



# ECOWAS PARLIAMENT

2021 FIRST ORDINARY SESSION

27<sup>TH</sup> MAY – 12<sup>TH</sup> JUNE

ABUJA, FEDERAL REPUBLIC OF NIGERIA

## LIBERIA COUNTRY REPORT

### LIBERIAN DELEGATION:

- |                                |   |                    |
|--------------------------------|---|--------------------|
| 1. Sen. Edwin Melvin Snowe, Jr | - | Head of Delegation |
| 2. Sen. Stephen J. H. Zargo    | - | Member             |
| 3. Sen. Johnathan Kaipay       | - | Member             |
| 4. Hon. Clarence Massaquoi     | - | Member             |
| 5. Hon. Haja F. Siryon         | - | Member             |

MAY 2021

## **INTRODUCTION:**

Every year, Country Delegation to the ECOWAS Parliament are required to submit a Country Report on the following:

- Status of the Implementation of the Community Texts and Ratification of Community Protocols and Conventions;
- Implementation of the Community Programs and Community Levy;
- Political Situation;
- Security Situation and Refugee Situation in Region;
- Status of Implementation of the ECOWAS Macro-Economic Program as it relates to Level of Achievement of Convergence Criteria;
- Status of Implementation of the ECOWAS Infrastructural and Transportation Policies and Program; and
- Sensitization Activities carried out by parliamentarians.

Consequently, this report is in fulfillment of Liberia's compliance.

### **I. Status of the Implementation of the Community Texts and Ratification of Community Protocols and Conventions**

- Since the existence of the National center for the Coordination of response mechanism (NCCRM) 3-4 years ago, the center has not acquired the relevant legal status.
- Currently, the draft act signed by the Executive branch has been submitted to the Honorable House of Senate for the establishment of the National Center for the Coordination of Response Mechanism Agency.

### **II. Implementation of the Community Programs and Community Levy**

As of to date, Liberia has endeavored in ensuring the successful implementation of the following programs and community levy:

Community Programs:

1. Hosting of Consultative Workshop with Media organization on ECOWAS VISION 2050- Theme: deliberating on the process of developing the ECOWAS VISION 2050 DOCUMENT and its implementation framework.

2. ECOWAS Bi-Lateral Joint Border Post which will witness the construction of a Joint Border Post between Liberia and Sierra Leone. Phase I of said project which included technical visitation on land verification and the conduct of survey by the department of infrastructure of the ECOWAS COMMISSION has been completed- Monrovia, May 2021
3. Construction and dedication of a Health Facility in Bo-Water Side to cater mainly to the health needs of border residents between Liberia and Sierra Leone has been completed. The facility funded by the ECOWAS COMMISSION- West African Health Organization- WAHO was dedicated in April 2021 by the President of Liberia and graced by the Director General of WAHO
4. Hosted a de-localized meeting of the ECOWAS PARLIAMENT -Joint Committee on Social Affairs, gender and Women Empowerment, Education, Science, Culture and Health- Monrovia APRIL 2021
5. Workshop for drafting Liberia's National Policies/Strategies for food Security Storage and National Stock Governance- Monrovia March 2021
6. Official launch of harmonizing and improving Statistics in West Africa (HISWA)- Liberia Project – Monrovia April 2021
7. Hosting of the Celebration of International Women's Day: Global Theme: Achieving an equal future in a COVID-19 World, National Theme: Women in Leadership: breaking Down Barriers in the dispensation of a COVID-19 world- Monrovia, March 2021
8. Stakeholders VALIDATION Workshop to endorse Amendments to the Liberia Fire Arms and Ammunition Control Act creating the Small- Arms Commission- Monrovia- April 2021

### **III. Democracy & Political Governance:**

On December 8, 2020, Liberia reassured the world for the respect of democratic political tenets and the rule of laws by solidifying the gains made over the years as exemplified by the holding of free, fair, and transparent Senatorial Election, Representative By-Elections,

and a National Referendum. Interestingly, we must point out that though these elections were held under the spirit of democratic and political governance, however, they did not fall short of judicial redress as most of the electoral results were challenged through the NEC and onward to the Supreme Court of Liberia, though there were minor delays to settle most of the cases expeditiously, yet the NEC and the Court did do exceedingly well in disposing all the cases except one.

#### A. Senatorial Elections:

In 2020, Special Senatorial Election were held to elect 15 Senators. The result shows the election of 12 new Senators while 3 Senators retained their seats. Of the 12 newly elected Senators four were sitting representatives, while the rest are new. Interestingly, the Senate was able to elect its third woman Senator in person of Hon. Gboto Kanneh of Gbapolu County, 5 years after it elected two female senators in person of Hon. Jewel Howard-Taylor who has ascended the post of Vice President in the 2017 election and Hon. Nyonoble Karngar-Lawrence who was also elected for a second term. However, of the 12 Senators elected, Hon. Brownie J. Samukai election is in contention as result of a Writ of Prohibition filed by the Movement for Progressive Change, one of several political parties that contested the election on grounds that the Senator elect is a convict and by the Liberian law convicts are not to occupy public service unless their conviction is healed through service of the sentence of the crime or payment of the equivalence of the fine imposed. The Government of Liberia has filed similar petition against Senator-elect Brownie Samuka.

#### B. Representative By-elections:

The untimely passing of Hon. Muna Pelham-Young Blood, Representative of District 9, Montserrado and Hon. J. Nagbe Sloh of District 2, Sinoe County created vacancies which were required for their respective seats to be filled through by-elections. To that effect, the National Election Commission announced that said by-elections would be held along with the then pending Senatorial Election. Consequently, Hon. Saah Foko was elected to fill the Montserrado's District 9 vacancy created by the passing of Hon. Young Blood, while Hon. Samson Wiah won the Sinoe County' District 2 seat left vacant by the death of Hon. Sloh.

#### C. National Referendum:

Also, on December 8, 2020, in addition to the Senatorial and Representative By-elections Liberian went also to the poll to pass on several propositions that were adopted by the legislature to change certain provisions of the 1986 Liberian Constitution prominent among which was the change in the Nationality Law to grant citizenship to Liberians who fled the

country during the civil wars and took up citizenship of second countries. Unfortunately, Hon. Davidetta Brown-Lassanah, Chairperson of the NEC announced to the public on April 1, 2021 that none of the 8 propositions passed the two-third threshold as provided by the Constitution. The eight propositions included Dual Citizenship, Reduction in Presidential and Vice Presidential Tenures, Reduction in Senator and Representative Tenures, Change in the Election Date from October to November, reduction in term of President of the Senate reduction in speaker term and reduction in time to litigate election disputes, as all propositions are in fulfillment of articles 45, 47,, 48, 49, 50 and 83 respectively.

#### D. Electoral Disputes Resolution:

The 2020 Senatorial and Representative Elections presented Liberia to the world as a people who are matured, ready and leveled-headed when it comes to electoral matters. Though the elections were marred by minor skirmishes which are common and normal in every electoral process, but instead of reverting to civil disorder, the actors involved with those disputes allowed for the law to play out. For example, there electoral disputes in the following counties: Nimba, Grand Kru and Grand Cape Mount as well as River Cess, Grand Gedeh and Gbapolu alongside Bomi, Lofa, Maryland, Sinoe and Montserrado respectively. Interestingly, the NEC and the Supreme Court disposed of these matters in an unbiased manner except for the Lofa case involving the MPC and Hon. Samukai which awaits the hearing of the full bench of the Supreme Court.

On the other hand, other alternative disputes resolution witnessed the intervention of the Peace-Building Office in collaboration with National Center for the Coordination of Response Mechanism(NCCRM) under the banner of CEMViP into mitigating reported electoral violence in which it was alleged that Sierra Leonean detainees in the Custody of Liberia Immigration Service confirmed they were Sierra Leoneans mobilized by local county authorities to register and vote in the Liberian election, which since 2005 has been a culture of cross-border illegal voting on both sides of the borders, especially involving communities along the Liberian-Sierra Leonean borders.

#### IV. **Security Situation and Refugee Situation in Region:**

By November of 2020, Mr. Alassane Ouattara was declared winner of the Ivory Coast Presidential election. The United Nations refugee agency reported the fleeing of thousands of people neighboring countries, fearing more violence. As a precautionary security measure, the government mobilized and deployed the joint security led by the Armed Forces of Liberia to ensure law and order prevail along the border.

Similarly, as result of changes in the Guinean constitution passed in a constitutional referendum in earlier 2020 reset the presidential terms that ended in incumbent president Alpha Condé to run for a third term and winning in October of 2020 even though the opposition boycotted said election and protests. The protests lasted throughout the year but was harshly repressed by security forces claiming several civilian lives. In effect, those fearing their lives crossed over to Liberia and other neighboring countries which prompted the government of Liberia to deploy armed men along its border with Guinea to mitigate any situation arising thereof.

Consequently, according to UNHCR Global Focus, there will be an estimated 28,736 refugees and asylum-seekers in Liberia at the start of 2021, including 20,466 Ivorian asylum-seekers who arrived in December 2020, following electoral tension in Côte d'Ivoire. Not to mention the reported hundreds of migrant farm workers along the border towns of Taboo, Maryland County, Toe Town, Grand Gedeh County and Logatuo, Nimba County in search economic livelihoods but who present threats to border security as the local complained of land grabs by these migrants which have prompted the authorities in those areas to call on national government to intervene so that the situation does not blow out of proportion.

## **V. Status of Implementation of the ECOWAS Macro-Economic Program as it relates to Level of Achievement of Convergence Criteria**

### **ASSESSMENT OF MACROECONOMIC CONVERGENCE**

In compliance with ECOWAS Criteria on the convergence status, the continued implementation of macroeconomic policy thrust by the government of Liberia enabled Liberia to attain three of the targets criteria in 2020. During the period under examination, the country's status remained unchanged on the primary convergence scale, Liberia met one primary convergence criteria parallel to the corresponding period in 2019. The country satisfied the fiscal deficit criterion but slipped on the inflation, central bank financing and gross external reserves criteria. On the secondary convergence scale, Liberia met all the criteria – exchange rate variation and public debt to GDP Ratio. In 2021, the country is expected to sustain its performance under the secondary criteria and therefore would satisfy all two secondary criteria as stability has returned to the foreign exchange market and the situation is expected to be sustained in the near term.

## PRIMARY CRITERIA:

Annual Average inflation: During the review period, Liberia missed the required benchmark on the single digit inflation criterion. Average inflation decreased to 17.4 percent as at end-December 2020, up from 26.9 percent as at end-December 2019. The reduction in inflation was mainly driven by the CBL's monetary policy stance with stability in the exchange rate partly because of the current contractionary monetary policy adopted by the CBL since the fourth quarter of 2019. Also, contributing to declining inflation is the favorable international oil prices and constrained demand. Fiscal Deficit (including grants)/GDP: Liberia satisfied the prescribed fiscal deficit criterion at negative 2.4 percent of GDP, in the review period, matched against the 0.9 percent recorded at end-December 2019. The achievement of this benchmark was due mainly to the implementation of fiscal consolidation measures. Central Bank financing of the Fiscal deficit: This criterion was not met. The country missed the targeted benchmarked by 59.6 percent in 2020, compared to 32.3 percent recorded in the corresponding half of 2019, largely due to financing government deficit. Gross external reserves: The targeted benchmark was missed at 2.5 months of imports during the review period, compared to 2.3 months of imports attained in 2019, mainly driven by decrease in gross reserves, drawdown of government deposits and payment for goods and services.

## SECONDARY CRITERIA:

The ratio to the stock of public debt to GDP: The targeted benchmark of this criterion score in the period under examination was 52.1 percent of GDP, compared to 40.0 percent of GDP recorded in 2019, below the prescribed ceiling of 70.0 percent, indicating that the country satisfied the criterion, underpinned by sustainable debt strategy. Nominal Average exchange rate Variation: the country satisfied this criterion with a score of 4.1 percent depreciation of the Liberian dollar, against a score of 21.4 percent depreciation registered at end-June, 2019. The slowdown in the rate of depreciation emanated from lower demand for foreign exchange as international trade slowed during the Covid-19 mitigation restrictions and tight monetary policy stance. At end 2021, the Liberian dollar is projected to appreciate against the USD by about 7.0 percent and hence appreciate against the WAUA by less than 10 .0 percent.

See the tables below for detailed analyses:

**Table 3.1: Key Macroeconomic Indicators (In percent of GDP) (2018 – 2021\*)**

	2018	2018	2019	2019	2020	2020	2021	2020¶
	June		June		June		June	
Real GDP Growth (%)	1.2	1.2	-2.5	-2.5	-3	-3	3.2	3.2
Nominal GDP (in millions of USD dollars)	1,631.93	3,264.18	1,588.03	3,176.06	1,533.40	3,066.80	1,553.35	3,106.69
Inflation, Average Period (%)	20.00	23.39	25.50	26.88	20.84	17.36	10.42	8.56
Inflation, End Period (%)	24.6	28.5	29.9	20.3	13.4	13.1	10.3	11.9
Domestic Revenue (% of GDP)	16.8	15.3	16	15.7	19.1	19.18	16.3	N.a
Total Expenditure and Net Lending (% of GDP)	17.6	16.2	18.4	15.7	20.3	18.2	22.4	n.a
Fiscal Deficit including grants (% of GDP)**	0.5	0.3	2.3	0.9	0.1	-2.4	4.7	n.a
Primary balance / GDP (%)	0	-0.1	-1.5	0	0	2.6	4.4	n.a
Broad Money Growth (%)	35.3	31.7	25.6	19.8	15.43	5.2	4.068	12.91
Reserve Money Growth (%)	38.9	17	1.9	9.6	11.68	5.77	1.49	-1.748
91-day Treasury Bill Rate (%)	3	3.3	3.8	3.8	n.a	n.a	n.a	n.a
Exchange Rate Depreciation/Appreciation (%)	-25	-20.4	-23.2	-16.2	-1.5	-1.6	-1.5	-1.6
Current Account Balance (% of GDP)	-7.3	-24.1	-10.5	-21.4	-8.6	-17.6	-4.5	-15.9
Gross International Reserves (\$m)	352.9	296.8	274.69	266.95	257.9	255.38	258.46	258.46
Gross Reserves (in months of imports)	2.9	2.4	2.4	2.3	2.4	2.5	2.6	2.7

Sources: Liberian Authorities & WAMI Staff, ¶Forecast

\* + deficit, - Surplus,  
\*\*+Depreciation, -Appreciation

\*\* + deficit, -  
Surplus,  
\*Forecast



**Table 4.1: Performance under Macroeconomic Convergence**

Convergence Criteria	Target	2018 June	2018	2019 June	2019	2020 June	2020	2021** June	2021**	Country's position
<b>Primary criteria</b>										
I. Annual average inflation	≤10%	20	23.4	25.5	26.9	20.8	17.4	10.4	8.6	Missed
II. Fiscal Deficit/GDP(%) incl grants	≤3%	0.5	0.4	0.3	0.1	1.07	-1.0	6.1	6.1	Achieved
III. Central Bank Financing	≤ 10%	60.4	43.8	64.1	32.3	10.0	59.6	15.5	15.5	Missed
IV. Gross External Reserves	≥3 months	2.9	2.4	2.4	2.3	2.4	2.5	2.6	2.7	Missed
<b>Number of Primary Criteria attained</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	
<b>Secondary criteria</b>										
*Nominal Exchange Rate Stability	± 10%	-25.0	-20.4	-23.2	-16.2					Missed
Public Debt/GDP	≤ 70%	30.7	33.6	34.5	40.0	42.5	53.6	52.1	51.4	Achieved
<b>Number of Secondary criteria attained</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	

Sources: Liberian Authorities and WAMA/WAMI Staff

#### 4.1.3 MEDIUM –TERM OUTLOOK AND ASSESSMENT OF THE CONVERGENCE

In the medium-to-long term, given these developments, RGDP growth for 2021 is projected to increase by 3.2 percent on account of expected improvements in the secondary and tertiary sectors, especially manufacturing and services related activities. Growths in the agriculture & fisheries, forestry as well as mining & panning subsectors are expected to remain positive, despite the anticipated moderation. The key risks to growth in 2021, however, will include slow recovery in global market prices of the country's key commodities, and a resurgence in the global COVID-19 pandemic. The outlook for headline inflation for 2020 is projected at 8.7 percent to with a symmetric bandwidth of +/- 2 percent. Key risk to the attainment of lower inflation in 2020 and beyond will largely depends on the stability of the domestic currency as well as the prices of international oil and food and domestic food prices. This projection assumes that the Central Bank will effectively implement its new Monetary Policy Framework.

On the macroeconomic convergence front, the country is expected to achieve and maintain two of the four primary criteria by end-December 2020. As regard the secondary convergence criteria, the country is expected to maintain its achievement on the public debt-to-GDP ratio criterion by end December 2021.

## STATISTICAL ANNEXES OF TEXT

**Table 3.1: Key Macroeconomic Indicators (In percent of GDP) (2018 – 2021\*)**

	2018	2018	2019	2019	2020	2020	2021	2020¶
	June		June		June		June	
Real GDP Growth (%)	1.2	1.2	-2.5	-2.5	-3	-3	3.2	3.2
Nominal GDP (in millions of USD dollars)	1,631.93	3,264.18	1,588.03	3,176.06	1,533.40	3,066.80	1,553.35	3,106.69
Inflation, Average Period (%)	20.00	23.39	25.50	26.88	20.84	17.36	10.42	8.56
Inflation, End Period (%)	24.6	28.5	29.9	20.3	13.4	13.1	10.3	11.9
Domestic Revenue (% of GDP)	16.8	15.3	16	15.7	19.1	19.18	16.3	N.a
Total Expenditure and Net Lending (% of GDP)	17.6	16.2	18.4	15.7	20.3	18.2	22.4	n.a
Fiscal Deficit including grants (% of GDP)**	0.5	0.3	2.3	0.9	0.1	-2.4	4.7	n.a
Primary balance / GDP (%)	0	-0.1	-1.5	0	0	2.6	4.4	n.a
Broad Money Growth (%)	35.3	31.7	25.6	19.8	15.43	5.2	4.068	12.91
Reserve Money Growth (%)	38.9	17	1.9	9.6	11.68	5.77	1.49	-1.748
91-day Treasury Bill Rate (%)	3	3.3	3.8	3.8	n.a	n.a	n.a	n.a
Exchange Rate Depreciation/Appreciation (%)	-25	-20.4	-23.2	-16.2	-1.5	-1.6	-1.5	-1.6
Current Account Balance (% of GDP)	-7.3	-24.1	-10.5	-21.4	-8.6	-17.6	-4.5	-15.9
Gross International Reserves (\$m)	352.9	296.8	274.69	266.95	257.9	255.38	258.46	258.46
Gross Reserves (in months of imports)	2.9	2.4	2.4	2.3	2.4	2.4	2.6	2.7

Sources: Liberian Authorities & WAMI Staff, ¶Forecast

\* + deficit, - Surplus, \*\*+Depreciation, - Appreciation

\*\* + deficit, - Surplus, \*Forecast

*Table 3.2: Liberia: Sectoral Origin of Gross Domestic Product (GDP) (At 1992 Constant Prices: 2018-2021\*) (In Millions of US\$)*

Sectorial share	2018		2019		2020		2021*	
	June	Dec	June	Dec	June	Dec	June	Dec
<b>Primary sector</b>	<b>349.29</b>	<b>1,578.74</b>	<b>814.80</b>	<b>1,629.60</b>	<b>853.78</b>	<b>1,707.56</b>	<b>877.54</b>	<b>1,755.07</b>
Agriculture	195.27	882.13	450.98	901.97	479.98	959.96	496.54	993.07
Forestry	65.30	295.00	136.45	272.90	142.66	285.32	145.51	291.03
Mining & Panning	88.73	401.61	227.36	454.73	231.14	462.28	235.49	470.97
<b>Secondary sector</b>	<b>46.04</b>	<b>207.97</b>	<b>93.06</b>	<b>186.12</b>	<b>93.06</b>	<b>186.12</b>	<b>96.16</b>	<b>192.33</b>
Manufacturing	46.04	207.97	93.06	186.12	93.06	186.12	96.16	192.33
<b>Tertiary sector</b>	<b>322.81</b>	<b>1,477.47</b>	<b>683.17</b>	<b>1,366.34</b>	<b>596.63</b>	<b>1,193.25</b>	<b>619.62</b>	<b>1,239.23</b>
Services	322.81	1,477.47	683.17	1,366.34	596.63	1,193.25	619.62	1,239.23
GDP at constant prices	718.14	3,264.18	1,591.03	3,182.06	1,543.47	3,086.93	1,593.32	3,186.64

\*Forecast for end-June 2021 and full year 2021

*Table 3.3: Government of Liberia's Total Revenue by Sources (in millions of US\$) (2018 -2021\*)*

	2018	2018	2019	2019	2020	2020	2021¶	2021¶
	June	Dec	June	Dec	June	Dec	June	Dec
<b>Total Revenue and Grants</b>	<b>278.97</b>	<b>516.74</b>	<b>242.75</b>	<b>438.71</b>	<b>309.61</b>	<b>629.91</b>	<b>274.79</b>	
Total Revenue	274.30	499.42	242.75	438.71	295.01	588.39	253.79	
Tax Revenue	207.87	394.65	200.33	351.17	208.31	393.11	174.78	
Tax on Income, profits and capital gains	79.78	160.58	79.02	139.27	82.45	179.06	78.80	
Internal levies & tax on goods & services	31.81	49.39	29.23	47.76	34.53	45.08	23.10	
Export tax	0.23	0.43	0.28	85.31	0.00	0.75	0.56	
Import tax	94.35	182.55	85.34	72.37	88.17	164.66	68.13	
Other tax revenue	1.70	1.70	6.46	6.46	3.16	3.56	4.19	
Non-tax revenue	66.43	104.77	42.42	87.54	86.70	195.28	79.01	
Income from enterprises & sales of assets	16.39	46.36	32.24	70.84	36.27	74.46	39.89	
Administrative charges and duties	9.34	17.71	10.18	16.70	10.43	13.92	8.82	
Other receipts: Contingency and Borrow	40.70	40.70	0.00	0.00	40.00	106.90	30.30	
Grants	4.67	17.32	0.00	0.00	14.60	41.53	21.00	

Source: Ministry of Finance & Development Planning (MFDP)

Table 3.4: Government of Liberia's Total Expenditure by Sources (in millions of US\$)(2018 -2021\*\*)

	2018	2018	2019	2019	2020	2020	2021¶	2021¶
	June	Dec	June	Dec	June	Dec	June	Dec
<b>Total Expenditure and Net Lending</b>	<b>286.80</b>	<b>527.27</b>	<b>277.61</b>	<b>467.09</b>	<b>311.45</b>	<b>557.80</b>	<b>348.06</b>	
Total Expenditure	286.80	527.27	277.61	467.09	271.45	557.80	313.06	
Current Expenditure	280.10	515.67	267.06	462.09	241.45	500.39	284.96	
Wages & Salaries	171.20	317.40	156.72	253.47	127.35	273.89	170.65	
Interest on gov't debt	12.80	25.37	12.25	28.08	15.83	50.22	26.18	
Domestic	3.70	14.15	4.95	18.96	6.50	30.99	16.57	
External	9.10	11.22	7.30	9.12	9.33	19.23	9.61	
Others: goods, services and transfers etc	96.10	172.90	98.09	180.54	98.27	176.28	88.13	
o/w DDR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Capital/Investment Expenditure	6.70	11.60	10.55	5.00	30.00	57.41	28.10	
Domestically Financed	6.70	11.60	10.55	5.00	30.00	57.41	26.51	
External Financed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Lending	0.00	0.00	0.00	0.00	40.00	0.00	35.00	

Source: Ministry of Finance & Development Planning (MFDP) 1Expenditures not elsewhere mentioned

Table 3.5: Liberia's Overall Public Debt Position by Composition As At June and December, 2017 – 2020\*\* (In Millions, US\$)

Debt Composition	2018	2019	2019	2020	2020	2021**	2021**
	At End-December	At End-June	At End-December	At End-June	At End-December	At End-June	At End-December
Total External Debt	676.4	774.86	850.85	942.67	952.97	954.49	954.49
Total Domestic Debt	265.01	319.62	419.8	359.52	643.82	642.86	642.86
<b>Total Public Debt</b>	<b>941.41</b>	<b>1094</b>	<b>1270.65</b>	<b>1302</b>	<b>1596.79</b>	<b>1597</b>	<b>1597.35</b>

Source: Ministry of Finance & Development Planning (MFDP)

Figure 3.6: Broad Money Supply and its Sources (2018 – 2021\*\*) (In Millions LS)

	2,018.00	2,018.00	2,019.00	2,019.00	2,020.00	2,020.00	2021*	2021*
	June	Dec	June	Dec	June	Dec	June	Dec
<b>Net Foreign Assets**</b>	<b>19,804.33</b>	<b>12,379.07</b>	<b>9,349.89</b>	<b>12,619.27</b>	<b>14,145.77</b>	<b>12,099.55</b>	<b>15,477.44</b>	<b>15,830.79</b>
Central Bank	8,973.00	(2,882.47)	(7,309.26)	(7,088.76)	(6,868.26)	(6,688.45)	(9,621.55)	(11,342.20)
Deposit Money Banks	10,831.33	15,261.54	16,659.15	19,708.04	21,014.04	18,788.00	25,098.99	27,172.99
<b>Net Domestic Assets</b>	<b>71,824.84</b>	<b>88,595.28</b>	<b>105,772.17</b>	<b>108,387.07</b>	<b>118,744.43</b>	<b>115,197.32</b>	<b>122,819.31</b>	<b>127,911.01</b>
Domestic Credit	122,464.20	140,734.34	181,386.67	180,831.68	202,690.96	191,684.66	189,398.13	191,716.18
Claims on Government (Net)	42,291.67	57,009.49	86,809.55	87,356.44	95,696.76	105,309.94	104,189.86	110,960.72
<b>Total Claims on Government</b>	<b>65,561.65</b>	<b>90,944.00</b>	<b>125,740.03</b>	<b>117,496.48</b>	<b>126,071.48</b>	<b>132,770.05</b>	<b>127,519.31</b>	<b>127,532.43</b>
<b>Government Deposits</b>	<b>23,269.98</b>	<b>33,934.51</b>	<b>38,930.49</b>	<b>30,140.05</b>	<b>30,374.72</b>	<b>27,460.11</b>	<b>23,329.45</b>	<b>16,571.71</b>
Claims on Public Enterprises	-	-	-	-	-	-	-	-
<b>Claims on Private Sector</b>	<b>80,172.53</b>	<b>83,724.85</b>	<b>94,577.12</b>	<b>93,475.24</b>	<b>106,994.20</b>	<b>86,374.72</b>	<b>85,208.27</b>	<b>80,755.46</b>
Claim on NBFIS <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Other Items, Net (Assets +) /1</b>	<b>(50,639.36)</b>	<b>(52,139.06)</b>	<b>(75,614.49)</b>	<b>(72,444.61)</b>	<b>(83,946.53)</b>	<b>(76,487.34)</b>	<b>(66,578.82)</b>	<b>(63,805.18)</b>
<b>Broad Money (M2)</b>	<b>91,629.17</b>	<b>100,974.35</b>	<b>115,122.06</b>	<b>121,006.34</b>	<b>132,890.20</b>	<b>127,296.86</b>	<b>138,296.75</b>	<b>143,741.80</b>
<b>Reserve money</b>	<b>36,252.50</b>	<b>37,032.65</b>	<b>36,951.65</b>	<b>40,583.89</b>	<b>41,266.73</b>	<b>42,927.49</b>	<b>41,882.38</b>	<b>42,176.91</b>
<b>Narrow Money</b>	<b>60,125.78</b>	<b>67,554.62</b>	<b>74,448.59</b>	<b>77,006.70</b>	<b>84,323.99</b>	<b>85,918.32</b>	<b>95,464.42</b>	<b>101,525.47</b>
Currency with Public	15,542.96	18,148.82	18,655.90	20,535.35	21,530.49	22,591.32	22,686.79	23,936.16
Demand Deposits	44,582.82	49,405.81	55,792.69	56,471.35	62,793.50	63,327.00	72,777.63	77,589.31
<b>Quasi Money</b>	<b>31,503.39</b>	<b>33,419.73</b>	<b>40,673.48</b>	<b>43,999.64</b>	<b>48,566.21</b>	<b>41,378.54</b>	<b>42,832.33</b>	<b>42,216.32</b>
Time and Savings Deposits	31,213.30	33,038.72	40,267.25	42,315.40	47,817.14	40,900.93	42,467.52	41,917.77
Foreign Currency Deposits	-	-	-	-	-	-	-	-
Other Deposits	290.09	381.00	406.22	1,684.24	749.08	477.62	364.81	298.55
<b>Memorandum Items</b>								
Broad money growth (in %)	35.31	31.69	25.64	19.84	15.43	5.20	4.07	12.92
Net foreign assets growth (in %)	13.11	5.51	(52.79)	1.94	51.29	(4.12)	9.41	30.84
Net Domestic Assets growth (in %)	43.05	36.42	47.26	22.34	12.26	6.28	3.43	11.04
Deposits/Broad Money (in %)	48.66	48.93	48.46	46.67	47.25	49.75	52.62	53.98
Reserve money (12 month change in %)	38.94	16.96	1.93	9.59	11.68	5.77	1.49	(1.75)
Ratio (Currency/Broad money)	16.96	17.97	16.21	16.97	16.20	17.75	16.40	16.65
Private Sector Credit as percent of GDP	36.67	17.71	34.20	15.67	34.68	#DIV/0!	#DIV/0!	#DIV/0!
Velocity (GDP/broad money)	2.39	4.68	2.40	4.93	2.32	-	-	-
Money multiplier (M2+/RM)	2.53	2.73	3.12	2.98	3.22	2.97	3.30	3.41
Currency-to-deposit ratio (%)	20.43	21.91	19.34	20.44	19.33	21.58	19.62	19.98
GDP at market prices	218,658.79	472,649.95	276,549.13	596,672.34	308,502.50	-	-	-

Source: Central Bank of Liberia, Monrovia 1/Excludes managers checks from commercial banks  
2/ Includes official and managers checks issued by the Central Bank

Table 3.8: SDF Utilization and Interest (in Millions of Liberian dollars)

SDF	Q4 2019	Q1 2020
Deposits	\$48,235.00	\$58,545.00
Recalled	\$48,235.00	\$58,545.00
Interest	\$16.31	\$41.23

Source: CBL Financial Markets Department

Figure 3.9: Cost of Monetary Policy Interventions

Policy Instruments	Amount in LRD
CBL Bills/EAR Interest	758,352,065.59
Interest/Coupon	57,560,466.57
FX/Index Differential	138,809,771.41
Commission	177,036.12
Standing Deposit Facility (SDF)	41,225,000.00
Foreign Exchange Auction	0
<b>Total</b>	<b>996,124,339.69</b>

Source: CBL Financial Markets Department

Table 3.7: Trade Balance: 2018 – 2021\*\* (Millions of US\$, except otherwise indicated)

Trade Category	2018 June	2018	2019 June	2019	2020 June	2020	2021* June	2021**
Exports	311.5	548.5	292.5	542.9	275.4	611.6	268.2	615.7
Imports (FOB)	496.1	1041.1	472.7	933.8	437.6	997.9	444.4	1,000.4
<b>Total Trade (+ surplus, - deficit)</b>	<b>-184.6</b>	<b>-492.7</b>	<b>-180.2</b>	<b>-390.9</b>	<b>-162.1</b>	<b>-386.4</b>	<b>-176.2</b>	<b>-384.7</b>

Sources: Customs/LRA, Ministry of Commerce & Industry and Firestone Liberia Ltd

Table 4.1: Performance under Macroeconomic Convergence

Convergence Criteria	Target	2018 June	2018	2019 June	2019	2020 June	2020	2021** June	2021**	Country's position
<b>Primary criteria</b>										
I. Annual average inflation	≤10%	20	23.4	25.5	26.9	20.8	17.4	10.4	8.6	Missed
II. Fiscal Deficit/GDP(%) incl grants	≤3%	0.5	0.4	0.3	0.1	1.07	-1.0	6.1	6.1	Achieved
III. Central Bank Financing	≤ 10%	60.4	43.8	64.1	32.3	10.0	59.6	15.5	15.5	Missed
IV. Gross External Reserves	≥3 months	2.9	2.4	2.4	2.3	2.4	2.5	2.6	2.7	Missed
<b>Number of Primary Criteria attained</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	
<b>Secondary criteria</b>										
*Nominal Exchange Rate Stability	± 10%	-25.0	-20.4	-23.2	-16.2					Missed
Public Debt/GDP	≤ 70%	30.7	33.6	34.5	40.0	42.5	53.6	52.1	51.4	Achieved
<b>Number of Secondary criteria attained</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	

Sources: Liberian Authorities and WAMA/WAMI Staff

## **VI. Status of Implementation of the ECOWAS Infrastructural and Transportation Policies and Program**

On the status of implementation of the ECOWAS' infrastructural and transport policies and programs, Liberia like to report significant progress in that direction, as works on the completion of the West Africa Power Pool Project is well on course. Already, almost nine (9) counties have come or preparing to come online by the end of 2021, while woks and final touches on the St. Paul Mount Coffee Hydro Plant is nearing completion. On road infrastructures, Liberia would like to also report significant inroads in this sector as commences the construction and pavement of the Logatua-Danane Road, the Gbarnga-Monikormar Road and the Coastal Highway linking the Southeast as well as the Ganta-Harper Highway and the RIA-Monrovia Highway respectively and all under the ECOWAS the Pan-African Highway Project.

## **VII. Sensitization Activities carried out by parliamentarians:**

The 2020 election has created the opportunity for more awareness, first among members of the Liberian parliament, and the public. As a result of the election, some members who were playing key roles in the ECOWAS' parliament were replaced and therefore requires replacement of those ex-parliament members, while education to be provided to fellow parliament members on those ascending from the representative position to the senator position. However, Liberia hosted members of the ECOWAS' parliament in April of 2020, at which time they had the opportunity to interact with local journalists, CSOs, the academia and others, during which time the roles and responsibilities of ECOWAS vis-à-vis the Parliament were espoused to the public through various radio programs, teta-a-teta with major stakeholders, etc.

## **VIII. Conclusion:**

We thank you for your kind attention and the opportunity afforded us to present this report.