Executive Summary

Liberia is a small country roughly the size of Tennessee with a population of about 4 million people. The Central Bank of Liberia (CBL) reported a real GDP growth rate of 8.1 percent for 2013 with inflation averaging 7.6 percent for the year. The country has a market-based economy open to foreign investment. Liberia remains among the poorest countries in the world, although it has rich natural resources. Historically, the Liberian economy has been very dependent on natural resources, foreign aid, and foreign direct investment (FDI). The extractive sector, including mining and agriculture, remains the leading driver of growth, with growing iron mining sector surpassing rubber as the top export earner in 2013. The 2013 CBL Annual Report indicates that iron ore and rubber account for 82 percent of Liberia's total exports. Despite an abundance of fertile land for agriculture, Liberia depends on imported food for over 90 percent of domestic consumption. Major trade partners are the United States, European Union, and Asia-particularly China.

Best prospect sectors for U.S. investment include agribusiness, energy and power generation, infrastructure development, construction and real estate, mining, manufacturing, transportation, and services sectors. The Government of Liberia (GOL), in collaboration with international partners such as USAID and the International Finance Corporation (IFC), continues to upgrade institutions, investment policies, and business regulations to make Liberia attractive for foreign investments. The government has passed legislation such as the *Investment Law of 2010* and an *Act establishing the Commercial Court* with the aim of improving the investment climate and ensuring greater security for commercial transactions. Liberia also has pursued needed reforms to streamline business registration processes to encourage more formal business ventures. The Liberia Better Business Forum (LBBF), with support from the IFC Investment Climate team, continues to work with the National Investment Commission (NIC) to improve public-private dialogue. These efforts are helping government to reduce trade barriers by streamlining import and export procedures through automated customs systems. Liberia has gained relative stability, as demonstrated by celebrating ten years of uninterrupted peace in August 2013, with the support of United Nations Mission in Liberia (UNMIL).

U.S. companies and potential investors interested in doing business in Liberia should consider hiring an agent, attorney, or distributor to develop and foster local partnerships. It would be imprudent to attempt to enter the market without doing thorough market research. A business representative or agent should be familiar with local business practices as well as with legal and regulatory frameworks. U.S. Embassy Monrovia is unaware of any matchmaking services in Liberia, although there are a few business advisory and investment consultancy services available. While the U.S. Embassy does not endorse or vouch for services of a particular company, the Embassy's Economic and Commercial Section may be able to provide a short list of potential contacts for you to begin further research.

1. Openness to, and Restrictions Upon, Foreign Investment

World Bank's (WB) Doing Business 2014 Survey indicates that Liberia improved by five points from 149th to 144th position out of the 189 economies that were surveyed in 2013. Although this is two points below regional average, it signals significant improvement in terms of starting a business, registering a property, paying taxes, and enforcing contracts. Overall, Liberia has made starting a business easier by eliminating business license fees, which has reduced total cost of business registration. It also made transfer of property easier by instituting a digitized records system at a land registry known as Center for National Documents and Records Agency (CNDRA). In addition, the number of procedures for starting a business was reduced from 4 to 2, and the wait time required to register a business was reduced from 6 days to 48 hours. These factors contribute to raising Liberia's ranking to 31 out of 189 economies in the "Starting a Business" indicator, second in Africa after Rwanda.

The WB's report also indicated that Liberia made progress in reforms related to contract enforcement, construction permit issuance, and cross-border trade. The IFC's Investment Climate Team collaborates with the Government of Liberia (GOL) to improve investment climate by increasing access to finance and inspiring greater confidence in Liberia as an investment destination.

TABLE 1: The following chart summarizes several well-regarded indices and rankings on Liberia's Doing Business Indicators

Measure	**Year**	**Rank or value**	**Website address**
Heritage Foundation's Economic Freedom index	2013	52.4/100	http://www.heritage.org/index/country/liberia
World Bank's Doing Business Report "Ease of Doing	2014	144/189	http://www.doingbusiness.org/data/exploreeconomies/liberia/
TI Corruption Perceptions index	2013	38/100	http://www.transparency.org/country#LBR
Global Innovation Index	2013	NA	http://www.globalinnovationindex.org/content.aspx?page=GII-Home
World Bank GNI per capita	2012	370	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

TABLE 1B - Scorecards: The Millennium Challenge Corporation (MCC), a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a 2012 per capita gross national income (GNI) of $4,085 or less. A list of countries/economies with MCC scorecards with links to those scorecards is available here: http://www.mcc.gov/pages/selection/scorecards. Details on each of the MCC's indicators, and a guide to reading the scorecards, are available here: http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-the-indicators.pdf

MCC Governance Indicators

Measure	**Year**	**Rank or value**	**Website address**
MCC Government Effectiveness	FY14	Unsatisfactory (35/100)	https://www.mcc.gov/documents/scorecards/score-fy14-

			english-lr-liberia.pdf
MCC Rule of Law	FY14	Unsatisfactory (44/100)	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Fiscal Policy	FY14	Unsatisfactory (42/100)	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Regulatory Quality	FY14	Unsatisfactory (29/100)	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Land Rights and Access	FY14	Unsatisfactory (21/100)	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Natural Resource Protection	FY14	Unsatisfactory (17/100)	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Access to Credit	FY14	Satisfactory 66/100	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Business Start-Up	FY14	Satisfactory 91/100	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Trade Policy	FY14	Unsatisfactory 31/100	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf
MCC Inflation	FY14	Unsatisfactory 43/100	https://www.mcc.gov/documents/scorecards/score-fy14-english-lr-liberia.pdf

Investment Act of 2010 and *Revenue Code of 2000*, as amended by the *Consolidated Tax Amendment Act of 2010*, govern investments in Liberia. According to these laws, 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 GOL seeks to empower Liberian entrepreneurs by constraining foreign investment in some sectors. Despite concerns raised by international donors and some business groups over discriminatory and anticompetitive laws and regulations, the *Investment Act of 2010* imposes the following restrictions:

(A) Ownership of the following business activities or enterprises shall be reserved exclusively for Liberians: supply of sand, block making, peddling, travel agencies, making and selling ice, tire repair shops, auto repair shops with investments of less than US$550,000, shoe repair shops, gas stations, video clubs, operation of taxis, importation or sale of second-hand or used clothing, importation or sale of used cars (except authorized dealerships which may deal in certified used vehicles of their make), distribution of locally manufactured products, and the retail sale of rice, cement, timber and planks.

(B) Foreign investors may invest in the following business activities provided they invest no less than USD $500,000. If a Liberian partner maintains at least a 25 percent equity stake, foreign investors only need to invest USD $300,000 for the following business sectors: production and supply of stone and granite, ice manufacturing, commercial printing, cinemas, production of poultry and poultry products, bakeries, sale of pharmaceuticals, operation of heavy duty trucks, sale of animal and poultry feed, entertainment centers not connected with a hotel establishment, operation of water purification or bottling plants (specifically the production and sale of water in sachets), and advertising agencies, graphics and commercial artists.

The *Investment Act of 2010* 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. In practice, most investment agreements dictate foreign-owned companies employ a certain percentage of Liberians at all human resource levels, including upper management.

To obtain a new concession agreement, potential investors have to engage in lengthy bidding processes. The *Public Procurement and Concessions Act of 2005*, the *National Competitive Bidding Regulations*, and the *Investment Act of 2010* 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), which includes the Ministers of Justice and Finance, is chaired by the NIC. IMCC is statutorily responsible to bid, evaluate, award, and finalize concession agreements for the GOL. The president of Liberia sends those concession agreements to Liberia's legislature for ratification, and the agreements become laws when signed by the president and printed into handbills by Ministry of Foreign Affairs. Depending on contract clauses, a re-negotiation and subsequent round of ratification may be necessary if ownership transfers.

There are a number of World Bank-supported projects that are managed by special project management units (PMU), or implemented through project implementation units (PIU) embedded in select ministries. These PMUs and PIUs usually prepare requests for EOIs, ICBs and ITBs in accordance with the procedures and policies stipulated in the WB's Guidelines. For details on current projects, please visit, http://www.worldbank.org/projects.

2. Conversion and Transfer Policies

Both Liberian Dollars (LD) and U.S. Dollars (USD) are legal tender in Liberia. Large-scale business and government transactions are conducted in USD, while retail transactions are conducted either in USD or LD. Contracts and tax agreements are typically specified in USD. The *Investment Act of 2010* allows unrestricted transfer of capital, profits, and dividends, "through any authorized dealer bank in freely convertible currency." The CBL regularly intervenes in the foreign exchange market through weekly foreign exchange auctions and monthly treasury bills auctions to stabilize the exchange rate, facilitate imports, maintain a low inflation rate, and spur economic growth. 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. 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 not less than three banking days prior to transfer.

3. Expropriation and Compensation

The *Investment Act of 2010* 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 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 allow itself flexibility to also sign a mineral and/or timber concession in the same area. As multinational investors develop concession areas, some businesses buy risk insurance to mitigate against the possibility of operational disruption caused by land expropriation.

Many private commercial plantations were disrupted and came under rebel control during the civil war, and were later turned over to government-appointed interim management teams. While most private entities were not compensated for war-time losses, most plantations have since reverted to private control under renegotiated or to-be-renegotiated concession agreements.

The U.S. Embassy is also monitoring a long-pending real estate expropriation case at the Freeport of Monrovia. The National Port Authority (NPA) assumed control of several privately-owned warehouses after the war. An American property owner took NPA to court to regain possession of the warehouses. Despite both Circuit and Supreme Court rulings in his favor, the American property owner has yet to regain control of the property. In 2012, the Ministry of Justice proposed a compensation package on behalf of NPA, although the offer was declined on grounds of being unequal to the value of the property.

The Embassy is aware of two mining claim disputes which arose when the Ministry of Lands, Mines, and Energy (MLME) allocated mining licenses on overlapping properties. One license holder reported to the Embassy that despite holding a license dating back to the 1970s, MLME effectively forced the license holder to sell his claim for an unsatisfactorily low price to another license holder through MLME-arbitrated negotiations.

4. Dispute Settlement

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 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. Obtaining hearing dates may take a long time because of inadequate resources and backlogs of cases. The dysfunctional court system has led the GOL to explore the use of alternative dispute resolution (ADR) mechanisms to resolve land disputes. Historically, land disputes arose because statutory and traditional methods of allocating land were never reconciled. During and after the civil war, unscrupulous individuals falsified land deeds and sold properties to multiple buyers, compounding an already contentious situation. In 2010, a Land Commission (LC) was mandated to establish land use policy and clarify land ownership issues. In January 2013, the LC reported that it has helped to resolve more than two dozen land cases so far through ADR mechanisms in five of Liberia's fifteen counties. ADR empowers the LC to convene a task force to mediate land conflicts, although it cannot enforce laws. In 2013, the Ministry of Justice set up an ADR Unit which collaborates with the Judiciary Branch of government to strengthen rule of law and improve access to justice. The LC has adopted best practices of ADR mediations from other post-conflict countries that have experienced land disputes.

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 of 2010* 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.

As part of Liberia's judicial reform agenda, the national legislature enacted a new Commercial Code and established a Commercial Court in 2011. In theory, the court presides over all financial, contracts, and commercial disputes. In practice, because of a dearth of regulating legislation, some cases remain unresolved. For example, the Law Reform Commission (LRC) and relevant stakeholders are drafting a bankruptcy law to protect creditors' rights so that bankruptcy cases can be adjudicated. The LRC is in the process of validating and finalizing the draft for submission to legislature.

In July 2012, the Ministry of Lands, Mines and Energy (MLME) canceled 25 mining licenses for non-compliance on issues ranging from companies' failure to pay fees to unsanctioned mining activities. Companies with revoked licenses have a right to request a formal MLME hearing to lodge their grievances. These companies also have a right to appeal to a civil law court and the Supreme Court. In March 2014, the MLME lifted a moratorium it placed on issuance of reconnaissance and exploration licenses in September 2013. The moratorium was necessary to give time to validate and update the national mineral property map of Liberia.

5. Performance Requirements and Investment Incentives

The *Revenue Code of 2000*, amended by the *Consolidated Tax Amendment Act of 2010*, dictates that for an investment to qualify for special incentives, the investment activity must be in one of the following priority areas: tourism carried out through tourist resorts, hotels and cultural sites; manufacturing of finished products having at least 30 percent local raw material content excluding water; energy; hospitals and medical clinics; low- and medium-income housing; air, sea, rail, and road transport infrastructure, including ports; high impact information and communications technology; banking in the unbanked areas in the southeastern region of the country; poultry and horticulture; exportation of sea products; agricultural food crop cultivation and processing, including cocoa and coffee; small- and medium-scale rubber and oil palm cultivation and processing; manufacturing or assembly of finished products for export, provided that at least 70 percent of production is exported from Liberia within any 12-month period; and waste management.

The revised revenue code also authorizes the Ministry of Finance to include other investment activities, not listed above, to promote economic growth. (Note: The revised revenue code differs on investment amounts from the *Investment Act of 2010*. End note.) Under the revised revenue code, capital invested must be at least USD $1 million for foreign-owned businesses, and at least USD $300,000 for businesses with 100 percent Liberian ownership. Foreign or domestic investment intended to establish a hospital or health clinic has a lower threshold of at least USD $50,000. Regarding tax incentives, section 16(d) of the revised revenue code states, "for investments exceeding USD $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 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. The revised 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. For additional information on incentives and taxation, please visit the National Investment Commission website at http://www.nic.gov.lr/ and the Ministry of Finance website at http://www.mof.gov.lr.

6. Right to Private Ownership and Establishment

Land ownership is restricted to Liberian citizens. Chapter III, Article 22, of the Liberian Constitution states: "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. All mineral resources in and under the seas and other waterways shall belong to the Republic. Non-citizen missionary, educational and other benevolent institutions shall have the right to own property, as long as that property is used for the purposes for which acquired; property no longer so used shall escheat to the Republic."

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 investor interest and clashes between traditional and statutory land uses. Though the GOL established a moratorium on public land sales in 2010 to resolve conflicting land tenure systems, it continues to enter into legally binding investment agreements with firms to use land, including for mineral and agricultural concessions. The moratorium was renewed in January 2014 and applies to individuals, groups, government functionaries, local authorities and communities that are involved in land transactions. It also covers Tribal Certificates issued by traditional authorities and Town Lot Certificates issued by municipal authorities. However, concessions-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 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.

7. Protection of Property Rights

To ameliorate land tenure issues exacerbated by the war, in 2010 the GOL established the Land Commission (LC). The LC continues to formulate policies and laws to reconcile the statutory and customary land tenure systems. The LC completed a Land Rights Policy which was approved by the Government in May 2013, and has drafted a Land Rights Law and an Act to establish an independent Land Agency in the country. (Note: Customary land is owned and administered by indigenous communities according to customary practices and norms. End Note.) A draft Land Rights Law, based on the Land Rights Policy, is expected to address land administration; land use and management; and alternative dispute resolution for land cases. As part of the ongoing reform process, in July, 2012, the LC drafted a bill entitled, *An Act against Criminal Conveyance of Land*, which was passed by the Senate in August 2012 and is still pending concurrence by the House of Representatives. Although a top priority of the LC, it is unclear when this bill will be passed into law. If passed into law, it will codify the accountability of land surveyors and provide sanctions for those found colluding with sellers and engaging in illegal land transactions. It also is expected to provide legal foundation for resolving many of the issues in the land sector. In August 2012, the LC also launched a massive civic education, public consultation and outreach campaign on its ongoing Land Rights Policy drafting process. In 2013, the GOL constituted a Screening Committee chaired by the LC with the responsibility of vetting all Public Land deeds.

Concurrently, the Liberian Center for National Documents and Records Agency (CNDRA) populated a land cadastre for proper recording and mapping of land title deeds. 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 clarify property demarcation and reduce concession-community overlap and disputes. Additionally, the Ministry of Lands, Mines and Energy has a mining cadastre of mining rights and plans to establish a land cadastre to clarify property rights. It is not clear how the LC, CNDRA, and MLME are coordinating these cataloguing efforts to ensure a coordinated and transparent record management system. However, these different land-related functions will be taken over by the proposed Land Agency when the draft bill is passed into law by the legislature. The LC is currently validating the draft Land Agency bill and is expected to submit it to the legislature before August 2014. Database maintenance has been problematic in the past, which led to faulty publicly available cadastre records.

Liberia is a member of the World Intellectual Property Organization and the African Regional Intellectual Property Organization, and 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. The Constitution of Liberia does guarantee the protection of private property, and the Act adopting the New Copyright Law of Liberia, approved in July 1997, provides the legal and administrative framework for protection of intellectual and industrial property rights. The Copyright Office (CRO) and the Industrial Property Office (IPO) are two separate units that operate under the Ministry of Commerce and Industry (MOCI), but the two organizations lack capacity to manage intellectual or industrial property issues. MOCI is finalizing a draft amendment to the New Copyright Law of 1997 to be submitted to legislature, with clauses to merge the CRO and IPO. Both entities will operate as one under a single director general. All imports of intellectual property must be so identified on the import permit, rather than being identified as "general merchandise." All businesses dealing in intellectual property must reflect that on their business registration form. During 2013, Liberia Copyright Office recorded about 250 copyrighted businesses by songwriters, movie producers, authors and other categories of business holding intellectual property rights. Most are members of the Liberian Association of Writers, Musician Union, Cultural Union and Fine Artists. Holders of intellectual property rights have theoretical access to judicial redress, but laws pertaining to patents, trademarks, and industrial designs are not enforced. Many Liberians are illiterate, and there is a general lack of knowledge about what constitutes intellectual property infringement in Liberia; most Liberians do not understand that a person has to pay for the use of intellectual property. Most 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.

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/.

Embassy point of contact: Caroline Dow DowC@state.gov

Local lawyers list link: http://monrovia.usembassy.gov/legal.html

8. Transparency of the Regulatory System

The impact of years of violence and bad governance undermined the rule of law and created unchecked opportunities for corruption. Regulatory harmonization and ongoing reforms continue across ministries and agencies with conflicting rules and regulations, including but not limited to: forestry legislation reform commenced in 2006; petroleum legislation reform commenced in 2012; mining legislation reform commenced in 2013; and fisheries sector reform supported by the World Bank began in 2010. Despite the lack of legislation relevant legislation, significant investment exists in these sectors. When regulatory issues arise, GOL officials can be arbitrary or heavy-handed when resolving conflicts. For example, over the course of 2011, the Forestry Development Authority (FDA) failed to properly regulate the majority of commercial forestry licenses it issued. After reports of irregularities and corruption, investigations found that the licenses conflicted with forestry reform laws, leading to President Sirleaf's imposition of a timber export moratorium. A GOL representative reported that in 2013 all 64 licenses or private use permits (PUP) were reviewed and 17 were cancelled or revoked. The Law Reform Commission (LRC) is responsible for reviewing the entire PUP scandal and making recommendations to government on the way forward. The government has indicted some officials of the FDA while other investigations are ongoing.

Liberia is a member of the worldwide Extractive Industries Transparency Initiative (EITI) and was the first African nation to be validated as EITI-compliant. The Liberian Extractive Industries Transparency Initiative (LEITI) has successfully launched all annual reports in compliance with EITI guidance since 2007. LEITI reporting publicizes GOL revenue payments made by private companies with the goal of reducing opportunities for graft and corruption. In 2012, LEITI increased the scope of its reporting to include not just GOL ministries but also state-owned enterprises and agencies. LEITI has also started nominally sanctioning non-compliant reporting companies, though it remains to be seen if such companies will submit to financial penalties. In 2013, LEITI increased its public outreach and expanded the scope of reporting by adding new requirements such as Contract Transparency and Project-by-Project reporting. It launched its Post Contract Award Process Audit Report in May 2013, which was the first of its kind in the EITI implementation. The well-respected head of LEITI in early 2014 announced he would depart later in the year and the GOL has launched a search for a replacement candidate.

9. Efficient Capital Markets and Portfolio Investment

In 2013, the nine licensed banks in Liberia expanded to 82 branches, most based in Monrovia, and provide basic banking services throughout Liberia, but no capital market or portfolio investment options exist. The CBL also qualified and licensed 18 insurance companies in 2013. The CBL, with International Monetary Fund (IMF) assistance, launched Treasury bill auctions in May 2013. The T-bill auctions are held monthly with a three-month maturity term. To better promote banking sector efficiency, safety, and stability, the IMF also continues to provide technical assistance to the CBL in support of its gradual transition from a compliance-based to a risk-based supervision model. The CBL has established a Consumer Protection Unit to ensure customer protection and boost confidence in the banking system.

During 2013, the CBL recorded stable growth in the banking sector in terms of total assets, capital, loans and deposits, which it attributed to Liberia's growing economy. CBL reported that the banking system continues to be well capitalized and liquidity remains strong for the sector. Poor asset quality and high loan loss provisions have made bank profitability a challenge. According to the CBL, non-performing loans and profitability remained major challenges in the banking sector, which the CBL and Liberia Bankers Association are working together with the banks to address. While financial institutions allocate credit on market terms to foreign and domestic investors, the historically high rate of non-performing loans has led banks to offer short-term (less than 18 months), high-interest rate loans (12-20 percent) that constrain capital investment and limit new business development. There is no effective credit rating system, and many firms lack business records necessary for credit approval. Banks rely on the CBL's Credit Reference System, a manually-updated spreadsheet containing derogatory information about certain creditors. The obstacles to domestic travel -- including poor roads, inclement weather, and unreliable communication links -- increase the risk in accepting collateral outside Monrovia, and unreliable land titles hampers access to credit.

The Liberian market offers the private sector few credit instruments. Most private companies, citing the lack of a government benchmark or a culture of using such investment instruments, do not issue debt. Informal credit clubs called “sousous” exist in which members contribute funds to the group, which in turn makes short-term (one to three month), high-interest rate loans to members. Third-country entrepreneurs also access lower-rate loans in their home countries, including Lebanon and India. The United States Overseas Private Investment Corporation (OPIC) funded a non-banking financial institution, the Liberian Enterprise Development Finance Company (LEDFC) in 2007. LEDFC invested USD $5 million of a USD $20 million fund in small- and medium-sized Liberian companies. In 2012, LEDFC’s initial implementing partner became insolvent. LEDFC management found an interested buyer, but experienced lengthy delays in the CBL’s consideration of the request to transfer ownership. After a lengthy delay, the CBL approved the asset transfer, and LEDFC now boasts an active pipeline of new loans.

10. Competition from State Owned Enterprises

Liberia has more than 20 state owned enterprises (SOEs) and regulatory agencies, some of which exist statutorily but are non-functioning. 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), and Liberia Maritime Authority (LMA). The history of SOEs has been characterized by high levels of corruption, financial opaqueness, cronyism, and mismanagement. However, the SOE sector remains a key part of Liberia’s economic development agenda. The *Public Financial Management (PFM) Law of 2009* set 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 Ministry of Finance (MOF). In 2013, the MOF created an SOE Financial Reporting Unit to facilitate effective performance monitoring and evaluation of the SOEs in line with the PFM Law. The severely under-resourced Bureau of State Enterprise, which is responsible for SOE oversight, does little to deter dubious SOE practices. Questionable procurement, licensing, and design-operate-transfer procedures are common complaints against some SOEs. The GOL remains challenged in ensuring SOEs are fully compliant with Liberia’s laws.

11. Corporate Social Responsibility

The GOL expects foreign investors to offer social services to 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 the firms to negotiate separately with local leaders for additional services. This process can be cumbersome, lead to delays, and greatly increase costs.

A consortium of foreign investors and GOL officials launched the Corporate Responsibility Forum in 2009. This organization encourages responsible investment, good corporate citizenship, and collective action for development -- based on generally accepted CSR principles such as the OECD Guidelines for Multinational Enterprises. More information can be found at http://www.crforumliberia.org.

12. Political Violence

2011's Presidential and Parliamentary elections were the first organized by the Liberian Government, following UN-assisted elections in 2005. The 2011 elections marked an important step in Liberia's efforts to advance democracy and to solidify peace and security. The Government of Liberia (GOL) is preparing to hold the first post-war mid-term parliamentary (senatorial) elections in October 2014, with Presidential elections scheduled in 2017. Following signing of the 2003 peace accord, the Armed Forces of Liberia (AFL) were completely demobilized and the USG continues to assist development of a modern, professional force. The USG also provides assistance to the Liberia National Police (LNP), which has the ability to respond rapidly to address sudden tactical police emergencies. The Executive Protection Service (EPS) provides high-level protection for the President and other key officials. The United Nations Mission in Liberia has been drawing down the number of foreign peacekeeping troops and donors are working closely with the GOL to assume responsibility for Liberia's security. As elections near, there is greater potential for isolated political violence. Increasing freedom and transparency for the Liberian people has led to vigorous pursuit of perceived rights, which results in active, often acrimonious, political debates. Though professional journalistic capacity is low, Liberia's media is among the most free and open in Africa. Access to land remains a volatile issue, and public protests and demonstrations can quickly become highly politicized and violent.

13. Corruption

The government of Liberia is fighting corruption, but it remains endemic in the Liberian social fabric. The 2013 Transparency International Corruption Perception Index ranked Liberia 83 out of 177 countries with a score of 38 percent. The 2013 Mo Ibrahim Index of African Governance (IIAG) ranked Liberia 29 out of 52 African countries with a score of 50.3. Despite this improvement in governance, Liberia's score remains below the African average of 51.6 and the West African average of 52.5. The index measures performance across the following four categories of governance: safety and rule of law, participation and human rights, sustainable economic opportunity, and human development. Liberia scored highest in the governance category of participation and human rights and lowest in that of sustainable economic opportunity.

Travelers to Liberia are likely to encounter officials who solicit bribes (often euphemistically referred to as "cold water," "my Saturday," or "my Christmas"). Multinational firms often report having to pay fees to GOL agencies that were not stipulated in investment agreements. When new concessions are signed and ratified, the press frequently reports on corruption allegations implicating both the legislative and the executive branches.

Despite a number of USG and other donor-funded assistance projects, lack of training, inadequate salaries, and a culture of corruption with impunity have created a weak judicial and regulatory system that actively hampers 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. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official 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 makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. 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. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/

Other Instruments: It is U.S. Government policy to promote good governance, including host country 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 detailed below.

OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions: The OECD Anti-bribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention, including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Anti-bribery Convention through the U.S. FCPA.

United Nations Convention against Corruption: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues -- ranging from basic forms of corruption such as bribery and solicitation to embezzlement, trading in influence, and the concealment/laundering of corruption proceeds. 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.

Inter-American Convention against Corruption: 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 December 2009, the OAS Convention has 34 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html).

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, 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). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.)

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/tradeagreements/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. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at http://www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems encountered by U.S. companies in seeking such foreign business opportunities, including alleged corruption by foreign governments or competitors, can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance 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 Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. 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 "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

- Information about the OECD Anti-bribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Anti-bribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.

- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html
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- Transparency International (TI) publishes an annual Corruption Perceptions

Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. 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/publications/gcr.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including 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.asp. 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.

- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/s?s=global+enabling+trade+report.

- 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/.

- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

14. Bilateral Investment Agreements

Liberia has a few bilateral trade agreements, but some of the agreements have remained inactive for years. The Ministry of Commerce is working with both international and domestic partners to harmonize tariffs, engage regional and global bodies, and strengthen the regulatory environment. The Ministry has just launched the nation's first-ever trade policy. This includes streamlining Liberia's tariffs and customs procedures, as part of the GOL's efforts to qualify for WTO accession and the West Africa Customs Union.

In August 2011, Liberian officials met with their American counterparts to discuss their Trade and Investment Framework Agreement (TIFA) to reduce trade and investment barriers. This was the third meeting of the United States-Liberia TIFA Council, which provides a high-level forum for advancing cooperation on bilateral trade and investment issues. Liberia enjoys preferential access to the United States' market under special access and duty reduction programs, including the Generalized System of Preference (GSP) and the African Growth and Opportunity Act (AGOA). In May 2013, Liberia and the United States held the first working group meetings as part of the U.S.-Liberia Partnership Dialogue to discuss strategic cooperation and facilitate investment in agriculture and food security, power generation and energy infrastructure, and human development and education; the second meeting was held in March 2014. The country is a signatory to the Convention on the Settlement of Investment Disputes between State and Nationals of other States. In May 2011, Liberia and the EU signed a comprehensive trade agreement, known as Voluntary Partnership Agreement (VPA), aimed at controlling illegal logging and improving forest sector governance; this agreement was ratified by the legislature in 2013. Liberia also belongs to the Economic Community of West Africa States (ECOWAS), the African Union (AU), New Partnership for Africa's Development (NEPAD), and the Multilateral Investment Guarantee Agency (MIGA). Although Liberia has theoretical access to sizable regional markets including the 250 million consumers of ECOWAS and the nearly 40 million consumers of the Mano River Union (MRU), the total volume of regional trade is low because of poor infrastructure. Under the MRU, trade with member states is duty free and any goods seeking benefit must be accompanied by proof-of-origin documentation. In October 2012, the GOL signed a treaty connecting Liberia to the West African Power Pool (WAPP) to increase the flow of electricity access to the rural communities by 2016.

15. OPIC and other Investment Insurance Programs

OPIC provides coverage for investors in Liberia. The U.S. Government restored Liberia's eligibility for the Generalized Systems of Preferences in 2006. The Liberian dollar is a fully-convertible currency and operates on a free float. Contracts and agreements are typically denominated in USD. It is therefore unlikely that OPIC would ever be required to pay an inconvertibility claim. There has been sharp depreciation of the Liberian dollar since 2013, but the Central Bank of Liberia continues to strengthen its foreign exchange reserves. Money market development took a major step forward in 2013 with the commencement of the GOL's Treasury bill (T-bill) Program, which serves as an additional policy tool in managing Liberian dollar liquidity. However, the country will continue to run large current account deficits until raw material exports expand significantly or the economy becomes more diversified.

16. Labor

The Liberian labor force is predominantly illiterate and unskilled, and most Liberians, particularly those in the rural areas, lack basic computer skills. According to UNESCO's statistics (2010), the adult literacy rate for Liberia is estimated at 60.8 percent and the youth (15-24) literacy rate 76.5 percent. About 23 percent of the FY 2013-14 national budget is allocated to the education sector, including donor contributions. The most recent Labor Force Survey (2010) indicates that the rates of vulnerable employment in rural areas are 86 percent for male and 87 percent for female. The Ministry of Labor (MOL) reports the overall unemployment rate is 25-30 percent, largely due to underperforming manufacturing and agriculture sectors, but the Embassy's estimate is that unemployment/underemployment rate is 80 – 85 percent. The domestic private sector remains hampered by weak infrastructure, lack of affordable financing, and relatively weak domestic demand.

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 local labor remains a problem, and foreign companies often report a lack of skilled labor as their biggest operational hindrance.

Employees enjoy freedom of association, and they have the right to establish and become members of organizations of their own choosing without prior authorization or coercion. Employers are prohibited from discriminating against an employee because of membership in a labor organization. Employee association members frequently demand and strike for compensation at times of ownership transition or seek payment of obligations owed by previous employers. Under Liberian laws, labor organizations and associations have the right and freedom to draw up their constitutions and rules for electing their representatives, organizing activities, and formulating 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.

In September 2013, the legislature passed the controversial *Decent Work Bill*. The new labor law is intended to improve worker incentives, standardize maternity and paternity leave, and set private sector minimum wage. The bill is pending reconciliation between the two houses of the legislature before it can be sent to the president for signing. Section 501 of the law gives the Minimum Wage Board the mandate to do periodic review and adjustment of wages depending on the labor market and overall economic conditions of the country.

17. Foreign Trade Zones/Free Trade Zones

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 in the country. The LIFZA is one of the statutory but dysfunctional state-owned enterprises in Liberia. The Monrovia Industrial Park (MIP) is a 450-hectare parcel of land set aside by the Legislature for industrial purposes in Gardnersville Township outside Monrovia. According to Liberia's investment policy, industries that establish within a free zone area are entitled to waive import duties and corporate taxes.

The NIC manages free trade zones and is currently working with the IFC's investment climate team to draft a new law that will establish active industrial parks and guide the development of the Special Economic Zones (SEZ) in Liberia. The draft SEZ act is being validated by principal stakeholders, including the NIC, Ministry of Commerce and Industry (MOCI), and Land Commission. The law combines the LIFZA and the MIP to make available exclusive areas for industrial production and processing for both domestic and export markets in support of the National Export Strategy (NES). The MOCI launched the NES on April 29, 2014. Core sectors of the NES include oil palm, rubber, cocoa, fish and crustaceans, and crosscutting sectors are finance, trade logistics, and processing and packaging.

18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Though Liberia has a limited domestic market of roughly four million people, having to rebuild the post-conflict economy from scratch provides many foreign investment opportunities in the agriculture, mining, services, and manufacturing sectors. The *Amended and Restated Public Procurement & Concessions Act of 2010* gives the Public Procurement and Concessions Commission (PPCC) oversight responsibilities for procurement of goods, works and services as well as the granting of concessions in Liberia.

Currently, Liberia's export sector relies heavily on rubber and iron ore, which accounted for about 82.5 percent of total exports in 2013. Iron ore export earnings rose significantly in 2013 mainly due to increased domestic production and export volumes by the companies ArcelorMittal and China Union. In August 2013, ArcelorMittal announced shipments of 3 million tons of iron ore between January and August. Liberia's main export destinations include Europe, the United States, and China. The country's main imports are food and live animals, machinery and transport equipment, manufactured goods, and petroleum products.

Business registration statistics indicate that the Liberia Business Registry (LBR) had registered a total of 11,357 local businesses and 1,285 foreign owned businesses between January and December, 2013. (Note: The list of foreign-owned businesses includes locally incorporated and registered businesses owned by non-Liberians, as well as entities established under different legal jurisdictions, which sought to operate businesses in Liberia. End note.) The LBR operates under the MOCI as a one-stop-shop business registration center to allow entrepreneurs to register a business within 48 hours.

TABLE 2: This table represents the most recent data on Foreign Direct Investment in Liberia between 2006 and 2010 as recorded by the National Investment Commission (NIC). They are contracts that the Inter-Ministerial Concessions Committee (IMCC), chaired by NIC, negotiated during the indicated period. The NIC classified as major investment projects that are worth about USD $10 million or more with agreements spanning ten years or more. The Government of Liberia's relevant institutions track major investments to ensure their full compliance with the investment, environmental, tax and labor laws of the country.

Sector	Capital Investment	Location/Region
Revised Arcelor Mittal Steel Agreement	$1.6 Billion	Nimba/Grand Bassa Counties
China Union/Bong Mines MDA	$2.6 Billion	Bong
Severstal/ Putu MDA	$2 Billion	Grand Gedeh
BHP Billiton/Kitoma, Goe Fentro MDA	$1.8 Billion	Lofa, Nimba
AmLib (Kokoya and Cestos)	$100 Million	Nimba/River Cess Counties
Africa Aura (Gola Konneh)	$150 Million	Cape Mount
ADA/LAP Commercial	$30 Million	Lofa
Decoris Oil Palm Plantation	$64 Million	Maryland
Cavalla Rubber Plantation Rehabilitation	$65 Million	Maryland

Sime Darby Plantation	$800 Million	Cape Mount/BOmi/Gbapolu Counties
Golden Veroleum	$1.7 Billion	Maryland
Equatorial Palm Oil	$100 Million	Grand Bassa
Robert L. Johnson/Kendeja Hotel	$10 Million	Monsterrado
Golden Gate Hotel	$8 Million	Monsterrado
Cape Hotel, Golden Key, Palm Springs, Royal	$50 Million	Monsterrado
BRE/Vattenfall Wood Ship Export	$200 Million	Grand Bassa
CEMENCO New Mill	$20 Million	Montserrado
5 Timber Sale Contracts	$20 Million	Various Counties
4 Forest Management Contracts	$60 Million	Various Counties
Anardako/Repsol/Oranto/Africa Petroleum/European Hydrocarbon	$500 Million	Various Counties
20 New TOTAL Stations	$20 Million	Various Counties
Guarantee Trust Bank	$8 Million	Montserrado
UBA Bank	$8 Million	Montserrado
Lib. Enterprise Dev. Fund	$8 Million	Montserrado
APM Terminal, Port of Monrovia, Privatization	$100 Million	Montserrado

* **Source**: National Investment Commission (NIC).
http://www.nic.gov.lr/?environment/concessions.html

TABLE 3a: Inward Direct Investment Positions as reported by Liberia and Outward Direct Investment Positions as reported by counterpart economy as of end 2012, in Millions of US Dollars

Investment from:	Direct Investment Positions		Equity Positions (Net)		Debt Instruments Positions (Net)	
	Inward Reported by	Outward Reported by	Inward Reported by	Outward Reported by	Inward Reporte d by	Outward Reported by
Australia		c		c		c
Austria		0		0		0
Belarus		0		0		0
Belgium		-1				-1
Bouvet Island						
Brazil		0		0		0
Canada		c				
Chile		0		0		0
China, P.R.: Hong		6,175		988		5,187
China, P.R.: Macao		0		0		0
Costa Rica		0		0		0
Cote d'Ivoire						
Croatia		389		371		17
Cyprus		c		0		c
Czech Republic		0		0		0

Denmark		0		0		0
Eritrea						
Estonia		0		0		0
Finland		0		0		0
France		c		c		c
Germany		11		11		0
Greece		16		7		9
Hungary		0		0		0
India		0		0		0
Ireland		0		0		0
Israel		0		0		0
Italy		4		3		1
Japan		c		c		c
Kazakhstan		0		0		0
Korea, Republic of		1		1		0
Kosovo		0		0		
Lithuania		0		0		0
Luxembourg		c		0		c
Mali		0				
Malta		0		0		0
Mauritius		53		30		23
Netherlands		-721		1		-721
New Zealand		0		0		0
Norway		1,155		1,282		-127
Philippines		0		0		0
Poland		153		153		0
Portugal		c		c		c
Russian Federation		1,792		1,792		0
Senegal		0		0		0
Slovenia		258		252		6
Solomon Islands						
Somalia						
South Africa		22		22		0
Spain		c		c		c
Sweden		c		c		c
Switzerland		c		c		c
Thailand		2		2		0
Turkey		0		0		0
United Kingdom		c		c		c
United States		1,019		c		c
Total*	**0**	**10,328**	**0**	**4,916**	**0**	**4,394**

TABLE 3b: Outward Direct Investment Positions as reported by Liberia and Inward Direct Investment Positions as reported by counterpart economy as of end 2012, in Millions of US Dollars.

Investment in:	Direct Investment Positions	Equity Positions (Net)	Debt Instruments Positions (Net)

	Outward Reported by	Inward Reported by	Outward Reported by	Inward Reported by	Outward Reported by	Inward Reported by
Australia		c		c		0
Austria		c		c		c
Belarus		0		0		0
Belgium		47				47
Brazil		19		4		16
Bulgaria		1		1		0
Burkina Faso		0				
Canada		c				
Chile		0		0		0
China, P.R.:		4,070		4,020		49
China, P.R.:		c		c		c
China, P.R.:		55		55		
Costa Rica		0		0		0
Cote d'Ivoire						
Croatia		0		0		0
Cuba						
Curacao						
Cyprus		7		7		0
Czech Republic		0		0		0
Denmark		0		0		0
Estonia		1		c		c
Finland		0		0		0
France		c		c		c
Germany		c		c		c
Greece		155		131		24
Hungary		2,337		1,951		386
Iceland						
India		11		11		0
Indonesia		1		0		1
Ireland		0		0		0
Israel		96		96		0
Italy		0		0		0
Japan		c		c		
Kazakhstan		4,042		329		3,714
Korea, Republic		0		0		0
Kosovo		0		0		0
Latvia		2		0		2
Lithuania		0		0		0
Luxembourg		0		0		0
Malaysia		c				
Mali		0				
Malta		c		c		c
Mauritius		47		17		30
Mexico		17		18		-1
Moldova		3		3		0
Montenegro,		0		0		0
Mozambique		0		0		0
Netherlands		1,567		314		1,252

New Zealand		c		0		c
Nigeria		312		312		0
Norway		229		228		1
Pakistan		19		19		0
Panama		0		0		0
Paraguay		0				0
Philippines		0		0		0
Poland		0		0		0
Portugal		c		c		c
Russian		2		0		2
Senegal		0		0		0
Serbia, Republic		0		0		0
Seychelles		0				0
Singapore		1,398				
South Africa		32		21		11
Spain		c		c		c
Switzerland		c		c		c
Thailand		68		68		0
Turkey		5		5		0
Uganda		0		0		0
Ukraine		28		28		0
United Kingdom		0		0		0
United States		484		c		c
Venezuela,		0		0		0
Total*	**0**	**15,056**	**0**	**7,638**	**0**	**5,534**

Data Source: Coordinated Direct Investment Survey (CDIS), http://elibrary-data.imf.org/public/FrameReport.aspx?v=3&c=11666797&pars=Country,668

Notes: *Mirror data of one economy are data reported by the counterpart economy, the sum of which does not include confidential data. This table shows data on direct investment positions from the perspective of the counterpart economies, which are shown side-by-side to the reporting economy's own reported data. Direct investment positions are negative when a direct investor's claims (equity and/or debt) on its direct investment enterprise are less than the direct investment enterprise's claims (equity and/or debt) on its direct investor. Direct investment positions also can be negative due to negative retained earnings (which may result from the accumulation of negative reinvested earnings).

Blank cells reflect data not available or not applicable and cells with "c" reflect data that were suppressed by the reporting economy to preserve confidentiality. Totals may not be equal to the sum of their components due to rounding. "0" reflects amounts that are less than +/-$500,000, or amounts reported as "0".

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