

# IOA — 2019 — ACBR



AFRICA COUNTRY BENCHMARK REPORT

Liberia Profile



**An impoverished informal settlement, traditional fishing vessels and a booming sea port are in close proximity in the Liberian capital Monrovia, which is filled with commercial and social contrasts.**





Image courtesy of Brittany Danisch

# LIBERIA



## OVERVIEW ANALYSIS

Liberia is a poor country, successfully emerging from Africa's bloodiest civil war of the 21<sup>st</sup> century and the 2014-16 Ebola outbreak that attacked the country hardest of the three impacted West African nations. Preceded by a quarter million Liberian deaths during the civil war, 11,000 Liberians died during the Ebola epidemic. In 2018, successful elections installed President George Weah in the country's first peaceful transition of power. This has laid the foundation of stability for national development, where growth can rise from very low economic and social bases. Exporting minerals, rubber and timber, Liberia has the natural resources and rich agricultural land to facilitate an economic revival. Rising from 29<sup>th</sup> in ACBR 2017, Liberia climbed by one position to 28<sup>th</sup> place in ACBR 2019.

### KEY OPPORTUNITIES

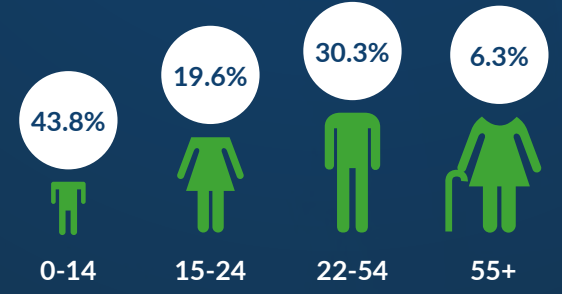
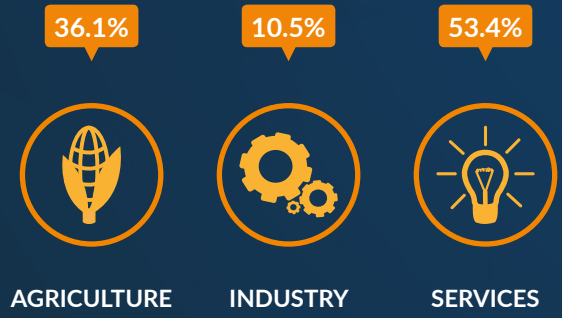
- With safety returned to the country, the Weah administration is actively seeking investors
- Fertile farm lands can be exploited for agricultural exports, including timber
- Communications and transportation infrastructures need expansion

### KEY CONCERNS

- Education levels remain low, negatively affecting worker productivity
- The Ebola crisis exposed the country's vulnerability to epidemics
- Infrastructure is in dire need of rehabilitation after decades of financial neglect

## COUNTRY HIGHLIGHTS

<b>PREDOMINANT RELIGION</b>  Christianity	<b>PREDOMINANT LANGUAGE</b>  English	<b>POPULATION WITHOUT ELECTRICITY</b>  80.2% (#45) ▲ <sup>6</sup>	<b>LITERACY RATE</b>  47.6% (#44) ▼ <sup>1</sup>	<b>PRIMARY ELECTRICITY SOURCE</b>  Oil
<b>IMPORT/EXPORT</b>  Ships/Ships	<b>EXTERNAL DEBT</b>  US\$ 1.049 billion (#45) ▲ <sup>5</sup>	<b>ACTIVE CONFLICT</b>  No	<b>LAND SIZE</b>  111,369 km <sup>2</sup> (#39)	<b>INTERNET PENETRATION</b>  7.3% (#45) ▼ <sup>3</sup>



**Term:**  
22/01/2018 - present  
6 years (2 term limit)

**Political Party:**  
Coalition for Democratic Change

**Recent Electoral Information:**  
26/12/2017  
732,185 Votes  
61.5%  
Voter turnout: 75.2%



President George Weah

## CONTRIBUTIONS TO GDP BY SECTOR

## POPULATION AGE BREAKDOWN

## NATIONAL GOVERNANCE

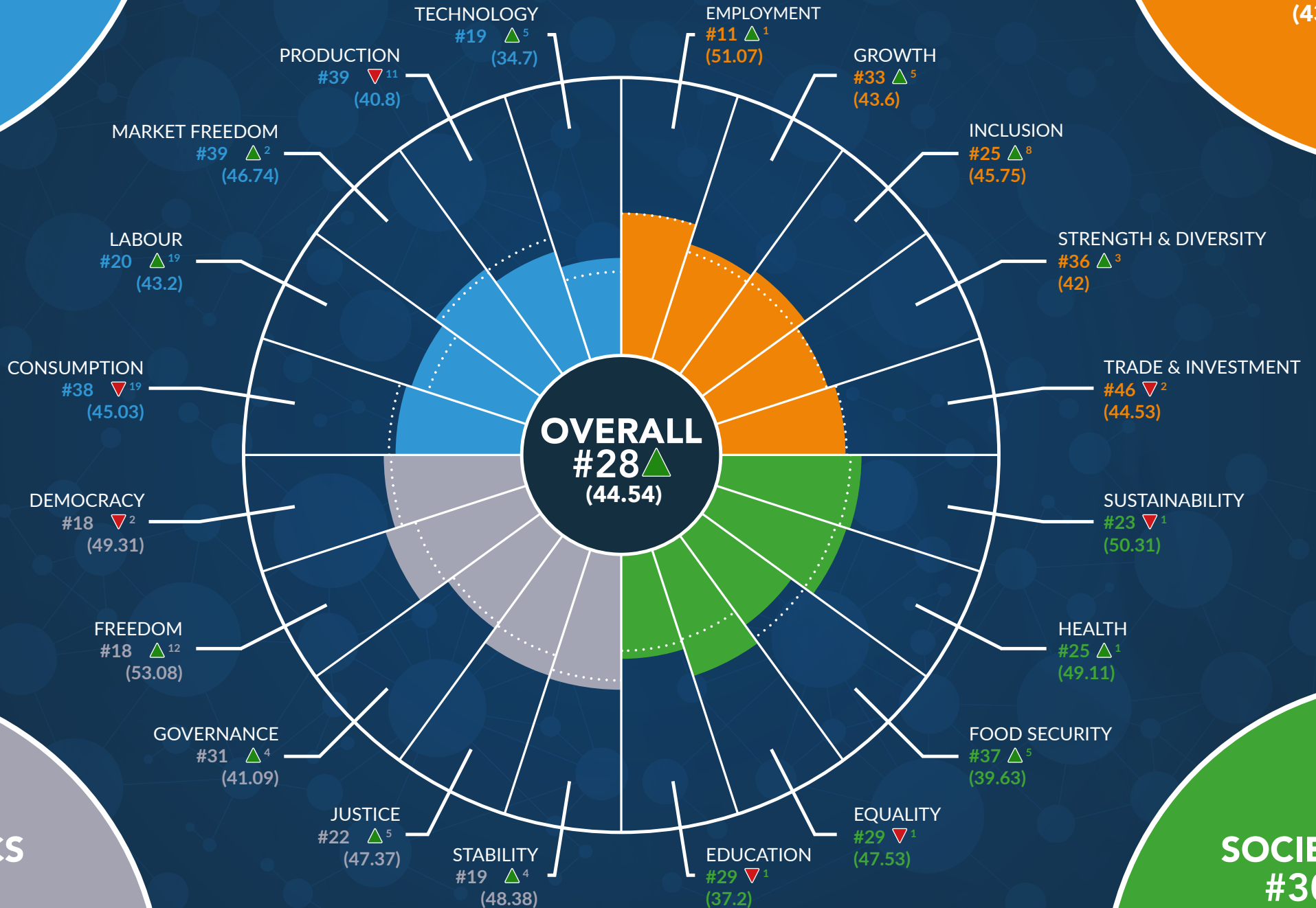
# BUSINESS

#33  
(42.09)

## LIBERIA PERFORMANCE OVERVIEW

# ECONOMICS

#32  
(43.74)



▲ Increase from 2017

▼ Decrease from 2017

■ No change

..... 2017 Score

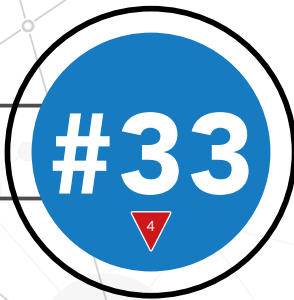
# POLITICS

#20  
(47.85)

# SOCIETY

#30  
(44.48)

# LIBERIA BUSINESS ANALYSIS



## BUSINESS OVERVIEW

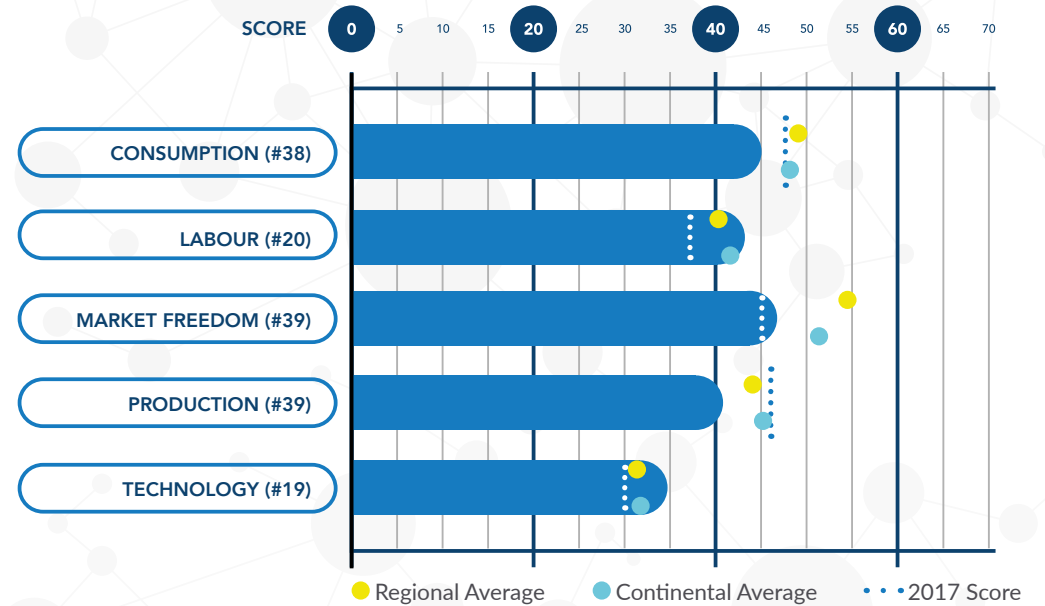
Liberia's business community is building a prosperous economy, founded on a wealth of natural resources and cultivatable lands. These assets are already attracting the interest of investors. In his first year in office, President Weah made attracting investors to the economy a top priority. To promote investment, Liberia has made the process of opening a business as easy as possible, from connecting to utilities to accessing credit. The interest rate on loans is higher than the business community would like, and inflation is a problem as the economy heats up.

The infrastructure beyond the capital, Monrovia, was destroyed during the civil wars of the 1990s and 2000s and is being restored. While world commodity prices

have declined since 2010, the mining sector, led by gold, is driving economic expansion. Iron ore exports increased after Arcelor Mittal opened new mines at Mount Gangla. While high electricity costs are a burden for businesses, tariffs are expected to decline with the finished rehabilitation of the Mount Coffee Hydropower Plant. The dam's output will allow for greater economic activity. Business activity has seen a gradual rise since the containment of an Ebola outbreak in 2015.

In the Business quadrant, Liberia experienced their only drop in quadrant ranking, decreased by four positions to 33<sup>rd</sup> place. Encumbrances to doing business in the country accounted for a lower score and positioning.

## BUSINESS SCORES & RANKINGS



## BUSINESS DATA COMMENTARY

<p>Liberia data availability <b>74.73%</b></p>	<p><b>REGIONAL AVERAGE</b> 79.53%</p>	<p><b>AFRICAN AVERAGE</b> 77.78%</p>	<p><b>CONTINENTAL RANK</b> #32</p>
	<p>The lowest of all four quadrants, the current score for political data availability in Liberia is 74.73%, thus ranking 32<sup>nd</sup> continentally. This falls below both the regional average for Western Africa, currently at 79.53%, as well as the continental average of 77.78%. Rich in natural resources, there is much untapped commercial potential in Liberia, although this is severely curtailed by deeply entrenched state administrative inefficiencies. To ensure future growth, improved data collection will be required.</p>		

## BUSINESS STATISTICS

<p><b>% POPULATION IN URBAN CENTRES</b></p> <p>51.2% (#19)</p>	<p><b>LABOUR FORCE IN MILLIONS</b></p> <p>1.68 million (#38)</p>	<p><b>INDUSTRIAL PRODUCTION GROWTH</b></p> <p>3.2% (#29)</p>	<p><b>PRIME LENDING RATE</b></p> <p>15.2% (#29)</p>
<p><b>% ADULTS WITH A BANK ACCOUNT</b></p> <p>35.71% (#25)</p>	<p><b>ANNUAL AIR PASSENGERS</b></p> <p>N/A (#N/A)</p>	<p><b>MOBILE SUBSCRIPTIONS</b></p> <p>56.2 per 100 (#39)</p>	<p><b>NATIONAL 3G COVERAGE</b></p> <p>63% (#22)</p>

# LIBERIA ECONOMIC ANALYSIS



## ECONOMIC OVERVIEW

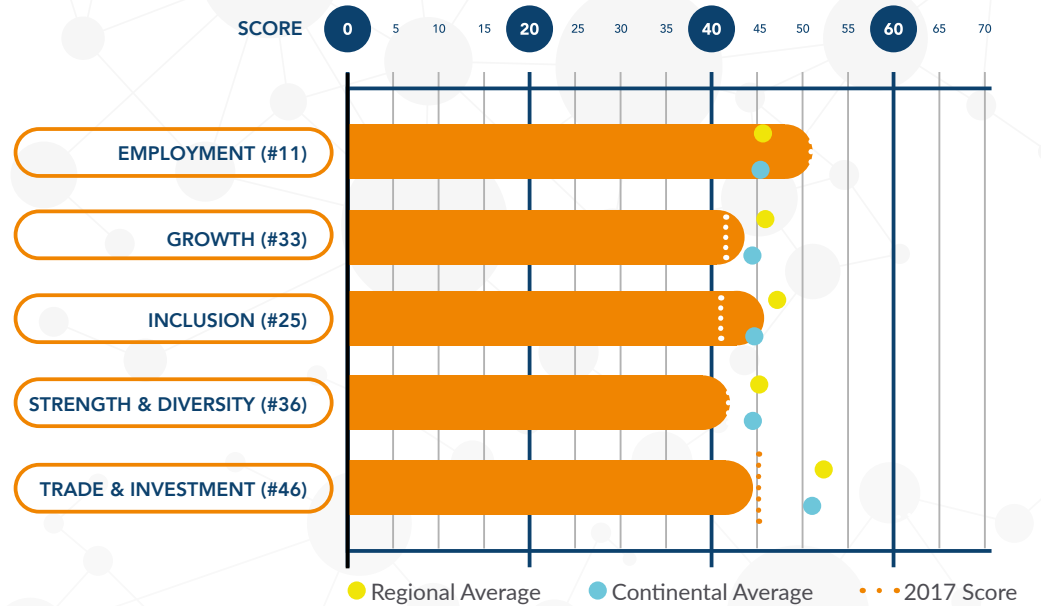
Liberia has their major trading partners in Europe, the Asian subcontinent and the Far East, who are purchasers of raw materials like timber and minerals. Rubber is historically a major product, and timber leads the agricultural sector, with cocoa and coffee following. The economy experienced 2.5% growth in 2017, following the disastrous impact of the Ebola outbreak that saw economic output decline by 1.6% in 2016. GDP growth in 2018 was 3%. Economic growth must be managed to contain inflation, which reached a historic high of 24% in June 2018. Assisting in economic recovery is the return of skilled Liberians who fled the country during the Ebola crisis and, prior to that, from the brutal civil war. Government is investing in vocation training for the youth.

Liberia's 2018 per capita GDP of US\$ 1,300 is low and indicative of the country's impoverishment. Nonetheless, this per capita GDP represents a 50% increase made in one year, up from US\$ 900 in 2017. Government is instituting the International Monetary Fund's advice to promulgate business-friendly policies. Liberia has significant iron ore and diamond deposits. The economy requires value-added industries to process agricultural and mineral output into finished goods. To accomplish this, the industrial infrastructure of Monrovia is to be expanded. Liberia's position in the Economics quadrant climbed three positions to 32<sup>nd</sup> place. This mid-range placement reflects an improvement in economic fundamental, such as a GDP increase and training to expand workforce skills.

## ECONOMIC DATA COMMENTARY

<p>Liberia data availability <b>86.32%</b></p>	<p><b>REGIONAL AVERAGE</b> 80.88%</p>	<p><b>AFRICAN AVERAGE</b> 77.78%</p>	<p><b>CONTINENTAL RANK</b> #27</p>
	<p>Unlike the previous quadrant, economic data availability compares favourably with the respective regional and continental averages of 80.88% and 77.78%. At present, the prevailing score for economic data availability in Liberia is 86.32%, thus ranking 27<sup>th</sup> continentally. In partnership with the African Development Bank, Liberia hosts a dedicated open data portal containing a wealth of macroeconomic data. Furthermore, international financial institutions such as the World Bank complement these collections.</p>		

## ECONOMIC SCORES & RANKINGS



## ECONOMIC STATISTICS

<p><b>GDP PER CAPITA</b></p> <p>US\$ 900 (#50)</p>	<p><b>UNEMPLOYMENT RATE</b></p> <p>2.4% (#8)</p>	<p><b>TRADE BLOC MEMBERSHIP</b></p> <p>ECOWAS</p>	<p><b>INFLATION RATE</b></p> <p>12.8% (#43)</p>
<p><b>GDP AT PPP</b></p> <p>US\$ 6.1 billion (#46)</p>	<p><b>CURRENCY AND GOLD RESERVES</b></p> <p>N/A (#N/A)</p>	<p><b>FDI NET INFLOWS</b></p> <p>US\$ 453 million (#25)</p>	<p><b>BUDGET SURPLUS (+) OR DEFICIT (-)</b></p> <p>-4.7% (#31)</p>

# LIBERIA POLITICAL ANALYSIS



## POLITICAL OVERVIEW

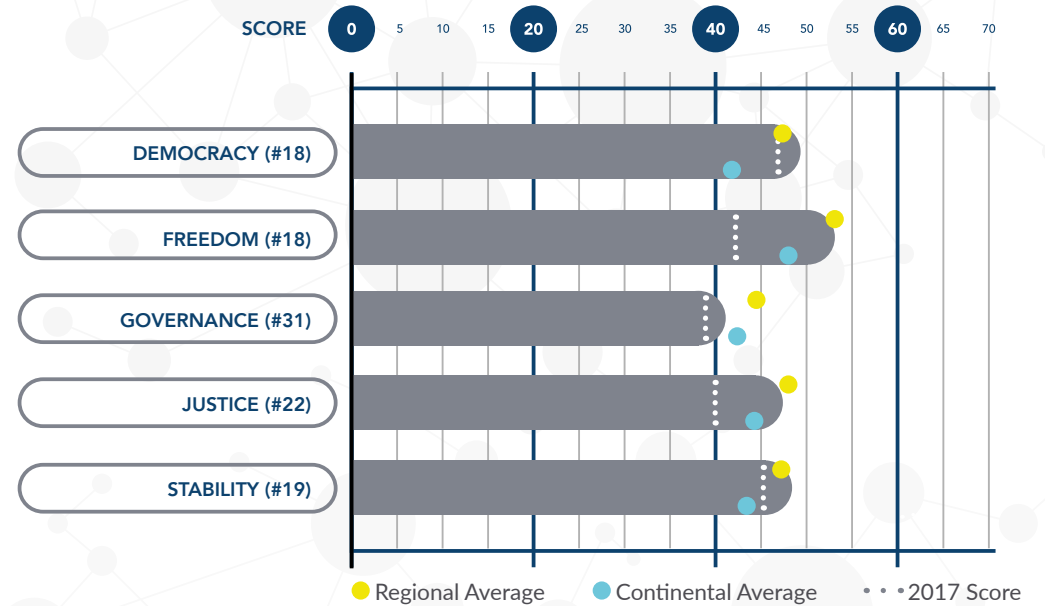
The peaceful transfer of power following the 2017 general elections was a milestone for the country and a relief to the West African region that had witnessed decades of gruesome political turmoil in Monrovia. The incumbent President Ellen Johnson Sirleaf, who was re-elected in 2011, was constitutionally held to only two terms in office. The election to choose her successor came in two phases: the first phase determined the two leading contenders, which was held in October 2017; and the run-off phase was held in December to select the victor. Run by the National Elections Commission, popular former football player George Weah of the Coalition for Democratic Change party emerged victorious. The 2017 voting was the first since the 2003 peace accord ended the country's civil war. Those

elections were overseen entirely by the government of Liberia, with security forces playing a positive role in keeping order. The elections were also vindication for the United Nations Security Council's (UNSC) 2016 decision to lift trade sanctions that were imposed on the country during the 14 years of civil war. The conflict resulted in 250,000 Liberian deaths. Also in 2016, the UNSC significantly scaled back their United Nations Mission in Liberia to a token force. Since his election to power, President Weah has actively been seeking foreign investment and cracking down on government corruption. Due to an extended period of peace that is showing signs of permanency, Liberia enjoyed its highest increase in a country position in the Politics quadrant, rising seven ranks to 20<sup>th</sup> place.

## POLITICAL DATA COMMENTARY

<p>Liberia data availability <b>95.04%</b></p>	<p><b>REGIONAL AVERAGE</b> 87.10%</p>	<p><b>AFRICAN AVERAGE</b> 82.86%</p>	<p><b>CONTINENTAL RANK</b> #18</p>
	<p>The highest of all quadrants, Liberia achieves a score of 95.04% for political data availability, thus ranking 18<sup>th</sup> continentally. This compares quite favourably with both the regional and continental averages, the former of which is 87.10% and the latter 82.86%. Given its history of civil war and persistent political volatility, Liberia has been a subject of great interest for media, donors and independent political watchdogs, hence resulting in a relative wealth of political data coverage.</p>		

## POLITICAL SCORES & RANKINGS



## POLITICAL STATISTICS

<p><b>NUMBER OF POLITICAL PARTIES</b></p> <p>23 (#5)</p>	<p><b>MILITARY EXP AS % OF GDP</b></p> <p>0.6% (#6)</p>	<p><b>REFUGEE INFLOW</b></p> <p>9,461 (#5)</p>	<p><b>NUMBER OF RIGHTS</b></p> <p>49 (#29)</p>
<p><b>DATE OF INDEPENDENCE</b></p> <p>26/07/1847</p>	<p><b>NET OFFICIAL DEVELOPMENT ASSISTANCE</b></p> <p>US\$ 815 million (#20)</p>	<p><b>WOMEN IN PARLIAMENT</b></p> <p>12.3% (#40)</p>	<p><b>CAPITAL PUNISHMENT</b></p> <p>Special Cases</p>

# LIBERIA SOCIETAL ANALYSIS



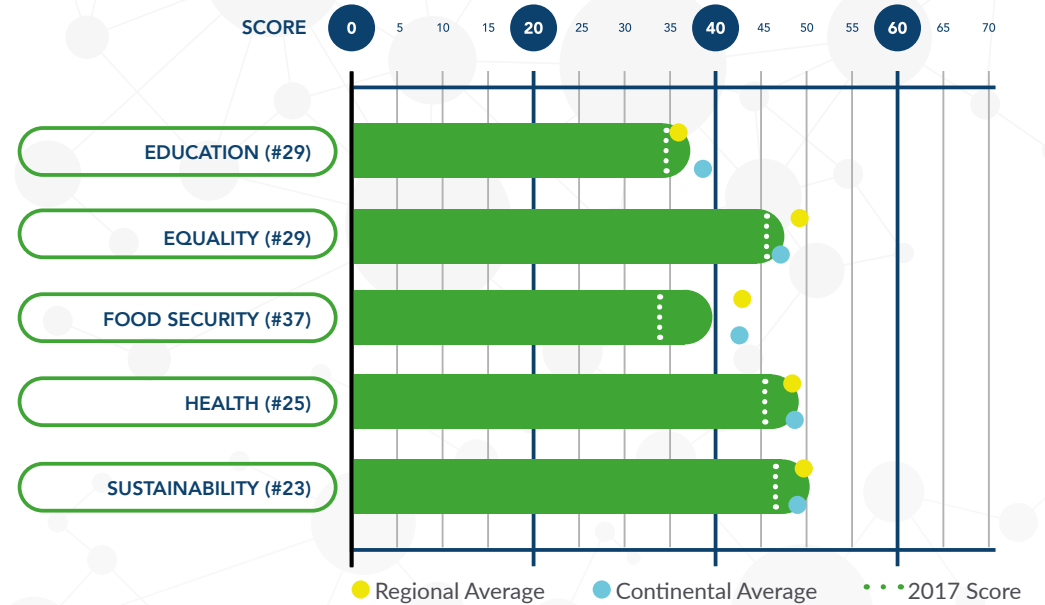
## SOCIETAL OVERVIEW

Healthcare spending is relatively good, supported by international aid in response to the Ebola epidemic. However, spending on education must be boosted to increase literacy and bridge the literacy-gender gap that sees twice as many men (62%) able to read as women (33%). Improved healthcare that is the positive legacy of Ebola has already resulted in an extension of Liberia's low life expectancy of 59 years in 2016 to 64 years in 2018. The country's high fertility rate – the average Liberian woman gives birth to five children – is a concern not only for an encumbrance to poverty alleviation efforts but contributes to the maternal death rate, which is the 7<sup>th</sup>-highest in the world. Poverty is responsible for 15.3% of children being underweight.

Decades of civil war that made rural areas dangerous led to an internal immigration that has resulted in half the population now living in urban areas, whose housing and infrastructure are incapable of meeting their needs.

Only 28% of urban dwellers have access to improved sanitation, and only 6% of rural residents have these. Dengue fever, malaria and yellow fever are diseases that also put Liberians at risk. With the return of peace and political stability, Liberia's societal fundamentals have improved, and the country recorded a one position rise in the Society quadrant, to 30<sup>th</sup> place.

## SOCIETAL SCORES & RANKINGS



## SOCIETAL DATA COMMENTARY

<p>Liberia data availability <b>84.69%</b></p>	<p><b>REGIONAL AVERAGE</b> 81.63%</p>	<p><b>AFRICAN AVERAGE</b> 75.28%</p>	<p><b>CONTINENTAL RANK</b> #28</p>
	<p>At present, Liberia has a score of 84.69% for societal data availability, thus ranking 28<sup>th</sup> continentally. This ranks favourably with the respective regional and continental averages of 81.63% and 75.28%, but further improvements are necessary to ensure sustainable growth and development. Liberia's open data portal sponsored by the African Development Bank contains a number of Sustainable Development Goal (SDG) indicators, but these are ultimately sourced from international institutions.</p>		

## SOCIETAL STATISTICS

<p><b>POPULATION SIZE AND GROWTH RATE</b></p> <p>4,689,021 at 1.58% p.a (#39) (#42)</p>	<p><b>LIFE EXPECTANCY</b></p> <p>63.3 years (#24)</p>	<p><b>HIV PREVALENCE</b></p> <p>1.6% (#27)</p>	<p><b>SEXUALITY TOLERANCE</b></p> <p>Illegal</p>
<p><b>ACCESS TO DRINKING WATER</b></p> <p>75.6% (#31)</p>	<p><b>HEALTH EXPENDITURE (% OF GDP)</b></p> <p>15.19% (#2)</p>	<p><b>PRIMARY EXPENDITURE (% OF EDU. TOTAL)</b></p> <p>30.72% (#35)</p>	<p><b>SOCIAL MEDIA PENETRATION</b></p> <p>9% (#29)</p>

---

# CONTACT

---

# IN ON AFRICA

**PHONE:** + (27) 11 027 4027

**EMAIL:** [info@inonafrika.com](mailto:info@inonafrika.com)

**WEB:** [www.inonafrika.com](http://www.inonafrika.com)

**ADDRESS:** 146 Beyers Naude Drive, Franklin Roosevelt Park, Johannesburg, 2195



[@inonafrika](https://twitter.com/inonafrika)



[In On Africa](https://www.facebook.com/inonafrika)



[In On Africa](https://www.linkedin.com/company/inonafrika)

This IOA publication is released to the public with the understanding that it is not intended to provide implicit legal, accounting, investment or other professional advice. The information, research and opinions provided are collated and formulated by In On Africa (IOA) from its associates' understanding and knowledge of issues dealt with, as well as from a variety of open sources. Whilst IOA believes that the information and opinions contained herein are reliable, it does not make any warranties, express or implied, and assumes no liability for reliance on or use of the information or opinions contained herein. Furthermore, IOA indemnifies itself from unforeseen errors due to certain sources being gathered from third parties.

© IN ON AFRICA (PTY) LTD 2019