activities. In this case, the issues were finally resolved through a MLME hearing, rather than court proceedings. The U.S. Embassy is aware of one case of expropriation in which the claimant was compensated following years of legal proceedings and negotiations. The failure of the lower court to enforce the Supreme Court's ruling contributed to the delay in settling this case.

### **International Arbitration**

#### *ICSID Convention and New York Convention*

Liberia is a member of the ICSID, and the New York Arbitration Convention.

See a list of members of the ICSID convention at:

<https://icsid.worldbank.org/ICSID/FrontServlet?requestType=ICSIDDocRH&actionVal=Contractingstates&ReqFrom=Main>). See a list of members of the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards at: <http://www.newyorkconvention.org/contracting-states/list-of-contracting-states>.

### **Duration of Dispute Resolution**

Depending on the magnitude of a case, it may take any number of years to obtain a resolution on an investment or commercial dispute proceeding in courts. Administering investment disputes or commercial arbitrations as well as enforcement proceedings are undertaken in the Commercial Court and Civil Law Court, with appeal directly to the Supreme Court. The Commercial Code of Liberia, which backs the Commercial Court, sets out provisions for sales, leases, financial leases, mortgages, secured transactions, and commercial arbitration.

### **Performance Requirements and Investment Incentives**

#### **WTO/Agreement on Trade Related Investment Measures (TRIMS)**

In December 2015, Liberia acceded to the WTO, becoming a member of the world trade body, which paved the way for the country to standardize its trade and investment policies in line with the WTO requirements.

### **Investment Incentives**

There are different forms of investment incentives which can be assessed by both foreign and domestic investors for approved investment projects. The Consolidated Tax Amendment Act of 2010 (Section 16), also known as the Revenue Code of 2000, sets out the exemptions and allowable deductions. According to the code, incentives are available for investments in the following sectors:

- Tourism, carried out through tourist resorts, hotels, and cultural sites
- Manufacturing, with at least 60 percent local raw material content
- Energy
- Hospitals and medical clinics
- Housing
- Transportation
- Information technology
- Banking
- Horticulture and poultry
- Exportation of sea products
- Agricultural, particularly food crop cultivation and processing, including cocoa and coffee
- Small and medium scale rubber and oil palm cultivation and processing

*Note: specific terms and conditions as relate to accessing incentives in the above sectors can be obtained from the NIC; <http://www.investliberia.gov.lr/invest/incentives>*

The Revenue Code identifies these sectors for special investment incentives, which include tax deductions with respect to equipment, machinery, and cost of buildings and fixtures used in manufacturing as well as import duty and GST exemptions. The code also authorizes the Ministry of Finance and Development Planning (MFDP) to include other investment activities, not listed above, that would promote economic growth. Regarding tax incentives, Section 16(d) of the revised revenue code states that “for investments exceeding \$10 million, and subject to approval by the President and the Legislature, the tax incentives permitted by this section may be allowed for a period of up to fifteen (15) years; no tax incentive under this subsection shall be valid or enforceable without legislative approval.” Capital assets and other goods to be used in the project are exempted from import duty up to 100 percent of their dutiable value. Customs users’ fees of 1.5 percent plus ECOWAS trade levy of 0.5 percent are applicable.

Capital investment requirement:

- At least \$1 million ranging up to \$20 million for any investor
- At least \$500,000 for business with 100% Liberian ownership

Highlight of investment incentives:

- 30 percent off cost of equipment and machinery (capital allowance)
- 30 percent off construction cost of new hotel or tourist resort
- 10 percent off the cost of buildings and fixtures used in manufacturing process that produced finished products with 60 percent local raw materials

Additional incentives based on economic zones in the country:

- Zone 1 (River Gee, Gbarpolu, Grand Kru, and Rivercess Counties): 12.5 percent
- Zone 2 (Maryland, Grand Gedeh, Sinoe, Nimba, and Lofa Counties): 7.5 percent
- Zone 3 (Bomi, Grand Cape Mount, Margibi, Grand Bassa Counties): 5 percent

Additional incentives based on employment creation (of 100 jobs):

- Zone 1 (River Gee, Gbarpolu, Grand Kru, and Rivercess Counties): 10 percent
- Zone 2 (Maryland, Grand Gedeh, Sinoe, Nimba, and Lofa Counties): 7.5 percent
- Zone 3 (Bomi, Grand Cape Mount, Margibi, Grand Bassa Counties): 5 percent

The revenue code reduces both the maximum annual tax on net corporate profits derived from Liberian operations and personal income tax from 35 percent to 25 percent. The maximum corporate income tax rate in Liberia is 25 percent, except in the case of mining companies, which may pay up to 30 percent.

**Note:** *information on specific terms and conditions as relate to accessing any investment incentives can be obtained from the following agencies:*

- National Investment Commission, <http://www.investliberia.gov.lr/>
- Liberia Revenue Authority, <http://www.lra.gov.lr/>
- Ministry of Finance & Development Planning, <http://www.mfdp.gov.lr/>
- National Bureau of Concessions, <http://www.nbcliberia.org/mission--vision--mandate.html>

## **Research and Development**

Not applicable.

## **Performance Requirements**

The Investment Act officially eliminated a mandate that foreign companies must employ qualified Liberians at all levels. However, typical investment agreements dictate that foreign companies employ a certain percentage of Liberians at senior management levels. In practice, foreign investors usually face difficulty in finding the right skills for certain high profile technical or managerial positions. Liberia's company registration regulations enable a foreign company to open a fully owned subsidiary in the country. Certified documentation of proof of a holding company is required along with other necessary documents during the registration process. The GOL does not impose conditions, such as tariff and non-tariff barriers, on permission to invest. There are local content requirements included in certain major investment contracts and this information can be obtained from the NIC, <http://www.investliberia.gov.lr/>. Details on specific performance requirements and/or investment incentives, their different categories and applications as relate to foreign and domestic investors can also be obtained from the NIC.

Generally, Liberia's visa, residence permit, work permit, or similar requirements do not inhibit mobility of foreign investors or their employees. All persons entering the country must hold an entry visa, except for ECOWAS citizens who require valid passports or laissez-passers. Upon arrival at the airport, foreign visitors are issued a 30-days 'Temporary Stay' stamp (permit). If they plan to stay longer, visitors must report to the Bureau of Immigration and Naturalization (BIN) before the 30 days expire, in which case they will be issued a 60-day "Temporary Stay" pass. Where a visitor intends to stay for a period in excess of 60 days, he/she must apply for a Resident Permit. Should the visitor intend to work or engage

in business while in Liberia, he/she must apply for a Work Permit from Ministry of Labor, and a residence permit is the pre-condition for obtaining a work permit.

### **Data Storage**

The Government of Liberia does not have specific data storage requirements.

### **Right to Private Ownership and Establishment**

Foreign private entities have the right to establish and own business enterprises, and engage in all forms of remunerative activities, except for businesses that are restricted exclusively for Liberians. According to the Investment Act and Revenue Code, which govern investments in Liberia, foreign investors have similar rights and are subject to similar duties and obligations as those that apply to domestic investors with several notable exceptions. The Investment Act imposes restrictions on the operation of, and investment in the following business activities or enterprises:

1. Supply of sand
2. Block making
3. Peddling
4. Travel agencies
5. Retail sale of rice and cement
6. Ice making and sale of ice
7. Tire repair shops
8. Auto repair shops with investment of less than \$550,000
9. Shoe repair shops
10. Retail sale of timber and planks
11. Operation of gas stations
12. Video clubs
13. Operation of taxis
14. Importation or sale of second-hand or used clothing
15. Distribution in Liberia of locally manufactured products
16. Importation and sale of used cars (except authorized dealerships, which may deal in certified used vehicles of their make)

Under the Investment Act, foreign investors may invest in the following business activities provided they meet minimum capital investments thresholds:

1. Production and supply of stone and granite
2. Ice manufacturing
3. Commercial printing
4. Advertising agencies, graphics and commercial artists
5. Cinemas
6. Production of poultry and poultry products
7. Operation of water purification or bottling plant (exclusively the production and sale of water in sachets)
8. Entertainment centers not connected with a hotel establishment
9. Sale of animal and poultry feed
10. Operation of heavy-duty trucks
11. Bakeries

## 12. Sale of pharmaceuticals

According to the Investment Act, for enterprises owned exclusively by non-Liberians, the total capital invested shall not be less than \$500,000. For enterprises owned in partnership with Liberians and the aggregate shareholding is at least 25 percent, the total capital invested shall not be less than \$300,000.”

Despite these restrictions, the Investment Act has not effectively increased Liberian participation in commercial industries. The act officially eliminated a mandate that foreign-owned companies must employ qualified Liberians at all levels. Most investment agreements dictate that foreign-owned companies employ a certain percentage of Liberians at all human resource levels, including upper management. In practice, this rule is rarely applied as foreign companies usually face difficulty in finding the right skills for high profile technical or managerial positions. Business registration regulations enable a foreign company to open a fully-owned subsidiary in the country. Certified documentation of proof of a holding company will be required along with other necessary documents during registration.

While land ownership is restricted to Liberian citizens, the acquisition of public land by non-Liberian citizens is possible through a leasehold. Leases ordinarily run for 25 to 50 years, but exceptions are permitted under the law. The ownership, leasing, and use of land are governed by both statutory and customary laws. Chapter III, Article 22 of the Liberian Constitution states that: “Every person shall have the right to own property alone as well as in association with others, provided that only Liberian citizens shall have the right to own real property within the Republic. Private property rights, however, shall not extend to any mineral resources on or beneath any land or to any lands under the seas and waterways of the Republic.” In 2013, the Land Commission, which is responsible for reforming land policies, laws, and programs, developed a Land Rights Policy. The policy categorized land into Public Land, Government Land, Customary Land, and Private Land. There is a cross-cutting category called Protected Areas, which must be preserved for conservation purposes for the sake of environmental protection that would benefit all Liberians. Verification of land titles is conducted at the Center for National Documentations and Records Agency (CNDRA), [www.cndra.gov.lr](http://www.cndra.gov.lr).

Rights to land ownership and use of resources such as minerals and timber have become increasingly critical issues in recent years, fueled by increased foreign investment interest and clashes between traditional and statutory land uses. In January 2015, the GOL extended the moratorium on public land sales to resolve conflicting land tenure systems and allow for new land laws, regulations, and procedures to be formulated by the Land Commission. However, the moratorium does not stop the GOL from entering into legally binding investment agreements with companies to use land, including for mineral and agricultural concessions. The moratorium, which has been renewed annually since 2010, applies to individuals, groups, government functionaries, local authorities, and communities that are involved in land transactions. However, concession-related land challenges have not been fully addressed. As firms commence operations, local populations believe their lands are being encroached upon, often leading to disputes, strikes, and sometimes violence. In the interest of minimizing lost productivity and in the absence of GOL adjudication, companies often make additional community-level payments or agreements to resolve competing land claims. The future enforceability of such agreements is unclear. Prospective investors should not underestimate the potential for costly and complex land dispute issues to arise even after concluding their agreements with the GOL.

## Protection of Property Rights

### Real Property

Interests in property are enforced, but enforcement mechanisms are usually weak. Mortgage and liens do not exist. The dysfunctional court system has led the GOL to explore the use of ADR mechanisms to resolve land disputes. Historically, land disputes arose because statutory and traditional methods of allocating land were never reconciled. As a result, unscrupulous individuals tend to falsify land deeds and sell properties to multiple buyers, compounding an already contentious land ownership situation. Since its establishment in 2010, Land Commission (LC) has made significant progress in the ongoing land reform process. The commission continues to formulate policies and laws to reconcile the tenure systems of different categories of land, including statutory and customary land. Its recent work, some of which is still in draft, includes the National Land Right Policy, the Land Rights Act, Land Administration Policy, and an Urban Land Use and Land Dispute Resolution.

In addition, the commission has reported resolving dozens of land cases through ADR mechanisms in various parts of the country. Through the ADR mechanism, the commission convenes a task force to mediate land conflicts, even though it cannot enforce laws. An ADR unit at the Ministry of Justice (MOJ) collaborates with judiciary to strengthen the rule of law and improve access to justice in land sector. The program explores the possibility of using customary practices and local traditional means to settle land related disputes. The commission has adopted best practices of ADR mediations from other post-conflict countries that have experienced similar land disputes. In addition, the commission continues to carry out a 'national tribal certificate inventory assessment' in parts of the country. Results of this assessment will be used to create a database of 'National Inventory of Tribal Certificates,' which will contain all tribal certificates issued over the years.

Concurrently, the CNDRA continues to enhance its capacity to digitize and archive public records and properly manage the deeds and title registry system. This effort is designed to collect and store all documents for the GOL, as well as register land deeds, marriage certificates and other vital documents to eliminate overlap and disputes. The agency populated a land cadaster for proper recording and mapping of land title deeds.

The draft Land Rights Act, which the LC developed following massive civic education and public consultations, defines and delineates different categories of land ownership and rights. It prescribes the means by which each of the land categories may be acquired, used, transferred and managed. The act, based on the Land Rights Policy, is expected to address land administration, land use and management, and ADR mechanisms for land cases. The act is pending at the legislature, which continues to hold series of public hearings with relevant stakeholders. There is a law against a criminal conveyance of land, titled an "Act against Criminal Conveyance of Land," codifying the accountability of land surveyors and providing sanctions for those found colluding with the sellers and engaging in illegal land transactions. This law provides a legal foundation for resolving many of the issues in the land sector. It states that "a surveyor who encourages, persuades, surveys, uses his influence or in any other way participates or conspire with anyone in the sale or purchase of a parcel of land, knowing or being in the position to know that the seller of such land has no lawful title, is guilty of a first degree felony punishable by both a fine, a prison term of not less than ten years and a permanent revocation of his/her license to practice as a surveyor."

Land ownership in Liberia is restricted to Liberian citizens. Acquisition of public land by non-Liberians is possible through leasehold. See sub-section 1.5 "Limits on Foreign Control and Right to Private Ownership and Establishment," for regulations regarding land lease or acquisition by foreign and/or non-resident investors. In terms of registering property Liberia ranks 178 out of 189 economies in the World Bank's 2016 Doing Business survey, <http://www.doingbusiness.org/data/exploreeconomies/liberia/>

## Intellectual Property Rights

Intellectual property laws in Liberia cover such areas as domain names, traditional knowledge, transfer of technology, and patents/copyrights, etc. The Constitution of Liberia guarantees the protection of private property. The Liberia Intellectual Property (IP) Act of 2014, which the Senate passed into law in September 2015 and is pending passage by the lower house, provides the legal and administrative framework for the protection of intellectual and industrial property rights. The new IP Act merges the Liberia Copyright Office (LCO) and Liberia Industrial Property Office (LIPO) to create an autonomous National Intellectual Property Office (NIPO) independent of Ministry of Commerce and Industry (MOCI). The current IP structure operates under the MOCI and it lacks the capacity to manage intellectual or industrial property issues. The MOCI enforces that all imports of intellectual property must be identified on the import permit, rather than being identified as "general merchandise." Businesses dealing in intellectual property must reflect that on their business registration form. The LCO recorded about 375 copyrighted businesses by songwriters, local movie producers, authors and other categories of business holding IP rights. Most of the businesses are members of the Liberian Association of Writers, Musician Union, Movie Union, Cultural Union, and Fine Artists.

The legal environment for IP protections in Liberia is weak, the level of IP law enforcement is poor, and the infringement on rights is common. Although the MOCI currently has oversight on IP issues, it does not have effective system in place to track and report on seizures of counterfeit goods. Holders of IP rights have theoretical access to judicial redress, but laws pertaining to patents, trademarks, and industrial designs are not enforced. Many Liberians are ignorant about IP rights, and there is a general lack of knowledge about what constitutes an IP infringement. Most Liberians do not understand that a person has to pay for the use of an IP. Generally, broadcasters do not pay royalties for use of protected material. Infringement of intellectual and industrial property rights is prevalent, including unauthorized duplication of movies, music, and books. Counterfeit drugs, apparel, cosmetics, mobile phones, computer software, and hardware are sold openly.

Liberia is a party to several international intellectual property agreements including the World Intellectual Property Organization (WIPO) and the African Regional Intellectual Property Organization (ARIPO). It is also a contracting party to international conventions and treaties on the protection of intellectual and industrial property rights including the Berne, Paris, Lisbon, Vienna, Washington Conventions, and the Madrid Agreement. In October 2015, the national legislature ratified the following IP related agreements, protocols, and treaties necessary for Liberia's accession to the WTO: An Act to Ratify the Agreement on the Creation of ARIPO, An Act to Ratify the Swakomund Protocol on the Protection of Traditional Knowledge and Expression of Folklore, An Act to Ratify the Protocol on Patents and Industrial Designs within the Framework of ARIPO, An Act to Ratify the Marrakesh Treaty to Facilitate Access to Published Works for Persons who are Blind/Visually Impaired/otherwise Print Disabled, An Act to Ratify the Banjul Protocol on Marks of ARIPO, and An Act to Ratify the Patent Law Treaty. These new laws are expected to improve the protection of IP rights in the country as the GOL is committed to the WTO principles. Liberia is not listed in USTR's Special 301 report (see 2015 listings on State's Intranet website at <http://eb.e.state.sbu/sites/cba/IPE/Pages/Special301summary.aspx>.) It is not also listed in the notorious market report (see 2015 listings at <https://ustr.gov/sites/default/files/USTR-2015-Out-of-Cycle-Review-Notorious-Markets-Final.pdf>.) For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

There is no IP Attaché at post; please see Section 18 for the Embassy's Economic Section contact information. For additional information about treaty obligations and points of contact at local IP offices,

please see WIPO's country profiles at [http://www.wipo.int/directory/en/contact.jsp?country\\_id=103](http://www.wipo.int/directory/en/contact.jsp?country_id=103)

A list of local lawyers is available at <http://monrovia.usembassy.gov/acs/lawyers.html>

Please see the contact information for Liberia Chamber of Commerce (LCC), <http://www.chamber-commerce.net/dir/2709/Liberia-Chamber-of-Commerce-in-Monrovia>

### **Protecting Your Intellectual Property in Liberia:**

Several general principles are important for effective management of intellectual property (“IP”) rights in Liberia. First, it is important to have an overall strategy to protect your IP. Second, IP may be protected differently in Liberia than in the United States. Third, rights must be registered and enforced in Liberia, under local laws. For example, your U.S. trademark and patent registrations will not protect you in Liberia. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works in accordance with international agreements.

Granting patents registrations are generally is based on a first-to-file [or first-to-invent, depending on the country basis. Similarly, registering trademarks is based on a first-to-file [or first-to-use, depending on the country], so you should consider how to obtain patent and trademark protection before introducing your products or services to the Liberian market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in Liberia. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Liberian law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the responsibility of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Liberia require constant attention. Work with legal counsel familiar with Liberia laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Liberia or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)

- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

## IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit [www.STOPfakes.gov](http://www.STOPfakes.gov).
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: **1-800-786-9199**, or visit <http://www.uspto.gov/>.
- For more information about registering for copyright protection in the United States, contact the U.S. Copyright Office at: **1-202-707-5959**, or visit <http://www.copyright.gov/>.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please visit the “Resources” section of the STOPfakes website at <http://www.stopfakes.gov/resources>.
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: **[www.stopfakes.gov/businesss-tools/country-ipr-toolkits](http://www.stopfakes.gov/businesss-tools/country-ipr-toolkits)**. The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. You can get contact information below for the IP attaché who covers the following countries:

### China

#### Beijing, China

Joel Blank

[joel.blank@trade.gov](mailto:joel.blank@trade.gov)

#### Guangzhou, China

Timothy Browning

[timothy.browning@trade.gov](mailto:timothy.browning@trade.gov)

#### Shanghai, China

Michael Mangelson

[michael.mangelson@trade.gov](mailto:michael.mangelson@trade.gov)

### Southeast Asia

Vacant – contact Dominic Keating

[Dominic.Keating@USPTO.GOV](mailto:Dominic.Keating@USPTO.GOV)

### South America

Vacant – contact Dominic Keating

[Dominic.Keating@USPTO.GOV](mailto:Dominic.Keating@USPTO.GOV)

**Geneva, Switzerland**

Deborah Lashley-Johnson

[deborah\\_e\\_lashley-johnson@ustr.eop.gov](mailto:deborah_e_lashley-johnson@ustr.eop.gov)

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Donald Townsend

[donald.townsend@trade.gov](mailto:donald.townsend@trade.gov)

## Transparency of the Regulatory System

The GOL continues to harmonize conflicting rules and regulations across ministries and agencies, and to carry out reforms in many sectors including mining, forestry, petroleum, trade and business, and electricity. Recently, the Liberian Senate passed the following bills intended to improve the country's competitiveness: 1) An Act Amending the General Business Law, to provide for an efficient free market system in line with the obligations of the WTO; 2) The Competition Law to create transparent policies and effective laws to foster competition in an effective free market system. Generally, the legal and regulatory procedures in Liberia fall below international norms in terms of transparency and consistency. For example, there is no unified website where all proposed regulations and draft bills are published in order to make them available to the public. However, press releases, newspaper articles, radio talk-shows and handouts can be available, and public discussions are channeled through these media regarding proposed new laws/draft bills that have significant impact.

Significant investment exists in the Liberia, especially in the extractive sectors, and the GOL continues to streamline relevant legislations in line with its WTO obligations. However, GOL officials can be arbitrary, overlapping or heavy-handed when resolving conflicting regulatory issues. There are regulatory agencies, some of which overlap functions, and they include the Forestry Development Authority (FDA) to regulate issues arising in forestry sector; the Civil Aviation Authority (CAA) regulates aviation businesses; the Liberia Telecommunications Authority (LTA) regulates all telecommunications activities; the Liberia Maritime Authority (LMA) regulates to issues arising in the maritime sector, and the National Port Authority owns and regulates the country's port infrastructures. The Liberia Extractive Industry Transparency Initiative (LEITI) monitors, reconciles and report payments made to the GOL by extractive companies. Its reporting publicizes GOL revenue payments made by private companies with the goal of

reducing opportunities for graft and corruption. It has started nominally sanctioning non-compliant reporting companies, though it remains to be seen if such companies will submit to financial penalties. In December 2015, LEITI launched its 6<sup>th</sup> report containing reconciled accounts of payments made to, and revenues received by the GOL from oil, mining, forestry, and agricultural companies during the FY2012-2013 (July 1, 2012 through June 30, 2013).

### Efficient Capital Markets and Portfolio Investment

There is no capital market or portfolio investment options in the country. Therefore, the private sector, especially foreign investors, has limited credit instruments. The CBL began issuing Treasury bills (T-bills) three years ago in an effort to develop a capital market. Foreign investors can participate in the T-bill auctions, which are often over-subscribed. The CBL holds monthly T-bill auctions with a three-month maturity term. In 2015, the bank submitted to the commercial banks a draft concept note and guidelines for the development and operation of an inter-bank market. The T-bill system gives the bank another monetary policy tool to manage liquidity and deepen the shallow local financial markets. Generally, the Liberian market offers the private sector a few credit instruments through banking and non-bank financial institutions. There are nine commercial banks with 87 local branches spread across the country. The banking sector has a strong liquidity position, with a liquidity ratio of 39 percent at the end of December 2015. Non-bank financial institutions include foreign exchange bureaus, credit unions, village savings and loan associations, rural community finance institutions, microfinance institutions, a development finance company, mobile money service, and insurance companies. Some of these institutions, particularly in the informal sector, make short-term, high-interest rate loans to members who subscribe to them. Most private companies do not issue debt, citing a lack of a government benchmark or culture of using such investment instruments.

### Money and Banking System, Hostile Takeovers

The banking sector continued to show growth in key balance sheet indicators through end-December, 2015, registering growth in total assets, loans, advances, deposits and total capital. According to the CBL report (2015), the banking system continues to be well capitalized and liquidity remains strong, however high levels of non-performing loans remain a concern. The total banking industry's assets to its GDP was 44.5 percent at end-October, 2015, compared with 43.5 percent at the same period in 2014. The sector continues to show robust capital position, in terms of both Capital Adequacy Ratio (CAR) and shareholders' net worth. The sector's level of capitalization has made it possible to continuously lend to the private sector and to withstand the shocks of business cycles in the economy. Total credit to all economic sectors reflected nearly 24 percent growth at end-December, 2015. The expansion in credit was mainly due to resumption in economic activities following the Ebola virus disease (EVD) crisis. The contribution of the private sector to credit growth reflects the growing activities in the sector.

Poor asset quality and high loan loss provisions continue to be major challenges in the sector. The percentage of non-performing loans (NPLs) to total loans stands at 17 percent by end-October 2015. The CBL, in collaboration with the Liberia Bankers Association and commercial banks continue to implement measures to address this situation. While financial institutions allocate credit on market terms to foreign and domestic investors, the historically high rate of NPLs has led banks to offer short-term (less than 18 months), high-interest rate loans (12-20 percent). This constrains capital investment and limits new business development. There is no effective credit rating system, and many firms lack business records, or bankable proposals necessary for credit approval. Banks rely on the CBL's Credit Reference System, a manually updated spreadsheet, which is being automated. It contains credit history and/or any derogatory information about certain creditors. The obstacles to domestic travel —

including poor roads, lack of affordable electricity, and unreliable communication links — increase the risk in accepting collateral outside Monrovia. The unreliable land titles system also hampers access to credit in general. There are no clear or definitive rules on hostile take-over.

### Competition from State-Owned Enterprises

Liberia has more than 20 state owned enterprises (SOEs), and they are categorized into commercial SOEs, non-commercial SOEs, and regulatory SOEs based on their functions. Almost all of the SOEs are wholly-owned by the GOL. They are active in many sectors including port services, airport and civil aviation, electricity supply, oil and gas, water and sewage, agriculture and forestry, maritime, petroleum importation and storage, and information/communications services. The most notable operating SOEs affecting private enterprise include National Port Authority (NPA), Liberia Electricity Corporation (LEC), Roberts International Airport (RIA), Liberia Civil Aviation Authority (LCAA), National Oil Company of Liberia (NOCAL), Forestry Development Authority (FDA), Liberia Maritime Authority (LMA), Liberia Petroleum Refining Corporation (LPRC), Liberia Water and Sewer Corporation (LWSC), Liberia Telecommunication Authority (LTA), and the Liberia Telecommunications Corporation (Libtelco).

There is no published list of SOEs, and no SOE operates in research and development (R&D). The GOL does not have a strict and clear definition of SOEs, but defines them as autonomous public corporations whose ownership is largely dominated by the government, with similar standards of operations. The boards of directors of most SOEs are appointed by the President as stipulated in the individual laws providing for the creation and governance of each SOE. SOEs are covered in the government's procurement rules and regulations, as are other government ministries and agencies.

The SOE sector remains a key part of Liberia's economic development agenda. The Public Financial Management (PFM) Law of 2009 sets out rules governing SOE management and operations. Sections 43-46 of the PFM Law provide the enabling legal framework through which SOEs should submit their strategic and financial plans, and quarterly reports, to the MFDP. In 2013, the MFDP created an SOE Financial Reporting Unit to facilitate effective performance monitoring and evaluation of SOEs in line with the PFM Law.

While some SOEs are functional and contribute to the national budget, others exist statutorily and have remained non-functional over the years. The GOL commissioned a review of all the SOEs with the aim of determining their viability and functional relevance. The study found that a number of SOEs do not perform any services at all, and it was a waste of resources to continue to support their existence. In June 2015, the Liberian President submitted a bill to the national legislature to dissolve certain SOEs whose functionalities were no longer relevant to the public service. Those recommended for dissolution were:

1. National Insurance Company of Liberia (NICOL)
2. Libyan-Liberian Holding Company (LLHC)
3. National Food Assistance Program (NFAP)
4. Liberia Free Zone Authority (LFZA)
5. Liberia Produce Marketing Corporation (LPMC)
6. Bureau of State Enterprises (BSE)

### OECD Guidelines on Corporate Governance of SOEs

See above.

## **Sovereign Wealth Funds**

Not applicable.

## **Responsible Business Conduct**

Generally, the GOL expects foreign investors to offer social services to the local communities in which they operate. Concession contracts dictate service provisions including, but not limited to, road and infrastructure development, school construction, and provision of health services. Even after a concession has been ratified by the legislature, most investors find that communities expect them to negotiate separately with local leaders for additional social services. This process can be cumbersome, lead to delays and confusion, and greatly increase operational costs.

There is not a general awareness of standards for responsible business conduct (RBC) in the country. Local communities where foreign companies operate do not fully understand the roles of the investors versus those of the GOL in terms of environmental, social, and governance issues. The GOL includes in concession agreements clauses that oblige investors to provide social services such as educational facilities, health care, and other essential amenities. The authorities do not clearly define RBC, and there are no policies or 'national action plan' to promote or encourage RBC. The GOL does not factor RBC policies or practices into its procurement decisions. There has not been any high-profile, controversial instances of corporate impact on human rights during the review period. The GOL does not effectively and fairly enforce domestic laws in relation to human rights, labor rights, consumer protection, and environmental protections intended to protect individuals from adverse business impacts. This is due to a number of systemic factors, including a weak judicial system, limited human and institutional capacities, logistical constraints facing the enforcement agencies, and a general lack of awareness on the part of the officials. Foreign companies are not required, but are encouraged to make a public disclosure of their policies, procedures, or practices to highlight their RBC environment. There are certain non-governmental organizations (NGOs), civil society organizations (CSOs), workers' organizations/unions that promote or monitor RBC of foreign companies in certain sectors. However, the NGOs and CSOs that are monitoring or advocating the RBC-related works do not conduct their activities in structured and coordinated manners. The GOL does not maintain a National Contact Point (NCP) for OECD multinational enterprises guidelines. It actively participates in the Extractive Industries Transparency Initiative (EITI). The LEITI circulates a set of domestic transparency measures requiring the disclosure of payments made to the GOL by the extractive companies. LEITI has expanded the scope of its reporting over the years by adding agriculture sector, contract transparency and project-by-project reporting.

## **OECD Guidelines for Multinational Enterprises**

Please see previous section.

## **Political Violence**

Liberian society is becoming increasingly politicized as the country prepares for presidential and general elections in October 2017. As the elections near, there is potential for sporadic and isolated political violence, given the country's history of politically motivated violence. Increasing freedom and transparency for the Liberian people has led to the vigorous pursuit of perceived rights, which results in active, often acrimonious political debates. The GOL has identified land disputes and high rates of youth

unemployment, especially in the capital city of Monrovia, as potential threats to the current peace and political stability.

Following the signing of the 2003 peace accord, the U.S. government (USG) and other donors have assisted in the development of a modern, professional Armed Forces of Liberia (AFL). The USG also assists the Liberia National Police (LNP) to enhance its capacity to respond rapidly to emergencies. The Executive Protection Service (EPS) provides high-level protection for the president and key public officials. The United Nations Mission in Liberia (UNMIL) has been drawing down the number of foreign peacekeeping troops, and donors are supporting the GOL to assume responsibility for Liberia's security by mid-2016. Some Liberians have expressed concern about the timing of the UNMIL drawdown, a year prior to the 2017 elections. A group of civil society activists have called on the United Nations to extend UNMIL's mandate beyond 2017 to cover the elections period.

## Corruption

Although criminal penalties exist for economic sabotage, mismanagement of public funds, and bribery, Liberian laws do not provide explicit criminal penalties for official corruption. The laws do not extend to family members of officials, or to their political parties. There are laws and regulations to counter conflict-of-interest in awarding government procurement contracts, as well as to persecute corrupt officials. However, weakness in the judicial system hinders effective implementation. Corruption persists and the World Bank's corruption perception index (2015) reflected that corruption is a serious problem, particularly among the police. The GOL has established a number of transparency and accountability agencies including the Liberia Anti-Corruption Commission (LACC), General Auditing Commission (GAC), Public Procurement and Concession Commission (PPCC), and Internal Audit Agency (IAA), to curtail public sector corruption. In March 2015, the LACC rolled out its three-year Strategic Plan (2014-2017) that identified the commission's roadmap to prevent corruption, enforce current anti-corruption laws and build institutional capacity to fight corrupt practices. The GOL plans to amend certain provisions of the LACC Law to give the commission direct prosecutorial power independent of the MOJ. As the current LACC Law stands, the commission can only persecute alleged corruption cases with the approval or endorsement of the MOJ. Although the GOL continues to put anti-corruption mechanisms in place, corruption remains endemic in the Liberian social fabric, both in public and private sectors.

U.S. firms and a number of foreign investors have identified corruption as a potential obstacle to FDI. Foreign investors generally report that corruption is most pervasive in government procurements, award of contracts or concessions, customs and taxation system, regulatory system, performance requirements, and government payments systems. Multinational firms often report having to pay fees to agencies that were not stipulated in investment agreements. When new concessions are signed and ratified, the press frequently report on corruption allegations implicating both the legislative and the executive branches.

Liberia is a signatory to the ECOWAS Protocol on the Fight against Corruption, which was adopted in 2001 with the objective of strengthening effective mechanisms to prevent, suppress and eradicate corruption in each of the signatory countries through cooperation between the states. The Protocol obliges the signatories to adopt the necessary legislative measures to criminalize active and passive bribery in the public and private sectors; illicit enrichment, false accounting, as well as acts of aiding and abetting corrupt practices, and the laundering of the proceeds of corruption; to ensure the protection of victims; and to provide each other with judicial and law enforcement cooperation. The Protocol further

calls upon parties to harmonize their national anti-corruption laws, to adopt effective preventive measures against corruption, and to introduce proportionate and dissuasive sanctions.

In spite of a number of USG and other donor-funded assistance projects, lack of training, inadequate salaries, and a culture of impunity have undermined the judicial and regulatory systems, which in turn has discouraged investment. The USG seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. If a U.S. firm believes a competitor is seeking to bribe a foreign public official to secure a contract, please bring this to the attention of appropriate U.S. agencies.

### **UN Anticorruption Convention, OECD Convention on Combatting Bribery**

Liberia accepted, approved, and ratified UN Anticorruption Convention in September 2005. Liberia is a party to the OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions. See list of signatories and their implementation reports at <http://www.oecd.org/daf/anti-bribery/countryreportsontheimplementationoftheoecdanti-briberyconvention.htm?>

Below are the contacts at government agencies responsible for combating corruption:

Cllr. James Verdier, Executive Director  
Liberia Anti-Corruption Commission (LACC)  
Email: <http://www.lacc.gov.lr>

Cllr. Frederick Cherue, Minister  
Ministry of Justice  
Email: [fredcherue2009@yahoo.com](mailto:fredcherue2009@yahoo.com), Website: <http://www.moj.gov.lr/>

Yusador Gaye, Auditor General  
General Auditing Commission (GAC)  
Email: [usadorgay@yahoo.com](mailto:usadorgay@yahoo.com), Website: <http://gacliberia.com/>

James Dorbor Jallah, Executive Director  
Public Procurement and Concession Commission (PPCC)  
Email: [jdjallah@gmail.com](mailto:jdjallah@gmail.com), Website: <http://www.ppcc.gov.lr/>

Contacts at "watchdog" organizations (international, regional, local or non-governmental organization operating in the country/economy that monitor corruption, such as CENTAL:

Anderson Miamen, Executive Director  
Center for Transparency and Accountability in Liberia (CENTAL)  
Email: [admiamen@cental.org](mailto:admiamen@cental.org), Website: <http://www.cental.org/>

Silas Siakor, Country Representative  
Sustainable Development Institute (SDI)  
Email: [ssiakor@sdiliberia.org](mailto:ssiakor@sdiliberia.org), Website: <http://www.sdiliberia.org/>

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official in international business, for example to secure a contract, should bring this to the attention of appropriate U.S. agencies, as noted below.

**U.S. Foreign Corrupt Practices Act:** In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which generally makes it unlawful for U.S. persons and businesses (domestic concerns), and U.S. and foreign public companies listed on stock exchanges in the United States or which must file periodic reports with the Securities and Exchange Commission (issuers), to offer, promise or make a corrupt payment or anything of value to foreign officials to obtain or retain business. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. In addition to the anti-bribery provisions, the FCPA contains accounting provisions applicable to public companies. The accounting provisions require issuers to make and keep accurate books and records and to devise and maintain an adequate system of internal accounting controls. The accounting provisions also prohibit individuals and businesses from knowingly falsifying books or records or knowingly circumventing or failing to implement a system of internal controls. In order to provide more information and guidance on the statute, the Department of Justice and the Securities and Exchange Commission published *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, available in PDF at: <http://www.justice.gov/criminal/fraud/fcpa/guidance/>. For more detailed information on the FCPA generally, see the Department of Justice FCPA website at: <http://www.justice.gov/criminal/fraud/fcpa/>.

**Other Instruments:** It is U.S. Government policy to promote good governance, including host countries' implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions negotiated under the auspices of the OECD (Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements.

**OECD Antibribery Convention:** The Antibribery Convention entered into force in February 1999. As of January 2016, there are 41 parties to the Convention, including the United States (see <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>). Major exporters China and India are not parties, although the U.S. Government strongly endorses their eventual accession to the Antibribery Convention. The Antibribery Convention obligates the Parties to criminalize bribery of foreign public officials in international business transactions, which the United States has done under U.S. FCPA.

**UN Convention:** The UN Convention entered into force on December 14, 2005, and there are 178 parties to it as of January 2016 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention requires countries to establish criminal and other offences to cover a wide range of

acts of corruption, from basic forms of corruption such as bribery and solicitation, embezzlement, and trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

**OAS Convention:** In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of January 2016, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) and the follow-up mechanism created in 2001 (MESICIC) has 31 members (see [http://www.oas.org/juridico/english/mesicic\\_intro\\_en.htm](http://www.oas.org/juridico/english/mesicic_intro_en.htm)).

**Council of Europe Criminal Law and Civil Law Conventions on Corruption:** Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention on Corruption, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and accounting offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on whistleblower protection, compensation for damage relating to corrupt acts, and nullification of a contract providing for or influenced by corruption, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). See [http://www.coe.int/t/dghl/monitoring/greco/general/about\\_en.asp](http://www.coe.int/t/dghl/monitoring/greco/general/about_en.asp). As of January 2016, the Criminal Law Convention has 44 parties and the Civil Law Convention has 35 (see <http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?CL=ENG&NT=173>; <http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?CL=ENG&NT=174>).

**Free Trade Agreements:** While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>.

**Local Laws:** U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

**Assistance for U.S. Businesses:** The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or

agents overseas. The U.S. and Foreign Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its website at [www.trade.gov/cs](http://www.trade.gov/cs).

The United States provides commercial advocacy on behalf of exporters of U.S. goods and services bidding on public sector contracts with foreign governments and government agencies. An applicant for advocacy must complete a questionnaire concerning its background, the relevant contract, and the requested U.S. Government assistance. The applicant must also certify that it is in compliance with applicable U.S. law, that it and its affiliates have not and will not engage in bribery of foreign public officials in connection with the foreign project, and that it and its affiliates maintain and enforce a policy that prohibits bribery of foreign public officials. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel, and reported through the Department of Commerce Trade Compliance Center "Report a Trade Barrier" Website at [tcc.export.gov/Report a Barrier/index.asp](http://tcc.export.gov/Report_a_Barrier/index.asp). Potential violations of the FCPA can be reported to the Department of Justice via email to [FCPA.Fraud@usdoj.gov](mailto:FCPA.Fraud@usdoj.gov).

**Guidance on the U.S. FCPA:** The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals and issuers to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding actual, prospective business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at [www.justice.gov/criminal/fraud/fcpa](http://www.justice.gov/criminal/fraud/fcpa) and general information is contained in Chapter 9 of the publication *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, at <http://www.justice.gov/criminal/fraud/fcpa/guidance/>. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general information to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the General Counsel, U.S. Department of Commerce, website, at <http://www.commerce.gov/os/ogc/transparency-and-anti-bribery-initiatives>. More general information on the FCPA is available at the websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

### **Anti-Corruption Resources**

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, translations of the statute into numerous languages, documents from FCPA related prosecutions and resolutions, and press releases are available at the U.S. Department of Justice's Website at: <http://www.justice.gov/criminal/fraud/fcpa> and <http://www.justice.gov/criminal/fraud/fcpa/guidance/>
- The U.S. Securities and Exchange Commission FCPA Unit also maintains an FCPA website, at: <https://www.sec.gov/spotlight/fcpa.shtml>. The website, which is updated regularly, provides general information about the FCPA, links to all SEC enforcement actions involving the FCPA, and contains other useful information.

- General information about anticorruption and transparency initiatives, relevant conventions and the FCPA, is available at the Department of Commerce Office of the General Counsel website: <http://www.commerce.gov/os/ogc/transparency-and-anti-bribery-initiatives>
- The Trade Compliance Center hosts a website with anti-bribery resources, at <http://tcc.export.gov/Bribery>. This website contains an online form through which U.S. companies can report allegations of foreign bribery by foreign competitors in international business transactions
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: <http://www.oecd.org/corruption/oecdantibriberyconvention.htm> See also Antibribery Recommendation <http://www.oecd.org/daf/anti-bribery/oecdantibriberyrecommendation2009.htm> and Good Practice Guidance Annex for companies: <http://www.oecd.org/daf/anti-bribery/44884389.pdf>.
- GRECO monitoring reports can be found at: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/index\\_en.asp](http://www.coe.int/t/dghl/monitoring/greco/evaluations/index_en.asp)
- MESICIC monitoring reports can be found at: [http://www.oas.org/juridico/english/mesicic\\_intro\\_en.htm](http://www.oas.org/juridico/english/mesicic_intro_en.htm)
- The Asia Pacific Economic Cooperation (APEC) Leaders have also recognized the problem of corruption and APEC Member Economies have developed anticorruption and ethics resources in several working groups, including the Small and Medium Enterprises Working Group, at <http://businessethics.apec.org/>, and the APEC Anti-Corruption and Transparency Working Group, at <http://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Anti-Corruption-and-Transparency.aspx>. For more information on APEC generally, <http://www.apec.org/>.

There are many other publicly available anticorruption resources which may be useful, some of which are listed below without prejudice to other sources of information that have not been included. (The listing of resources below does not necessarily constitute U.S. Government endorsement of their findings.)

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in approximately 180 countries and territories around the world. The CPI is available at: <http://www.transparency.org/research/cpi/overview>. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents, and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/research/gcr>.
- The World Bank Institute's Worldwide Governance Indicators (WGI) project reports aggregate and individual governance indicators for 215 economies over the period 1996-2014, for six dimensions of governance (Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption). See <http://info.worldbank.org/governance/wgi/index.aspx#home>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>. See also the World Bank Group *Doing Business*

reports, a series of annual reports measuring regulations affecting business activity, available at: <http://www.doingbusiness.org/>

- The World Economic Forum publishes every two years the *Global Enabling Trade Report*, which assesses the quality of institutions, policies and services facilitating the free flow of goods over borders and to their destinations. At the core of the report, the Enabling Trade Index benchmarks the performance of 138 economies in four areas: market access; border administration; transport and communications infrastructure; and regulatory and business environment. See <http://www.weforum.org/reports/global-enabling-trade-report-2014>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which typically assesses anti-corruption and good governance mechanisms in diverse countries. For more information on the report, see <https://www.globalintegrity.org/global-report/what-is-gi-report/>.

## Bilateral Investment Agreements

Liberia does not have a bilateral taxation treaty with the U.S. The U.S. has a Trade and Investment Framework Agreement (TIFA) with the GOL to reduce trade and investment barriers and create a forum for advancing cooperation on bilateral trade and investment issues. Liberia enjoys preferential access to the U.S. market under special access and duty reduction programs such as the Generalized System of Preference (GSP) and the African Growth and Opportunity Act (AGOA). It has a few bilateral trade agreements (BTAs) with other countries, some of which have remained inactive for years. In December 2015, the WTO approved Liberia's membership in its 10<sup>th</sup> Ministerial Conference in Nairobi, Kenya, paving the way for the country to standardize its trade and investment policies. Below are the lists of countries/economies with which Liberia has concluded bilateral investment agreements (BITs), other international investment agreements (IIAs), and investment related instruments (IRIs).

Bilateral investment agreements (BITs):

1. BLEU (Belgium-Luxembourg Economic Union)
2. France
3. Germany
4. Switzerland

International investment agreements (IIAs):

1. Trade and Investment Framework Agreement (TIFA) with the U.S.
2. ECOWAS Treaty
3. African Union Treaty
4. ECOWAS Energy Protocol
5. Cotonou Agreement
6. ECOWAS Protocol on Movement of Persons and Establishment

Other multilateral investment related instruments (IRIs):

1. MIGA Convention
2. ICSID Convention
3. New York Convention
4. UN Code of Conduct on Transnational Corporations
5. UN Guiding Principles on Business and Human Rights
6. ILO Tripartite Declarations on Multinational Enterprises

7. World Bank Investment Guidelines
8. New International Economic Order UN Resolution
9. Voluntary Partnership Agreement with the EU
10. Economic Partnership Agreement with the EU
11. Charter of Economic Rights and Duties of States
12. Permanent Sovereignty UN Resolution

See UNCTAD's database for this information at <http://investmentpolicyhub.unctad.org/IIA>

### **Bilateral Taxation Treaties**

Liberia does not have a bilateral taxation treaty with the United States.

### **OPIC and Other Investment Insurance Programs**

There is an Overseas Private Investment Corporation (OPIC) agreement between Liberia and the U.S. to provide coverage for expropriation and political risk insurance for U.S. investors in Liberia. It allows eligible U.S. businesses, investors, lenders, contractors, and exporters to take advantage of commercially attractive opportunities in the country. The USG restored Liberia's eligibility for the Generalized Systems of Preferences in 2006. The Liberian dollar is a convertible currency and operates on a free float, and contracts/agreements are typically denominated in USD. It is therefore unlikely that OPIC would ever be required to pay an inconvertibility claim. However, there is the of currency depreciation due to the country's weak foreign exchange reserves position and continuing current account deficit. In 2015, the Liberian dollar depreciated on average by more than 4 percent as a result of internal and external factors. According to the CBL, the depreciation in the exchange rate was largely driven by deterioration in the terms of trade, high domestic demand for foreign exchange to service import bills, and the increase in the Liberia dollar expenditure by the GOL.

### **Labor**

Liberian labor force is predominantly illiterate and unskilled, and most Liberians, particularly those in the rural areas, lack basic vocational or computer skills. According to UNESCO's 2015 statistics (<http://www.uis.unesco.org/Education/Documents/literacy-statistics-trends-1985-2015.pdf>), adult literacy rate for Liberia stands at 47.7 percent and youth (15-24) literacy rate is 54.4 percent. Liberia does not have a reliable database on labor market information to update such indicators as employment, unemployment, etc. There are migrant workers particularly in the services and mining sectors. The most recent Labor Force Survey (2010) indicates higher rates of vulnerable employment (86 percent) in the agriculture sector, which is highly informal. The Ministry of Labor (MOL) reports the overall unemployment rate in the formal sector is 25-30 percent, largely due to weak capacity of the private sector. The industrial or manufacturing sector is underperforming due to poor infrastructure such as electricity, limited financing opportunities, and weak domestic demand. Unemployment is particularly high among the youth in Liberia, and young women have a harder time finding employment than young men. According to the International Labor Organization (ILO), more than one-quarter (28 percent) of the youth population and one-third (35 percent) of the youth labor force is unemployed.

The MOL requires employers to demonstrate goodwill efforts to hire qualified Liberians before it grants work visas to foreigners, and some foreign investors find this process to be a lengthy one. Many investment contracts require businesses to employ a certain percentage of Liberians, including in top

management positions. Finding a pool of qualified skilled labor remains a problem, and foreign companies often report the difficulty of finding skilled labor as their biggest operational hindrance. Child labor remains a problem, particularly in the agriculture and mining sectors.

Under the law, employees enjoy freedom of association, and they have the right to establish and become members of organizations of their own choosing without prior authorization. The law allows workers' unions to conduct their activities without interference by employers. It also prohibits employers from discriminating against employees because of their membership in a labor organization. Unions are independent from the government and political parties. Employee association members frequently demand and strike for compensation at times of ownership transition or seek payment of obligations owed by previous employers. The labor law provides that labor organizations and associations have the right to draw up their constitutions and rules with regard to electing their representatives, organizing their activities, and formulating their programs. The laws specify that no industrial labor union or organization shall exercise any privilege or function for agricultural workers and no agricultural labor union or organization shall exercise any privilege or function for industrial workers. Over the years, agricultural labor unions have been relatively active in negotiating collective bargaining agreements (CBA) intended to improve the social and economic conditions of their members. Collective bargaining agreements are binding and protected by law. Although issues of wages remained critical in negotiating CBAs, labor unions have begun shifting attention to other socio-economic issues, such as better housing, health, and education facilities. The law prohibits unions from engaging in partisan political activity as well as prohibits agricultural workers from joining industrial workers' organizations. Workers, except civil servants, have the right to strike, provided that the MOL is notified of the intent to strike. While the law prohibits anti-union discrimination and provides for the reinstatement of workers dismissed because of union activities, it allows for dismissal without cause provided the company pays statutory severance packages.

In general the GOL effectively enforces applicable laws, and workers exercise their rights. Employees enjoy freedom of association, and they have the right to establish and become members of organizations of their own choosing without previous authorization or coercion. In June 2015 the GOL approved and printed into law a "Decent Work Act, 2015." The Decent Work Act sets out the fundamental rights at work, labor institutions, and administration, and contains provisions on employment and termination of employment, minimum conditions of work, occupational safety and health, workers' compensation, industrial relations, and employment agencies. The law repealed the Labor Law, Title 18 and the Labor Practices Law, Title 18A, except as provided. It was developed with substantial input from the ILO with the intent to conform to international labor standards. The labor institutions set out under the law include a National Tripartite Council and Minimum Wage Board, which conduct periodic reviews and adjustments of the minimum wage depending on the labor market and the overall economic conditions of the country. The GOL does not have an adequate labor inspectorate system to identify and remediate labor violations and hold violators accountable. The MOL lacks the capacity to effectively investigate and prosecute unfair labor practices, such as harassment and/or dismissal of unions' members, or instances of forced and/or child labor.

### Foreign Trade Zones/Free Ports/Trade Facilitation

There are no free trade zones or special economic zones currently operating within Liberia. The GOL established the Liberia Industrial Free Zone Authority (LIFZA) in 1975 to encourage and promote foreign cooperation and investments. The LIFZA, being dormant and non-functional over long period of time, was one of the six SOEs the Liberian president submitted to the Legislature in June 2015 for dissolution.

The NIC in collaboration with the IFC's Investment Climate Team has drafted a Special Economic Zone (SEZ) Law to amend the Liberia Industrial Free Zone Authority Act. The cabinet has endorsed the draft SEZ law, which is to be submitted to the legislature for passage into law. The SEZ law combines the LIFZA and the Monrovia Industrial Park (MIP) to set aside exclusive areas for industrial production and processing for both domestic and export markets in support of the National Export Strategy (NES), which the GOL launched in 2014. According to Liberia's investment policy, industries established within a free trade zone area are entitled to waive import duties and corporate taxes in order to promote the export sector. The NIC manages the free trade zone and it plans to redevelop this track of land into a functioning industrial area. The MOCI collaborates with the NIC to promote the export sector through the NES, which focuses on processing, packaging, and export of oil palm, rubber, cocoa, fish products.

## Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S.FDI in Host Country/Economy

Economic Data	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
<b>Host Country Gross Domestic Product (GDP) (\$M \$)</b>	2014	\$ 2.013 billion	2015	NA	<a href="http://www.worldbank.org/en/country">www.worldbank.org/en/country</a>
<b>FDI</b>	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
<b>U.S. FDI in partner country (\$M \$, stock positions)</b>	2014	\$873	2015	NA	BEA data available at <a href="http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm">http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm</a>
<b>Host country's FDI in the United States (\$M , stock positions)</b>	2014	\$440	2015	NA	BEA data available at <a href="http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm">http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm</a>
<b>Total inbound stock of FDI as % host GDP</b>	2014	NA	2015	NA	

*Table 3: Sources and Destination of FDI*

IMF Coordinated Direct Investment Survey data are not available for Liberia.

*Table 4: Sources of Portfolio Investment*

IMF Coordinated Portfolio Investment Series data are not available for Liberia.

[Contact for More Information on the Investment Climate Statement](#)

Please see below full contact information for someone at post who will be there for at least the next 12 months and can respond to inquiries from the public.

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## Trade & Project Financing

### Methods of Payment

Payment can be arranged through internationally accepted payment modes such as confirmed irrevocable letters of credit, bills of collection, and open accounts. Some basic financial services, including merchant services, are not offered in Liberia. Only two banks, Ecobank Liberia and United Bank for Africa (UBA), offer international Visa debit card services for its customers. Many commercial banks operate MoneyGram and Western Union outlets for payments and fund transfers inside and outside Liberia.

### Banking Systems

The Central Bank of Liberia (CBL) is responsible for licensing, regulating and overseeing the financial sector in Liberia. Banking regulations can be found on its website: [http://www.cbl.org.lr/other\\_regulations\\_all.php?sub=purdential/](http://www.cbl.org.lr/other_regulations_all.php?sub=purdential/).

In 2015, commercial banking industry comprises of nine (9) banks, mostly Nigerian-based, with 87 branch networks throughout the country. One bank, Afriland First Bank, offers agricultural loans, and another one, Access Bank, offers microcredits to micro, small and medium enterprises (SMEs). Most banking institutions operate as repositories for funds and provide short-term trade financing and operating capitals. Historically, commercial banks have had no domestic instruments into which to place liquidity. Liquidity remained on a strong footing in 2015 with the ratio of 39 percent, far above the CBL's minimum requirement of 15 percent. The CBL reduced the reserve requirement from 22 to 15 percent to enhance banking sector's liquidity, expand support to the economy, and ease Liberia's short-term foreign exchange needs. The sector recorded strong growth in most key balance sheet items, including capital position and net shareholders' worth; the banking industry's capital adequacy ratio (CAR) was recorded at more than 20 percent in 2015. Although key financial indicators show that the banking sector is sound, non-performing loans (NPLs) and poor earnings remain major challenges for the sector; in 2015, the ratio of NPLs to total loans stands at 17 percent.

Commercial banks rely on fees and interests they charge for transactions and services such as fund transfers, deposits and withdrawals, checks, letters of credit, etc. A number of commercial banks offer modern digital financial products and services, including ATMs, point of sale (POS) terminals, electronic fund transfer (EFT), and mobile money. The ATM system is not connected to global electronic banking networks; therefore, traveler's checks and credit cards are not commonly accepted. Mobile money service is not widely used as the service is new to the population and is being offered by two GSM companies in collaboration with commercial banks. However, there is potentially high demand for mobile money service given the country's poor financial infrastructure and the high costs of cash, including security risk. Large sum of money must be transferred via bank draft or other financial instruments. Individuals without a local bank account are limited to two outgoing USD 5,000 over-the-counter cash wire transfers of per month. There is no credit rating agency in the country, but CBL implements a credit reference system for individual and businesses borrowing from commercial banks. Corporate governance in the commercial banks has improved over the years as the CBL strengthens its supervisory oversight.

There is a thriving non-bank financial sector, which includes licensed, regulated and supervised institutions. The sector comprises several foreign exchange bureaus, credit unions, village savings & loan associations (VSLAs), rural community finance institutions, microfinance institutions, a development finance company, mobile money service, and 20 insurance companies. Most of these

institutions, particularly those in the informal sector, make short-term, high-interest rate loans to their members.

### Foreign Exchange Controls

Liberia has a floating exchange rate system, with Liberian and U.S. dollars being legal tender. There are no restrictions on converting or transferring investment funds, profits, loan and interest. However, CBL conducts a foreign exchange auction once per week. Its U.S. dollar sales, ranging between US\$ 300,000–US\$ 1.5 million, are often over-subscribed. The foreign exchange auctions provide access to foreign currency. During 2015, a total of about 31 million of government T-bills was issued with redemption of 8.5 million. *Daily exchange rates are available at the CBL website at: <http://www.cbl.org.lr/>.* There are several foreign exchange bureaus in and around Monrovia, some of which are not registered with CBL. However, large investors may take several days to exchange large sums of money. Inflow of remittances is one of the major sources of foreign exchange in the Liberian economy. Transfer of sums in excess of US\$ 10,000 must be reported to CBL, and no more than US\$ 7,500 in foreign currency banknotes can be moved out of the country at any one time.

### US Banks & Local Correspondent Banks

There is one bank, International Bank (IB) that is partially U.S.-owned. The bank partners with Pan African Capital Group, Databank Group, and Trust Bank of the Gambia; and its correspondent banks are Ghana International Bank Plc, Bank of Beirut, MEAB, and BMCE Bank International. U.S. Embassy Monrovia is not aware of any specific country programs Exim Bank is offering in Liberia. The Nigerian-owned United Bank for Africa (UBA) has branches in about 20 African countries, with subsidiaries in New York and London, while Ecobank operates in several African countries. Its headquarters, Ecobank Transnational, is located in Togo with subsidiaries in United Kingdom and France. Guaranty Trust Bank has subsidiaries in a few African countries and United Kingdom. First International Bank (FIB) Liberia, with branches in 4 African countries, operates 5 MoneyGram and Western Union retail outlets in the country.

### Project Financing

Financing for large projects is almost exclusively sourced from outside Liberia. Many large-scale projects are funded by international donors, primarily the United States, World Bank, International Monetary Fund, the European Commission, and African Development Bank. There are projects and development activities funded by bilateral and multilateral donors in energy sector, roads, agriculture, health, education, water and sanitation, etc. in which procurement is open to U.S. bidders.

### **U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (African Development Bank, World Bank)**

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by

contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

### **Web Resources**

Commercial Liaison Office to the African Development Bank: <http://www.export.gov/afdb>

Commercial Liaison Office to the World Bank: <http://export.gov/worldbank>

### Financing Web Resources

- Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team: <http://www.export.gov/tradefinanceguide/index.asp>
- Export-Import Bank of the United States: <http://www.exim.gov>
- Country Limitation Schedule: [http://www.exim.gov/tools/country/country\\_limits.html](http://www.exim.gov/tools/country/country_limits.html)
- Overseas Private Investment Corporation (OPIC): <http://www.opic.gov>
- Trade and Development Agency: <http://www.tda.gov/>
- Small Business Administration's Office of International Trade: <http://www.sba.gov/oit/>
- USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>
- U.S. Agency for International Development: <http://www.usaid.gov>

### **Multilateral Development Banks:**

- The World Bank: <http://www.worldbank.org/>
- International Finance Company (IFC): [http://www.ifc.org/wps/wcm/connect/corp\\_ext\\_content/ifc\\_external\\_corporate\\_site/home](http://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/home)
- International Monetary Fund (IMF): <http://www.imf.org/external/index.htm>
- African Development Bank (AfDB): <http://www.afdb.org/en/>
- European Investment Bank (EIB): <http://www.eib.org/>

## Business Travel

### Business Customs

Acceptable business etiquette includes wearing formal dress, such as business suit and tie and traditional tie-dyed or cotton shirts. Casual wear is appropriate for outdoor activities such as field or site visits. It's preferable to refer to people by their professional titles, and present business cards with one hand, usually the right hand. Liberians tend to shake hands ending with a finger snap (usually in casual situations); a traditional handshake is common for formal and business situations; and it is polite to greet everyone (or shake everyone's hand) individually before taking a seat for a meeting. Visitors should arrive for appointments on time, but it is not unusual for meetings to be delayed or cancelled on short notice. It is prudent to confirm appointments prior to setting out for meetings. Generally, there is not much expectation about being on time as meetings hardly start on time. In meetings, people tend to say their minds, but it is normal for speakers to feel like they have to talk for a while to get their points across; emphasis is put on being a good orator. Direct eye contact is common; however, the level of eye contact may vary depending on the hierarchy and the nature of relationship between the speaker and listener (examples, between a "boss" and subordinate). Bargaining--in business transactions--is acceptable until an agreeable price can be reached.

### Travel Advisory

A valid visa and proof of vaccination against a Yellow Fever are required for entry into Liberia. Since August 2014, Liberia's Ministry of Health began implementing Ebola screening procedures at Roberts International Airport (RIA) for both arriving and departing travelers. The screening is done with a thermostat laser gun to check temperature of the individuals, although it is being relaxed with the passage of time. Department of State advises American citizens to plan travel to Liberia carefully, given the shortage of high standard hotels coupled with transportation challenges. Some taxis and buses run between the airport and Monrovia, but strangers must exercise caution in choosing one; it is advisable to pre-arrange airport transfers with a hotel. RIA is approximately 40 miles (64 km) from downtown Monrovia. Further information is available on the [U.S. Passports & International Travel website](#).

### Visa Requirements

All travelers entering Liberia must have a valid passport and visa, plus evidence of yellow fever vaccination (Yellow Book). Liberian visas are not issued at the airport except in emergency situations or cases where there is no Liberian Embassies; this requires approval in advance by an Immigration Commissioner (i.e., before the traveler arrives). U.S. citizens travelling to Liberia must obtain a Liberian visa before arriving. For the latest information on entry requirements, visa fees, and applicable airport requirements for Liberia, contact the Embassy of the Republic of Liberia, <http://www.liberianembassyus.org/>. Overseas inquiries should be made at the nearest Liberian embassy or consulate.

U.S. Companies requiring travel of foreign business persons to the United States should be advised that security evaluations are handled through an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/content/visas/english.html>

Consular Section, U.S. Embassy in Liberia: <http://monrovia.usembassy.gov/visas.html>

## Currency

The local currency of Liberia is Liberian dollars (LRD), which comes in paper denominations of five, ten, twenty, fifty and hundred; there are no coins in use. The United States dollar is commonly accepted as legal tender alongside the LRD, and cash is usually required for major purchases or payments at large-scale establishments such as hotels and customs posts. Liberia has a floating exchange rate system as the U.S. and the Liberian dollars exchange rate with the USD fluctuates, sometime on a daily basis based on foreign-exchange market demand. There are numerous licensed and non-licensed foreign exchange bureaus in the country, and travelers are advised to avoid non-licensed bureaus, usually the “money changers” on sidewalks.

There are nine commercial banks with several branch networks operating in various parts of the country. A number of commercial banks offer modern electronic financial/banking products and services, including ATM cards, point of sale (POS) terminals, and electronic fund transfer (EFT). Credit cards and traveler’s checks are not commonly accepted even by major hotels. Travelers should exercise caution in using credit cards wherever they are accepted. Travelers are also advised to carry some amount of U.S. dollar denominations for tips and incidental purchases. Very few commercial banks or hotels will cash traveler’s checks, and those that do, often have unfavorable rates. Large sum of money must be transmitted via bank draft or other financial instruments.

## Telecommunications/Electric

Liberia’s telecommunications sector includes the print media (newspapers), radio, television, mobile and fixed-line telephones, and internet. While radio is predominantly used in the country, television and newspaper are concentrated in Monrovia and its immediate environs due to limited infrastructure and high illiteracy rate. However, Liberia’s media environment is expanding as the number of registered newspapers and radio stations is on the rise despite limited market potential. Presently, about 60 percent of Liberia’s population has access to mobile telephone service, and nearly 4 percent of the residents have access to broadband internet service. Ministry of Posts and Telecommunication provides some postal services, including an expedited mail service (EMS) to the U.S. It is not advisable to send valuables through the Liberian postal system, because of the system’s limited security. Postal services are largely manually handled. DHL, FedEx, and UPS provide commercial air courier services. Liberia Telecommunication Corporation (Libtelco), a national operator, is the only fixed-line telephone provider. Libtelco provides limited commercial telephone and internet services, but its biggest clients are government ministries and agencies. The GOL through Libtelco continues to invest in building fiber ring around Monrovia and its environs to increase broadband penetration in the country.

Currently, Liberia has three licensed cellular service providers operating global system for mobile (GSM) communication technology. Mobile phones and accessories, including SIM and calling cards are commonly sold at stores, supermarkets, hotels, major restaurants, airport, and even by street vendors. There is no mobile phone coverage in some remote areas and U.S. cellular phones, especially if locked, do not always work in Liberia. It is advisable to purchase a cell phone and a SIM card with a local number while on business trips. Some internet service providers (ISP) and internet cafés in Monrovia provide commercial internet services to the public. Few major hotels provide WiFi access, but it is usually slow. Generally, bandwidth is low and internet subscription fees are expensive, because of high overhead costs due to lack of constant power supply. In Liberia the standard voltage is 120 V, the standard frequency is 60 Hz, and the power sockets (outlet types) that are used are type A and B. There are market challenges that constrain the telecom sector, and they include:

- High operational costs (electricity, utilities, network maintenance, network security, etc.)
- Poor physical infrastructure (road network)
- High taxation (including import duties and tariffs) and high cost of funds
- High spectrum charges
- Inadequate skilled manpower (especially for the national operator)
- Limited bandwidth

Despite these constraints, Liberia's telecommunications market has high growth prospects, particularly as investment in the rural areas increases. The mobile telecommunications networks continue to expand, connecting many rural parts of the country.

## Transportation

**Road Networks:** Majority of roads in Liberia are unpaved and unable to provide all-year access to either county or district headquarters. Roads are often impassable during the rainy season. Consequently, vehicle tariffs, operating costs and transportation fares tend to be high. When traveling outside Monrovia, four-wheel drive vehicles are advised. Liberia has a tropical climate with rainy season beginning in May through October and dry season from November through April. <http://travel.state.gov/content/passports/english/country/liberia.html>.

**Aviation:** RIA is a single runway airport located near a town called Harbel, about 40 miles (64 km) outside Monrovia. There are few car rental agencies or bus or taxi services in Monrovia which offer on-site airport services upon request, and these have to be pre-arranged. Visitors should avoid yellow taxis by pre-arranging transportation through a hotel or business contact. James Spriggs Payne Airport is a smaller single runway airport located in Monrovia.

**Sea Ports:** The country has four ports including Freeport of Monrovia, Buchanan Port, Greenville Port and Harper Port. The Freeport of Monrovia accounts for nearly all of Liberia's maritime trade.

## Language

English is the official, popular and common language in Liberia, and is spoken throughout the country. There are 16 tribes each of whom has its own tribal language or dialect that is spoken mainly amongst family members, kinsmen or tribal groups.

## Health

There are few hospitals, clinics or health facilities and their quality generally falls below the U.S. standards. The hospitals and health facilities in Liberia are, however, poorly equipped and incapable of providing many high-standard medical services. Travelers should purchase medical evacuation insurance: <http://travel.state.gov/content/passports/english/go/health/evacuation.html>.

Liberia was one of the worst affected countries in the 2014 Ebola outbreak in West Africa. The epidemic severely overwhelmed the country's healthcare system. Many medical facilities became dysfunctional and have not fully recovered. The WHO declared Liberia Ebola free for the second time in September 2015. As there is neither an effective garbage removal service nor a functioning sewer system, sanitation throughout urban areas is very poor, which increases the potential for disease. Upper respiratory infections and diarrhea are common, as well as more serious diseases such as typhoid and

malaria. For more information on health related issues in Liberia, you may refer to, <http://travel.state.gov/content/passports/en/country/liberia.html>.

### Local Time, Business Hours and Holidays

Liberia is on Greenwich Mean Time (GMT). Business hours are normally from 8:00 a.m. to 5:00 p.m., but most government offices are closed before 5:00 p.m. Some international organizations and UN Agencies work a half-day on Friday, closing by 12:00 noon or 1:00pm.

Below is the list of Liberian holidays that are observed nationwide during the year 2016.

January 1, Friday	New Year's Day
February 11, Thursday	Armed Forces Day
March 9, Wednesday	Decoration Day
March 15, Tuesday	J.J. Roberts Birthday
April 8, Friday	Fast and Prayer Day
July 26, Tuesday	Independence Day
August 24, Wednesday	Flag Day
November 3, Thursday	Thanksgiving Day
November 29, Tuesday	William V.S. Tubman Birthday
December 26*, Monday	Christmas Day

**Note:** *Christmas Day is December 25, but it will be observed on Monday in lieu of Sunday.*

### Temporary Entry of Materials or Personal Belongings

The Liberia Revenue Code 2000, as Amended in 2011, provides for exemption of duty payment on goods imported by or on account of the President of Liberia, Government of Liberia, local government bodies, representatives of foreign governments or public international organizations, as reasonably used households and personal effects in reasonable quantities, under special circumstances relating to senior government officials, and as personal effects for personal use of people arriving from abroad.

### Travel Related Web Resources

- U.S. State Department travel information: <http://travel.state.gov/content/passports/english/country.html>
- U.S. visa information: <http://travel.state.gov/content/visas/english.html>
- Liberian Embassy (USA): <http://www.liberianembassyus.org/index.php?page=consular>
- DHL Express Liberia: [http://www.dhl.com/en/lr/country\\_profile/office\\_express.html](http://www.dhl.com/en/lr/country_profile/office_express.html)
- FedEx (Express): <http://www.fedex.com/lr/contact/>
- UPS Local Office: <http://www.ups.com/content/corp/worldwide/africa/Liberia.html>
- Ministry of Post & Telecommunication: <http://www.mopt.gov.lr/>

- Bureau Veritas Liberia:  
<https://verigates.bureauveritas.com/wps/wcm/connect/29cf6c004d1fd6bf964bbed3ae22b828/GSIT+-+Liberia+Datasheet+Rev+24.pdf?MOD=AJPERES>

# Leading Sectors for US Exports & Investments

## Best Prospect Overview

The National Investment Commission (NIC) has identified four sectors with immediate investment opportunities; and they include road transport, coastal transport, fisheries, and fruits and vegetables. Furthermore, there are investment opportunities and best prospects for U.S companies in energy and power generation, agriculture especially agribusiness, construction and real estate, oil and gas, mining and minerals, telecommunications especially fast-speed internet services, medical equipment, pharmaceuticals, travel and tourism, and storage and warehousing facilities.

## Energy

### Overview

Liberia has one of the lowest electricity access rates in the world, with less than 2% of Liberians connected to the grid. Less than 7 percent of the population in the capital Monrovia has access to electricity; and Monrovia's grid is largely supplied by expensive diesel fueled generation resources. Liberia Electricity Corporation (LEC) has restored some electricity to parts of Monrovia, but less than 23 Megawatts (MW) of Liberia's on-grid installed generation operate on a daily basis, and therefore, larger facilities such as hotels, restaurants, and office buildings use privately-owned generators to supply electricity at their premises. The country has one of the highest electricity costs per capita in the world.

Liberia's National Energy Policy sets out a goal of making reliable, least-cost energy accessible to all parts of the country by accelerating public-private partnerships in the energy sector. The GOL is working closely with development partners, including USAID's Power Africa program, the World Bank and the EU, to rebuild its electricity infrastructure. By 2030, the country aims to connect 70 percent of Monrovia to the electricity grid and provide access to 35 percent of the rest of the country. The GOL, with support from its development partners, is rebuilding the Mount Coffee hydropower plant to expand access to sustainable, affordable electricity in the country. The project, which was delayed by the 2014 Ebola outbreak, restarted in early 2015 and is expected to be completed by end 2016. When the plant and related transmission lines come on line, there will be during the rainy season when generation capacity will be at its peak, a maximum capacity of 140 MW available through the public grid. The plant could enable Liberia to export power to [West Africa Power Pool project](#) (WAPP) inter-connection grid, which is being constructed in regions bordering Guinea, Ivory and Sierra Leone. Liberia is one of the beneficiary countries of the West African Power Pool intended to increase the flow of electricity access to the rural communities bordering Guinea, Sierra Leone, and Cote d'ivoire. Some major population centers along Liberia's borders, such as the city of Ganta and its surrounding towns, are already electrified by WAPP interconnection project.

The United States Government is committed to supporting the GOL's efforts to modernize the country's power generation sector. In Liberia, the Power Africa Initiative is supporting the development of the energy sector through the construction of small-scale, renewable pilot projects as well as building public and private sectors' capacity through training. Power Africa is also supporting projects with potential for private sector partnership, as well as helping to improve Liberia's regulatory and legal environment. Liberia's Rural and Renewable Energy Agency (RREA) is validating a Rural Energy Master Plan, which would serve as a roadmap to guide the GOL's rural electrification programs for the period 2015-2030; the plan proposes various rural energy alternatives including solar applications, micro-hydro, mini-hydro

plants, biomass projects as well as standalone systems. The RREA is an independent public agency that seeks to facilitate and promote commercial development and supply of modern energy products and services to rural Liberia.

### Sub-Sector Best Prospects

There is increasing demand for electricity from renewable energy sources, and the best prospect sectors for U.S. companies include solar energy, hydro energy, biomass, and wind energy. The GOL would welcome public-private partnerships to construct transmission and distribution lines outside Monrovia, where 98 percent of Liberians lack access to electricity. The GOL is investing primarily in small-scale power generation projects while looking to donors, and potentially private sector investors, to augment transmission and distribution capacity and develop alternative energy projects.

### Opportunities

Liberia's favorable climate, abundant farmland and rivers make generation of thermal and hydro energy a promising area for foreign investors; considerable potential exists for hydroelectric power generation throughout the country. The transmission and distribution grid needs to be repaired and expanded. Liberia is a member of the WAPP, which is building a reliable power grid for the region, creating a common market for electricity.

### Web Resources

Ministry of Lands, Mines and Energy: <http://www.molme.gov.lr/>  
 National Investment Commission: <http://www.investliberia.gov.lr/>  
 Ministry of Public Works: <http://www.mpw.gov.lr/>  
 Liberia Electricity Corporation (LEC): <http://www.lecliberia.com/>  
 Rural Renewable Energy Agency (RREA): <http://rrealiberia.org/>  
 Mt. Coffee Hydropower Rehabilitation Project: <http://mtcoffeeliberia.com/>

Indicators	2014	2015
Total Population	4,396,554	
Total Area (km <sup>2</sup> )	111,370	111,370
Rural Population (% of total population)	51	
GDP (current US\$)	2,013,000,000	
GDP Per Capita (current US\$)	457	
Access to Electricity (% of population)		9.8
Energy Imports Net (% of energy use)		no data
Fossil Fuel Energy Consumption (% of total)		no data

Source: World Bank, <http://data.worldbank.org/indicator>

## Agricultural Sector

### Overview

Agriculture sector is the primary livelihood source for more than 60 percent of Liberia's population. It is the most important sector of the domestic economy providing sustenance for many households who

engage in farming of rubber, rice, oil palm, cocoa, and sugarcane at smallholder and subsistence levels. The sector plays an integral role in Liberia's economic and social development as it contributes significantly to employment, food security, household income, poverty reduction and foreign exchange. However, low agricultural productivity results in Liberia importing more than 80 percent of its staple food, making the country vulnerable to global food price volatility. Poorly integrated, the sector lacks basic infrastructure such as machines, farming equipment/tools, farm-to-market roads, fertilizers and pesticides. Alongside cassava, rice is the staple food. The main cash crops and foreign exchange earners are rubber, cocoa, and timber. The major production areas for rubber, rice, cocoa, vegetables and fruits lie outside the capital Monrovia.

Rubber is the most important cash crop for households and one of the dominant generators of state revenues accounting for nearly 20 percent of the total export receipts in 2015. Rubber farms are scattered throughout the country, in areas under concessions and on small-holder farms belonging to households and individuals. The value of rubber exports declined in the last few years because of weakening global demand for the commodity, with the price falling by 15 percent in 2015. An estimated 30,000 people are employed by commercial rubber farms and up to 60,000 smallholder households are involved in growing of rubber trees. Firestone Rubber Plantation, covering almost 200 square miles, is the largest single natural rubber operation in the world and the biggest private sector employer in Liberia. Another significant cash crop in Liberia is oil palm for which, traditionally production has been for domestic market. Over the years there is considerable interest from both smallholders and large investors in expanding export production. Stakeholders in the oil palm sector are smallholder farmer cooperatives, individual farmers, large multinational corporations and concessionaires, as well as individuals playing various intermediation roles and support services. One of the main obstacles in the sector is that smallholder farmers and cooperatives lack both capital and professional expertise to independently increase the productivity of their farms. In the short-term larger plantations, which provide employment and livelihood opportunities for rural communities, provide smallholders with access to inputs, services and markets. Uncertainty of land tenure is among the most critical challenges for potential oil palm farmers and investors to overcome; this is true with other land-intensive industries such as rubber and cocoa. Liberia has favorable climate and fertile soil for cocoa production and there is an increase in the rehabilitation of cooperative and smallholder farms in the country. Although cocoa production is on a small scale, it is expected to increase as farmers continue to reclaim and resuscitate their farms. According to the Central Bank of Liberia, cocoa production in 2015 expanded by more than 50 percent (from 6,602 metric tons in 2014 to 10,358 metric), due mainly to access to abandoned farms coupled with an increase in the international price of the commodity. As with the agriculture sector in general, smallholder cocoa farmers and local cooperatives are challenged by inadequate farm-to-market roads, lack of familiarity with measurement and quality standards, lack of storage facilities, and limited access to updated price and market information.

Beside the cash crops, there are market opportunities and potential for agribusiness investment, which focuses on developing the value chain of the available food crops such as rice, cassava, vegetables, fruits, poultry and fish. For instance, productivity and market share for domestically grown rice can increase through improved input supply situation for farmers, reduced transportation costs, better irrigation system for swamp/lowland, and easy access to agricultural inputs (especially good varieties of seed and fertilizers). Cassava, which is well-adapted and pest resistant, is a critical alternative for rice as staple diet in Liberia. Extensive processing of cassava to add value would make the crop commercially viable for both domestic and regional markets. Liberia has suitable climate for horticulture such as production of peppers, okra, onions, tomatoes, bitter balls, etc., which are in high demand throughout the country all year round. Lowland cultivation and low-cost irrigation would give smallholders an opportunity to increase productivity and expand market share of these valuable crops. Liberia has an

Atlantic coastline spanning about 580 kilometers endowed with abundant marine fish stocks. The coastline and abundant freshwater resources provide breeding grounds varieties of marine species including crab, lobster, shrimp, tilapia, tuna, shark, croaker and barracuda.

### Sub-Sector Best Prospects

There are prospects for providing technical training in better farming practices. Farmers generally lack the technical skills for developing active nurseries and measuring the right distance between trees to maximize production. They also lack skills and techniques in drying cocoa beans to attain high quality. There is high prospect for storage and preservation of vegetables and fruits, such as peppers, okra, grains, tomatoes, banana, mangoes, oranges, etc., which are in demand all year round. Fish is an important protein source throughout Liberia, well-accepted and in high demand in the market; therefore, fish farming is an important sub-sector best prospects for investment.

### Opportunities

Potential opportunities include adding value to the cash and food crops (rubber, cocoa, rice, cassava, vegetables, etc.) through processing, manufacturing, and marketing for both domestic and international markets. Other opportunities include provision of farming implements, fertilizers, storage or warehousing facilities, pest control, standard measurement and drying methods. There is niche market opportunity for production and marketing of unpolished or “country” rice; opportunities also exist for vegetable drying and storage that would allow for sales in all seasons.

### Web Resources

Ministry of Agriculture: <http://www.moaliberia.org/>

National Investment Commission (NIC): <http://www.investliberia.gov.lr/>

ACDI/VOCA: <http://acdivoca.org/our-programs/project-profiles/liberia-livelihood-improvement-farming-enterprises-life>

Food and Agriculture Organization (FAO), <http://www.fao.org/wairdocs/ilri/x5458e/x5458e0i.htm>

*Liberia: Sectoral Origin of GDP (constant prices in millions of USD)*

Sector	2014	2015	2016
Agriculture incl. fisheries	216.7	214.4	NA
Forestry	92.9	94.7	NA
Mining & Panning	131.1	102.2	NA
Manufacturing	64.5	68.4	NA
Services	399.2	419.2	NA
<b>Real GDP</b>	<b>904.4</b>	<b>898.9</b>	

Source: Central Bank of Liberia, 2015 Annual Report

*Liberia: Key Agricultural and Forestry Production*

Commodity	2014	2015	2016
Rubber	29,892 Mt.	54,406 Mt.	NA
Cocoa Beans	6,602 Mt.	10,358 Mt.	NA
Coffee	-	57 Mt.	NA
Round Logs	174,436 M <sup>3</sup>	179,739 M <sup>3</sup>	NA
Sawn Timber	501,602 Pcs.	832,946 Pcs.	NA

Source: Central Bank of Liberia, 2015 Annual Report

### *Liberia: Commodity composition of exports (Millions of USD)*

<b>Commodity</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Iron ore	380.2	133.3	NA
Rubber	98	51.2	NA
Cocoa beans	3.9	12.3	NA
Diamond	29.1	30.2	NA
Gold	14.7	8.2	NA
Round logs	23.4	5.7	NA
Others	11.4	18.6	NA
<b>Total</b>	<b>560.7</b>	<b>259.5</b>	NA

Source: Central Bank of Liberia, 2015 Annual Report

## Construction

### Overview

Monrovia, Liberia's capital city has an estimated population of 1.2 million people, tripling the 400,000 population the city was originally planned for. Presently, the existing physical infrastructure, including housing, can accommodate fewer than half that number. There is a growing demand for property renovation, office buildings, shopping malls, business centers and low-to-middle income housing units. The demand is even more acute in the mining and agricultural concession areas as well as the commercially active regions, along the north-central-south corridor (growth corridor). The country lacks a mortgage system, which aggravates the shortage of affordable housing. Few banks give home loans package (mortgage) for construction purposes, charging exorbitantly high interest rates per annum.

The GOL plans to explore public-private partnerships to construct affordable housing facilities for low-income households. However, it lacks adequate capacity to carry out urban construction and related infrastructure work. Moreover, unclear legal claims to land tenure make investment outcomes uncertain in the housing sector. The National Housing Authority (NHA) has concluded a National Housing Policy, which seeks to guide the GOL's programs in providing low-cost housing units for low-income earners. NHA implements its public housing program by negotiating and acquiring land acreage in parts of the country to construct affordable housing units. In its medium and long term plans, the NHA would embark on land acquisition across the country for development of low-cost housing; the plans also include upgrading slum communities in urban areas.

### Sub-Sector Best Prospects

The best prospect sectors for U.S. companies include supply of construction materials and equipment, provision of safety equipment, and training of construction workers and real estate professionals. The post-war reconstruction boom has created a shortage of equipment, supplies, and trained workers. Providing low-interest financing and supporting a mortgage system for civil servants and middle income workers are other best prospect sub-sectors for U.S. companies.

### Opportunities

The GOL has applied for funding from the European Investment Bank (EID), the Saudi Fund (SF) and Arab Bank for Economic Development in Africa (BADEA) to cover the cost of rehabilitation and upgrading of the runway at Roberts International Airport (RIA); the project involves capital intensive construction works. There are opportunities for U.S. companies in the areas of real estate, roads and highways

construction, infrastructure consultancy, urban energy and power supplies, provision of power and electrical materials and services, drainage systems upgrading, and urban water and sanitation services.

### **Web Resources**

Ministry of Public Works: <http://www.mpw.gov.lr/>

National Housing Authority (NHA):  
[http://www.emansion.gov.lr/doc/5000\\_Affordable\\_Housing\\_Units\\_Construction\\_Final.pdf](http://www.emansion.gov.lr/doc/5000_Affordable_Housing_Units_Construction_Final.pdf)

National Port Authority: <http://npaliberia.com/>

Roberts International Airport: <http://www.airport-technology.com/projects/roberts-international/>

## Oil and Gas

### **Overview**

Liberia does not have a well-developed upstream oil industry. Hydrocarbon exploration activities started in the late 1960s, but no viable oil and gas discoveries have been made. Therefore, there is no production or oil field development in the country. Exploration ceased in Liberian waters due to a variety of factors, including political instability. All refined petroleum products are imported from neighboring countries since Liberia's refinery was destroyed during the civil wars more than twenty-five years ago. According to CBL reports, import bills for petroleum products amounted to US\$ 351.1 million in 2015, representing about 15.7 percent of total import payments. However, expectations for significant offshore oil discoveries are high, but as yet unproven. Liberia has a number of offshore blocks (LB01-17) some of which have been licensed to multinational oil companies. The blocks are from the continental shelf to water depths of 2500-4500 meters. Exploration in Liberia's oil and gas sector requires multimillion dollar investments and international oil companies (IOCs), such as Chevron and ExxonMobil, are conducting exploratory drilling in the Liberian waters. In September 2010, the GOL granted Chevron approval to acquire interests in three deep-water blocks; the company is the operator of and has a 45 percent interest in Blocks LB-11, LB-12 and LB-14. Working with international and Liberian partners, Chevron Liberia is drilling some of the deep-water wells in Liberia in decades. Planning is well underway for ExxonMobil begin drilling one exploratory well in Block 13, which it signed with the GOL in 2013. In 2015 the National Oil Company of Liberia (NOCAL) concluded negotiations of production sharing contract (PSC) with another international oil and gas exploration company, Kosmos Energy Ltd, for two offshore blocks (LB 6, LB 7). The company had participated in the bid round NOCAL conducted in 2014. Should there be a commercial discovery in Liberian oil and gas sector, there will be significant opportunity for investment in the supply of goods and services to support further development of the petroleum industry.

The National Oil Company of Liberia (NOCAL) is a state-owned company established in 2000 to "hold all of the rights, titles, and interests" of Liberia in the oil and gas sector. Since NOCAL was founded in 2000, TGS-NOPEC Geophysical Company began the acquisition of 2D seismic data on Liberia's offshore. Under the existing law, NOCAL is responsible for conducting bid rounds and administering all oil exploration and development agreements. It is coordinating a vigorous oil governance reform program designed to ensure maximum social and economic benefits of the oil and gas resources for Liberians. Over the years, the GOL has been working on a comprehensive oil sector reform by developing a new set of laws, including the NOCAL Act of 2013 and the Petroleum Reform Law of 2013 to replace the law that established NOCAL in 2000. The new laws, drafted with the assistance of the World Bank, reflect input

from non-government organizations (NGOs), international oil companies (IOCs), and civil society organizations (CSOs). The laws seek to reflect best international practices, particularly in terms of maintaining strong accountability of any revenue from future oil and gas production. Particularly, the Petroleum Reform Law seeks to take away the regulatory functions of NOCAL and establish a Ministry of Petroleum Affairs, which will regulate the activities of the petroleum sector. NOCAL will only retain its commercial portfolio and will exist as a corporate entity instead of having both regulatory and commercial functions. The law also mandates that unlike other government agencies, all members of the Board of Directors of NOCAL will be subject to senate confirmation.

The Liberia Petroleum Refining Company (LPRC) is state-owned enterprise with the exclusive mandate to refine, store, distribute, and supply petroleum products to the Liberian market. The company owns storage tanks at its product storage terminal (PST), near the Freeport of Monrovia, where it stores and handles petroleum products for wholesale distribution. The LPRC's current product storage terminal (PST), product jetty lines, and pumps are in dilapidated condition, and need major rehabilitation. Although LPRC has performed some basic maintenance on its facilities, options for alternative fuel supply to Liberia in any significant volume are limited. The company has conducted a comprehensive inspection of the physical condition of its storage tanks, pipelines, truck loading and firefighting facilities. It has also assessed its environmental protection systems, product loading facilities, as well as conducted a 'product demand study' to identify the additional storage capacity required to meet future demand for the additional petroleum products. LPRC has designed a framework for the rehabilitation and expansion projects of its PST and other essential technical facilities to increase the company's storage capacity in order to meet the anticipated demand for petroleum products.

### **Sub-Sector Best Prospects**

There are prospects for the upstream and downstream petroleum products and services in the event of a commercial discovery. Storage tanks, tank farms, environmental and fire-fighting systems, petroleum testing laboratories, and potential refinery capacity could provide build-operate-transfer opportunities. Transport and logistics services for oil rig personnel may provide a growth opportunity as well.

### **Opportunities**

There are potential investment opportunities for U.S. companies in the downstream petroleum sector in the areas of refining, importation, offloading and facility handling. Potential investment tenders for new ultra-deep off-shore blocks or resale of existing blocks may materialize. As LPRC begins to decentralizing its operations and expand petroleum supply on the domestic market, new marketing opportunities may arise in other parts of the country. LPRC has aspirations to resume refining operations in the future, and this would require significant investment in plant, machinery and equipment for refinery and laboratory testing.

### **Web Resources**

Liberia Petroleum Refinery Company: <http://www.lprclib.com/>  
Ministry of Lands, Mines and Energy: <http://www.molme.gov.lr/>  
National Oil Company of Liberia: <http://www.nocal.com.lr/>

## Mining and Minerals

### **Overview**

Liberia has rich mineral deposits and historically, mineral extraction (iron ore, gold, and diamonds) has been one of the leading export sectors for the country. The major minerals mined in Liberia are iron ore, diamond, and gold, all of which are mainly exported in a raw or semi-finished form. In addition to large iron ore deposits, there are substantial diamond and gold deposits, as well as indications of manganese, bauxite, uranium, zinc, and lead. Diamond deposits are primarily alluvial and artisanal diamond mining is widespread. The country complies with the Kimberly Process (KP) of Origin Certification, which enables it to export rough diamonds legally to other KP member countries. Iron ore mining plays a significant role in the Liberian economy accounting for a significant portion of the GDP and averaging 51.4 percent of export earnings in 2015. The predominant position of iron ore mining in the economy has largely overshadowed the importance of other potential mineral resources. There are large-scale iron ore mining operations, and several international companies, such as ArcelorMittal, Putu Iron Ore Mining (Severstal Resources), China Union, and Western Cluster (Vedanta), are investing billions of dollars into the sector. Much of the multibillion-dollar mineral investments will rebuild railways, roads, ports, electrical plants, housing facilities for workers, and other critical infrastructure. However, declining global iron ore prices and Ebola fears reduced Liberia's production and exports over the last two years as some of these multinational companies have begun significantly scaling down their operations. According to Central Bank of Liberia, total iron ore produced at end 2015 declined by 38.3 percent. The slump in the output was mainly explained by the unfavorable global price for the commodity which is serving as disincentive for higher production.

There is large volume of informal artisanal mining activities taking place in several diamond and gold mines throughout Liberia. Diamond and gold mining has traditionally been informal and artisanal in nature and much of the mining is unlicensed and illegal; government authorities closer to mining fields have little idea of how much diamond or gold is produced, who buys them, or where they end up. Some of the lucrative mines are located in remote inaccessible areas in forest regions, and the government lacks the necessary resources and capacity to intervene or monitor the activities of artisanal miners. Efforts are underway by the Ministry of Lands, Mines and Energy to formalize the artisanal and small scale mining (ASM) sector; the objective is to encourage artisanal miners to organize their mining activities through cooperatives that would attract foreign investors into the sector. Recently publicly traded companies, such as Hummingbird Resources, Aureus, and Bukon Jedeh have invested heavily in exploration activities. Aureus Mining, through its subsidiary Bear Mountain Corporation, continues to develop Liberia's first commercial gold mine, New Liberty gold project, in western Liberia. The company announced it began commercial production at its New Liberty Gold Mine on March 1, 2016; total gold production in excess of 9,000 ounces during February 2016; year to date production is over 14,000 ounces of gold; gold recovery levels increased to 90 percent by end February 2016; and process plant performance is in line with original design specifications and management expectations. Much of the investments in the industrial gold mining sector will fund plant construction, power generation infrastructure, mining fleet equipment, preparing the mining footprint, and village relocation costs. In the mining sector as a whole, land disputes and overlapping mining claims have become critical concern.

### **Sub-Sector Best Prospects**

Mining operations have significant demand for plants and equipment, construction, and core services. The sub-sectors in which U.S. companies would have the best prospects include geological and exploration services, analysis and testing, supply chain services, environmental services, feasibility, design and engineering services, construction, contract mining, equipment and plant maintenance and repair, equipment rental, drilling equipment and services, electronic equipment and supplies, and spare parts for mining equipment. There are also prospects for mining consumables such as explosive and accessories, chemicals, reagents, grinding media, fuel and lubricants, tires, replacement parts and

ground engagement tools, water service, and telecommunications. The huge energy needs for mining concessions and neighboring communities create best prospects for investment in mini-hydro or biomass electricity generation.

### Opportunities

Agreements signed with international investors include commitments to rehabilitate railroads, port facilities, and road networks and to provide schools, homes, and healthcare facilities. There is a growing demand for technical, geological, and engineering services, and for specialized mining machines and equipment. A number of reconnaissance and exploration activities are ongoing, which are expected to create several downstream economic activities in nearby communities. Public tenders for concession agreements should be offered; interested parties may wish to inquire about opportunities directly at the Ministry of Lands, Mines, and Energy.

### Web Resources

Ministry of Land, Mines and Energy, <http://www.molme.gov.lr/>  
 National Investment Commission, <http://www.investliberia.gov.lr/>  
 Ministry of Commerce & Industry, <http://www.moci.gov.lr/>  
 Chamber of Commerce, <http://www.lcclr.org/>

*Liberia: Iron Ore Productions and Exports (Metric tons & Constant Prices in Millions of USD)*

<b>Iron Ore</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Total Local Production (metric ton)	5,189,723	3,202,402	NA
Total Exports (Million USD)	380.2	133.3	NA
Total Market Size	NA	NA	NA

**Source:** Central Bank of Liberia, 2015 Annual Report

*Liberia: Diamond Productions and Exports (Carats & Constant Prices in Millions of USD)*

<b>Diamond</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Total Local Production (carats)	74,882	73,729	NA
Total Exports (Million USD)	29.1	30.2	NA
Total Market Size	NA	NA	NA

**Source:** Central Bank of Liberia, 2015 Annual Report

*Liberia: Iron Ore Productions and Exports (Ounces & Constant Prices in Millions of USD)*

<b>Gold</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Total Local Production (ounces)	19,938	15,494	NA
Total Exports (Million USD)	14.7	8.2	NA
Total Market Size	NA	NA	NA

**Source:** Central Bank of Liberia, 2015 Annual Report

## Telecommunications

### Overview

Liberia is a prime example of an almost entirely wireless telecommunication market, spurred by the lack of modern infrastructure in the country. Key players in the telecom sector include three GSM mobile operators, the Ministry of Posts and Telecommunications (MOPT), Liberia Telecommunication Authority (LTA), and Liberia Telecommunications Corporation (Libtelco). There are three active mobile telephone service providers and one fixed wireless telephone service provider in the country. The three private GSM mobile operators competing for customers are LoneStar MTN, Cellcom and Novafone. Liberia Telecommunication Corporation (Libtelco) is the sole national operator that provides wireless fixed line and wireline (land-line) services. It is the only public utility service provider with the legal monopoly right to maintain the telecommunications ducting system throughout Monrovia. Libtelco is implementing the only optical fiber ring in Monrovia and establishing connectivity to the ACE submarine cable. Approximately 99.8 percent of the market shares are controlled by the private operators. In 2013, the LTA reported that cellular subscriptions per 100 inhabitants were 68. In the mobile sector, competition has led to some of the lowest call prices in Africa despite the country's infrastructure handicap. In recent years, market penetration has reached a par with other markets in the region thanks to continued expansion in mobile telecommunications network in the country. Currently, over 60 percent of Liberia's population has access to mobile telephone service and approximately 4 percent has access to broadband internet service. Internet and broadband networks are available through 9 commercial wireless internet service providers (ISPs), and the three GSM mobile networks using GPRS, EDGE, HSPA and WiMAX technologies. According to LTA, Liberia internet penetration or percent of Liberian population that uses the internet is about 4.6 percent. The high cost and limited bandwidth of satellite connections means that most service offerings remain expensive and below standard broadband speed. However, this sector is expected to experience substantial improvement from the landing of the first international fiber optic submarine cable in late 2014, which requires considerable investment in domestic fixed-line infrastructure. The GOL through Libtelco continues to invest millions of dollars in building fiber ring around Monrovia and its environs to increase broadband penetration in the country. However, there are constraints facing the mobile operators and the major ones include the following:

- High cost of electric power (utilities)
- Poor national infrastructure (roads)
- High taxation including import duties and tariffs
- Low level of patronage
- Inadequate skilled manpower
- Problems in ensuring network security
- High cost of network operations and maintenance

Liberia Telecommunication Authority (LTA) is the statutory regulatory body established by the Telecom Act of 2007 to foster the provision of accessible and affordable ICT based telecommunications services in the country. The entity has published and is enforcing several regulations including Licensing Fees Regulations, Numbering Regulations, Universal Access Regulations, Penalty and Fines Regulations, and Quality of Service Regulations. LTA issues licenses to radio and televisions stations, and each category of licenses is valid for 12 calendar months renewable annually. Over the years, LTA has made significant interventions to address and counter unfair market practices that have the potential to adversely impact growth of the telecom sector. There are three categories of radio stations including Commercial Broadcast, Non-commercial Broadcast, and Community Broadcast. The sector regulator, LTA, is faced with certain challenges including:

- Financial constraints
- Difficulty in getting operators to cooperate with timely data requests

- Low level of expertise to analyze technical data
- Lack of appropriate equipment to detect and identify malpractices by operators/users

Despite all of the constraints listed above, Liberia's telecommunications market has high growth prospects. The mobile telecommunications networks continue to expand, connecting many rural parts of the country.

The Ministry of Posts and Telecommunications (MOPT) is charged with handling the postal services of the nation and providing oversight for the information and communication technology (ICT) sector. The ministry develops policies for the sector, oversees the GOL e-government program, and operates and manages the country's postal system. MOPT is run by a presidentially-appointed minister, who also serves as the post master general of Liberia. Currently, Liberia does not have national postal address system, or unique address system where individuals can be easily traced or contacted in terms of postal service delivery, security, healthcare delivery, and other socioeconomic activities.

### **Sub-Sector Best Prospects**

Sub-sector best prospects for U.S. companies range from providing high speed internet and system development to web design and hosting. Provision of ICT solutions and capacity building is also another prospect area for investment in the sector.

### **Opportunities**

Investment opportunities include software development, systems design and development, open source software/web development and integration, corporate training, IT infrastructure

development, and provision of ICT solutions to companies, local businesses, schools, hospitals, and residential homes.

### **Web Resources**

Liberia Telecommunications Authority (LTA): <http://www.lta.gov.lr/>

Ministry of Post & Telecommunications (MOPT): <http://www.mopt.gov.lr/>

Liberia Telecommunications Corporation (Libtelco): <http://www.libtelco.com.lr/>

## Pharmaceuticals and Medical Equipment

### **Overview**

Liberia's health care delivery system is weak and heavily dependent on international donor's support. There is minimal private sector involvement in the health sector and most healthcare facilities are run by government, bilateral donors through non-governmental organizations (NGO's), and faith-based organizations. The sector is further constrained by weak supply chain management (distribution, storage, supervisions, etc.) and limited human resources (doctors, pharmacists, etc.). Furthermore, there is a multitude of problems related to health infrastructure, health financing, health system management and governance, human and logistical resources, drugs and medical supplies, management and use of medicines, and health information system. Over the years, the country has suffered from a critical shortage of qualified health workforce, compounded by high attrition and demotivation amongst the existing health workers. Health workers, especially in rural communities, often complain of unattractive salary structure and poor accommodation facilities. Additionally, health facilities generally

lack appropriate monitoring and appraisal systems to track staff performance. They are characterized by irregular supply of drugs and medical equipment, inadequate trained and skilled health workers, lack of essential life-saving medical equipment, and inappropriate medical waste disposal system.

The GOL, through the National Drug Service (NDS), provides drugs for health facilities that it supports exclusively. Even the privately run health facilities are constrained by inadequate financial resources to procure quality medical supplies outside the country. The current health system cannot withstand and adequately respond to health emergencies or shocks. The 2014 Ebola Virus Disease (EVD) outbreak exposed the structural weaknesses and fragility of the country's health system. The Liberia Medicines and Health Products Regulatory Authority (LMHRA), which established the legal framework for pharmaceutical products, works closely with the Pharmacy Board of Liberia, to register, monitor and regulate pharmacies and medicines stores throughout the country. The National Drug Policy of Liberia provides a framework for the development of various components of the pharmaceutical sector, but there is limited national capacity to support the sector. The policy, driven by the Ministry of Health & Social Welfares, is designed to address problems related to accessibility, affordability, availability, supply chain management, and rational use of medicines. Generally, availability of essential genuine pharmaceutical products is limited throughout the country. Liberia's largest referral hospital is John F. Kennedy Medical Center (known as JFK Hospital) is the only tertiary care institution in the country. The hospital is comprised of JFK Memorial Hospital, Maternity Hospital, Tubman National Institute of Medical Arts (a paramedical and nursing school), and Catherine Mills Rehabilitation Hospital (a psychiatric care facility completely destroyed during Liberian civil conflict). Most of the health professionals at JFK Hospital are generalists and allied health care providers working with very few specialists. The hospital has basic medical equipment, X-rays, basic ER, basic surgical capabilities, basic laboratory services and general patient wards with basic nursing care.

This however, appears to be related to concurrent efforts by the LMHRA and PBL to register medicines in the country and to stringently inspect and regulate medicines store practice.

### **Sub-Sector Best Prospects**

Sub-sector best prospects for U.S. companies range from providing health infrastructure, health facilities and medical education to offering health information system.

### **Opportunities**

Investment opportunities include health system strengthening through education, training, capacity building and skill development programs in the health sector.

### **Web Resources**

Ministry of Health & Social Welfares, [www.mohsw.gov.lr](http://www.mohsw.gov.lr)

National Investment Commission, [www.investliberia.gov.lr/](http://www.investliberia.gov.lr/)

## **Travel and Tourism**

### **Overview**

Travel and tourism forms a small part of Liberia's domestic economy. The GOL has not explored the tourism sector mainly due to lack of basic infrastructure such as roads, electricity, effective telecommunications system, transport infrastructure, and facilities to accommodate tourists. The

country is a frequent destination for very few international airlines including Brussels Airs, Arik Air, and Royal Air Maroc. Despite its infrastructural deficit, Liberia's travel and tourism sector possesses some potential to contribute to the economic growth. In addition to its rich natural resources including forests, rivers, seas, hills, and mountains, the country's biodiversity, landscape and beaches are natural attraction for tourists and international visitors seeking new adventures. In the wake of weak performance of Liberia's natural resources sector, the GOL has begun developing strategies to tap the potential of the country's tourism industry as alternative source of revenue generation. Developing the country's ecotourism through conservation of its biodiversity as well as building modern infrastructure would improve its international image and increase its appeal to tourists. Some of the country's natural tourist attractions include the followings:

- Robertsport, a fishing town with its nascent surfing scene along the Atlantic Ocean
- Lake Piso, the 40-square mile lakes near Liberia-Sierra Leone border
- Kpatawee Waterfalls, the all-year round natural waterfalls in central Liberia
- Sapo National Park, Liberia's largest protected area containing some of the largest primary tropical rainforests in West Africa, located in southeastern Liberia
- East Nimba Nature Reserve, which covers much of the Nimba Mountain Range bordering Liberia, Guinea and Cote d'Ivoire.
- Providence Island, surrounded by Mesurado River in Monrovia where the first group of freed African slaves who migrated from the United States to Liberia landed.
- The country's 350 miles white shoreline along the Atlantic Ocean

### **Sub-Sector Best Prospects**

Sub-sector best prospects for U.S. companies range from building basic infrastructure as road networks connecting different regions of the country to providing effective transportation and accommodation facilities. Developing ecotourism, provision of ICT solutions as well as building human capacity in tourism and hospitality also provides best prospects for investment in the sector.

### **Opportunities**

Investment opportunities include development of basic infrastructure such as road networks between different regions of the country, effective information communication technology (ICT) systems, reliable electricity and power generation, reliable transportation system, predictable physical and postal address system, decent accommodation and food services including hotels and restaurants, and responsive healthcare delivery system.

### **Web Resources**

Ministry of Information, Culture and Tourism, <http://www.micatliberia.com/>

National Investment Commission, [www.investliberia.gov.lr/](http://www.investliberia.gov.lr/)

Ministry of Commerce and Industry, [www.moci.gov.lr](http://www.moci.gov.lr)