

country profile											
government structure	<ul style="list-style-type: none"> • Executive: The president is both the chief of state and the head of government. The president is directly elected by absolute majority popular vote, in two rounds if needed, for a six-year term and is eligible for a second term. Cabinet is appointed by the president and confirmed by the Senate. • Legislative: Liberia has a bicameral National Assembly. • Judicial: The highest court is the Supreme Court, which has jurisdiction for all constitutional cases. The subordinate courts are the judicial circuit courts, magistrate and traditional or customary courts and special courts, including criminal, civil, labour and traffic. • Next presidential elections: October 2029. 										
economic data	<table border="0"> <tr> <td>• Nominal GDP (USD billions):</td> <td>3.60</td> </tr> <tr> <td>• GDP per capita (USD):</td> <td>695.82</td> </tr> <tr> <td>• Inflation rate (% change):</td> <td>5.00</td> </tr> <tr> <td>• Government revenue (% of GDP):</td> <td>27.50</td> </tr> <tr> <td>• Government gross debt (% of GDP):</td> <td>61.64</td> </tr> </table> <p><i>*Source: IMF (October 2024 estimates)</i></p> <ul style="list-style-type: none"> • Liberia is richly endowed with mineral resources, forests, water, and a climate favourable to agriculture which is the leading sector of the economy. • The main industries include mining (iron ore and gold), rubber processing, palm oil processing, and diamonds. • Liberia's main export partners are Switzerland, France, Germany, the United Kingdom, and Poland. The main export commodities include gold, ships, iron ore, rubber, and refined petroleum. • Liberia's main import partners are China, South Korea, Japan, Germany, and Brazil. The main import commodities include ships, refined petroleum, additive manufacturing machines, centrifuges, and rice. 	• Nominal GDP (USD billions):	3.60	• GDP per capita (USD):	695.82	• Inflation rate (% change):	5.00	• Government revenue (% of GDP):	27.50	• Government gross debt (% of GDP):	61.64
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risk ratings	<ul style="list-style-type: none"> • S&P Global Overall Country Risk (Q4 2024): 177/211 • Corruption Perceptions Index (2023): 145/180 										

international treaties and memberships	
international and regional organisations and customs unions	<ul style="list-style-type: none"> • African Continental Free Trade Area Agreement (Signatory) • African Development Bank Group • African Union • Economic Community of West African States ("ECOWAS") • Group of 77 • International Monetary Fund • Mano River Union • Organisation of African, Caribbean and Pacific States ("OACPS") • United Nations • World Bank Group • World Customs Organization • Liberia receives preferential treatment under the following agreements: http://ptadb.wto.org/Country.aspx?code=430
bilateral investment treaties	<ul style="list-style-type: none"> • Liberia has bilateral investment treaties in force with France, Germany, Switzerland, and Taiwan. • Treaties have been signed with the Belgium-Luxembourg Economic Union and the United Arab Emirates, but these have not yet entered into force.
investment-related agreements / institutions	<ul style="list-style-type: none"> • African Growth and Opportunity Act • Samoa Agreement (succeeding the Cotonou Agreement and its provisional application commencing on 1 January 2024. The Agreement will enter into force upon consent by the European Parliament and ratification by all European Union member states and at least two thirds of the OACPS members) • Multilateral Investment Guarantee Agency • World Trade Organization
dispute resolution	<ul style="list-style-type: none"> • Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) • Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention)
intellectual property ("IP") treaties	<ul style="list-style-type: none"> • A comprehensive list of IP-related treaties signed by Liberia is available at: https://wipo.lex.wipo.int/en/legislation/members/profile/LR?collection=treaties • See the trade marks section below for further detail.

legal regime	
applicable legal regime	<ul style="list-style-type: none"> Liberia's legal system is based on Anglo-American common law and customary law.
dispute resolution	<ul style="list-style-type: none"> The Investment Act, 2010 provides for investors to settle disputes either through the judicial system or through alternative dispute resolution mechanisms and also notes that Liberian courts shall have jurisdiction over the resolution of business disputes. In terms of the Investment Act, any dispute between an investor and the government which is not amicably settled through mutual discussions may be submitted to arbitration at the option of the aggrieved party as follows: <ul style="list-style-type: none"> in accordance with any national or international mechanisms for the settlement of investment disputes agreed to by the parties; in the case of a foreign investor: <ul style="list-style-type: none"> in accordance with the rules and procedures for arbitration by the United Nations Commission on International Trade Law; or within the framework of any bilateral or multilateral agreement on investment protection to which the government and the country of which the investor is a national are parties.
land acquisition, planning and use	<ul style="list-style-type: none"> Land ownership in Liberia is tied to citizenship and the acquisition of public land by foreigners is possible through long-term leasehold. Leases are ordinarily granted for 25 to 50 years, but exceptions are permitted by law.
competition	
<i>merger control</i>	<ul style="list-style-type: none"> The Act to Enact the Competition Law of Liberia to Provide for an Efficient Free Market System (the "Competition Act") governs competition law and merger control in Liberia. The Competition Act defines a merger as the direct or indirect acquisition or establishment by one or more persons of control (whether by purchase of shares or assets, by way of an amalgamation or combination, or otherwise) over a significant interest in the whole or any part of any business of a competitor, supplier, customer, or other person. The Competition Act sets out examples of what constitutes a controlling interest for the purposes of merger regulation. No merger thresholds have been promulgated in Liberia, and the merger notification regime is voluntary. Although merger notification is voluntary, in terms of the Competition Act, any party to an intended merger may, in its sole discretion, notify the Ministry of Commerce and Industry in writing of the merger before the merger transaction is completed. Accordingly, the merger control regime is suspensory. The Competition Act does not make provision for the payment of filing fees.

	<ul style="list-style-type: none"> Liberia is a member of a regional competition body, ECOWAS, which has an operational merger control regime in place. Merger activities in Liberia should be conducted with this regional competition body in mind.
<i>prohibited practices</i>	<ul style="list-style-type: none"> The Competition Act regulates and prohibits, <i>inter alia</i>, certain instances of horizontal, vertical, and unilateral conduct. Cartel conduct (such as price fixing, market allocation, limiting the production or supply of products, and bid-rigging) is prohibited by the Competition Act. The Competition Act also prohibits vertical arrangements, and specifically prohibits minimum resale price maintenance. Furthermore, the Competition Act prohibits abuses of dominance (including tying, bundling, exclusive agreements, predatory pricing, and refusal to supply scarce facilities or resources). The Competition Act does not expressly provide for a corporate leniency policy, although regulation and protection of 'whistle-blowers' / witnesses has been noted by the President of Liberia as a legislative priority (it is understood that there may be a Whistle-blower and Witness Protection Bill that is currently pending). A firm that engages in a restrictive horizontal or vertical agreement or that abuses its dominant position commits an offence and may be liable for a fine of up to USD10 000. In the case of certain cartel conduct (such as price fixing / market allocation), however, a fine of up to USD100 000 may be imposed. ECOWAS regulates anticompetitive practices. Activities in Liberia should thus be conducted with this regional competition body in mind.
employment	
<i>immigration</i>	<ul style="list-style-type: none"> Foreign nationals intending to work in Liberia are required to have a valid residence permit. The investor is required to motivate that the required skill cannot be sourced from within Liberia.
<i>local employment vs secondment</i>	<ul style="list-style-type: none"> In terms of Liberia's employment legislation, it is not a requirement for employees seconded to a company in Liberia to be employed by a local entity. However, in terms of Liberia's immigration legislation, employment by a local entity is a prerequisite to apply for a work permit.
<i>fixed-term contracts and temporary employment services</i>	<ul style="list-style-type: none"> Fixed-term contracts are allowed in terms of Liberian labour law, and they can be for a limited duration of six to 12 months. Labour broking is not generally accepted, and this practice is not well established in terms of Liberian law.
<i>payment in local currency</i>	<ul style="list-style-type: none"> It is not a legal requirement for remuneration to be paid in local currency in Liberia.
<i>restraint of trade agreements</i>	<ul style="list-style-type: none"> Restraint of trade agreements are valid and enforceable in Liberia.

foreign investment regime	
investment regime	<ul style="list-style-type: none"> Investments in Liberia are governed by the Investment Act. The Liberia National Investment Commission (“NIC”) is the main regulatory body for foreign investments and is mandated to review, evaluate, and process all investment applications, and concludes investment agreements in collaboration with other relevant ministries.
registration / licensing requirements	<ul style="list-style-type: none"> All businesses are required to register or apply for an “Authority to do Business or Provide Services” in Liberia. The Liberia Business Registry (“LBR”) is a one-stop shop responsible for business registrations and the issuing of business registration certificates (valid for one year). The LBR also requests the Tax Identification Number from the Liberia Revenue Authority on behalf of the applicant.
non-industry specific registrations / licences	<ul style="list-style-type: none"> The following general non-industry specific registration / licences may also be required:
<i>National Social Security and Welfare Corporation (“NASSCORP”)</i>	<ul style="list-style-type: none"> The NASSCORP is responsible for the administration of the National Pension Scheme (“NPS”), the Employment Injury Scheme (“EIS”), and the Welfare Scheme (which has yet to be launched). Any employer with one or more employees is required to register under the NPS and the EIS.
industry-specific licences	<ul style="list-style-type: none"> Industry specific licences may be required. Businesses are responsible for obtaining approval from applicable sector ministries prior to commencing operations.
incentives	<ul style="list-style-type: none"> Incentives include: <ul style="list-style-type: none"> an aggregate deduction of up to 30% of the purchase price of qualifying assets granted to various business types; until 30 June 2026, special investment incentives granted for three years to corporations making a new investment with a minimum capital of USD500 000 in designated sectors (USD50 000 for hospitals and the agricultural sector), and certified by the NIC; and exemption from customs and internal duties, levies, tariffs, and other customs charges granted to corporations operating within designated free zones.
exchange control regulation	<ul style="list-style-type: none"> Liberia has dual currencies: the United States dollar and Liberian dollar. There are no exchange controls in Liberia and capital, profits, and dividends can be repatriated freely. However, the Banking Law requires that all funds be transferred through a local commercial bank. Special rules apply to entities operating in special economic zones.

types of entities available for foreign investment	<ul style="list-style-type: none"> Public company (joint stock company); limited liability company; registered branch of a foreign company; sole proprietorship; trust; foundation; and petty trade (registered at the Ministry of Commerce and Industry).
private limited liability company	
minimum number of shareholders	<ul style="list-style-type: none"> A minimum of one shareholder is required. There is generally no requirement for local shareholding, but local shareholding is encouraged.
minimum share capital	<ul style="list-style-type: none"> There are no minimum share capital requirements in Liberia.
directors	<ul style="list-style-type: none"> A private company must have a minimum of one director. There is no requirement for the director to be a resident.
company secretary / registered agent	<ul style="list-style-type: none"> A private company must appoint a company secretary as well as a registered agent.
registered address	<ul style="list-style-type: none"> A private company is required to have a registered address to which all communications and notices may be addressed.
shelf companies	<ul style="list-style-type: none"> Shelf companies are available for purchase in Liberia.
registration process	<ul style="list-style-type: none"> Companies are registered with the LBR, and it takes approximately one to two weeks to complete registration once all the required documents have been submitted.
tax	
tax system	<ul style="list-style-type: none"> Liberia has a residence basis of taxation in terms of which residents are subject to tax on their world-wide income, whereas non-residents are subject to tax only on their Liberian sourced income.
corporate residence	<ul style="list-style-type: none"> A company is resident in Liberia if it is incorporated or formed under the laws of Liberia, and either: <ul style="list-style-type: none"> has its management and control in Liberia; undertakes the majority of its operations in Liberia; or undertakes a business activity in Liberia and has the majority of its shareholders resident in Liberia.
corporate tax rate	<ul style="list-style-type: none"> Resident companies and permanent establishments of foreign companies are subject to corporate income tax at the rate of 25%. A minimum tax rate of 2% on gross income applies.



capital gains tax	<ul style="list-style-type: none"> Capital gains are included in ordinary taxable income and subject to corporate income tax at the standard rate. 	
withholding tax ("WHT") rates	WHT rate	
	payment to residents non-residents*	
	branch profits	N/A
	dividends	0% 15% 5% (mining, petroleum, and renewable resource companies)
	interest	15% 5% (mining, petroleum, and renewable resource companies) 15% 5% (mining, petroleum, and renewable resource companies)
	royalties	15% 15%
management, consulting, and technical service fees	10% (on payments of at least LRD100 000) 6% (mining, petroleum, and renewable resource companies) 15% 6% (mining, petroleum, and renewable resource companies)	
* The withholding tax rate may be reduced in terms of a relevant double tax agreement.		
double tax agreements ("DTAs")	<ul style="list-style-type: none"> A DTA is in force with Germany. 	
losses	<ul style="list-style-type: none"> Losses may be carried forward for a period of five years. Agricultural, renewable resources, petroleum, and mining companies may carry forward losses for seven years. 	
transfer pricing	<ul style="list-style-type: none"> In terms of Liberia's transfer pricing rules, transactions entered into between related parties must be entered into on an arm's length basis. A person is deemed related to another if that person acts in accordance with the direction, requests, suggestions, or wishes of another person, whether or not they are in a business relationship, and whether or not those directions, requests, suggestions, or wishes are communicated to the first-mentioned person. A legal person and another person who either alone or together with a related person controls or may benefit from 50% or more of the rights to income, capital, or voting power of the legal person are specifically treated as related parties. 	

limitations on interest deductibility	<ul style="list-style-type: none"> There are no thin capitalisation rules applicable in Liberia, but the amount of interest payable (other than to a resident bank) which exceeds the total of interest income receivable and 50% of taxable income is not deductible. In the case of mining, petroleum, agricultural, and renewable resources operations the disallowed interest may be carried forward indefinitely. 										
employee taxes	<p>The income tax rates applicable to resident individuals are:</p> <table border="1"> <thead> <tr> <th>annual chargeable income (LRD)</th> <th>tax rate</th> </tr> </thead> <tbody> <tr> <td>up to 70 000</td> <td>0%</td> </tr> <tr> <td>70 001 – 200 000</td> <td>5%</td> </tr> <tr> <td>200 001 – 800 000</td> <td>6 500 + 15% of the excess of 200 000</td> </tr> <tr> <td>over 800 000</td> <td>96 500 + 25% of the excess over 800 000</td> </tr> </tbody> </table>	annual chargeable income (LRD)	tax rate	up to 70 000	0%	70 001 – 200 000	5%	200 001 – 800 000	6 500 + 15% of the excess of 200 000	over 800 000	96 500 + 25% of the excess over 800 000
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social security contributions	<ul style="list-style-type: none"> Both employees and employers must make monthly social security contributions to the NPS, which must be paid to the NASSCORP. The contribution rate for both employers and employees is 4% of monthly gross salaries. The employer is also required to contribute 2% of the employee's gross income as workmen's compensation to the EIS. 										
payroll tax	<ul style="list-style-type: none"> There is no payroll tax in Liberia. 										
stamp duty	<ul style="list-style-type: none"> Stamp duty is levied under the Associations Law on a wide range of instruments and documents at rates ranging between 1% and 12.5% depending on the nature of the document. There is no transfer tax on the transfer of immovable property, shares, bond, or other securities. 										
goods and services tax ("GST")											
<i>taxable supplies</i>	<ul style="list-style-type: none"> GST is levied on taxable imports and supplies. 										
<i>GST rate</i>	<ul style="list-style-type: none"> 10% An additional 5% surtax applies on telecommunications services. Services of a travel agency or a travel coordinator, including the issuing of tickets for travel together with the sale of tickets by international transport services (air, sea, and land) are subject to a reduced rate of 7%. 										
<i>registration threshold</i>	<ul style="list-style-type: none"> A registered manufacturer, importer, or service provider who has an annual taxable turnover / expected annual turnover exceeding LRD3-million must register for GST. 										

<i>GST on imported services</i>	<ul style="list-style-type: none"> Resident companies are required to pay GST in respect of imported services rendered by non-resident companies.
trade marks	
international conventions, treaties, and arrangements	<ul style="list-style-type: none"> African Regional Intellectual Property Organization Madrid Agreement and Protocol (considered to be effective in Liberia) Paris Convention for the Protection of Industrial Property World Intellectual Property Organization Convention
classification	<ul style="list-style-type: none"> The International Classification of Goods and Services (Nice Classification) applies. A single application may cover more than one class.
categories of trade marks	<ul style="list-style-type: none"> Provision is made for: <ul style="list-style-type: none"> goods and service marks; collective marks; and certification trade marks.
filing requirements	<ul style="list-style-type: none"> Power of Attorney incorporating a Declaration legalised up to a Liberian Consul or with an Apostille in accordance with the provisions of the Hague Convention; Oath, legalised up to a Liberian Consul or with an Apostille in accordance with the provisions of the Hague Convention; eight prints, even for word marks in ordinary type; and certified copy of priority document (if applicable), with verified English translation.
procedure	<ul style="list-style-type: none"> Applications are examined as to formal requirements and prior conflicting trade marks.
oppositions	<ul style="list-style-type: none"> Any interested person may file with the Director General a notice of opposition. The Director General shall notify the opposition to the applicant and, within the period of three months and in the prescribed manner, the applicant may send to the Director General a reply to the opposition.
duration and renewal	<ul style="list-style-type: none"> A trade mark registration is effective for an initial period of 10 years and, thereafter, renewable for further periods of 10 years.

ENS is a full-service law firm with significant experience and specialist expertise that spans all commercial areas of law, tax, forensics, and IP across Africa. For more information or assistance please contact:

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