



LIBERIA – EU BUSINESS FORUM

PRESENTATION ON FINANCING AND
INVESTMENT OPPORTUNITIES IN
INFRASTRUCTURE IN LIBERIA'S ENERGY AND
TRANSPORT SECTORS

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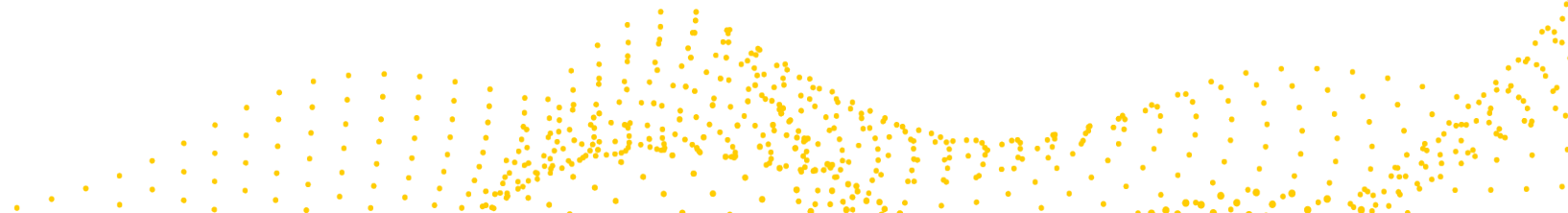


Agenda

- World Bank's Assessment of the infrastructure Challenges of Liberia (2010)
- Liberia's Economic Outlook at a glance
- The ARREST Agenda (The Energy and Transport Sectors)
- Challenges & Opportunities in Liberia's energy and transport sectors
- The Role of the Central Bank of Liberia
- Q&A

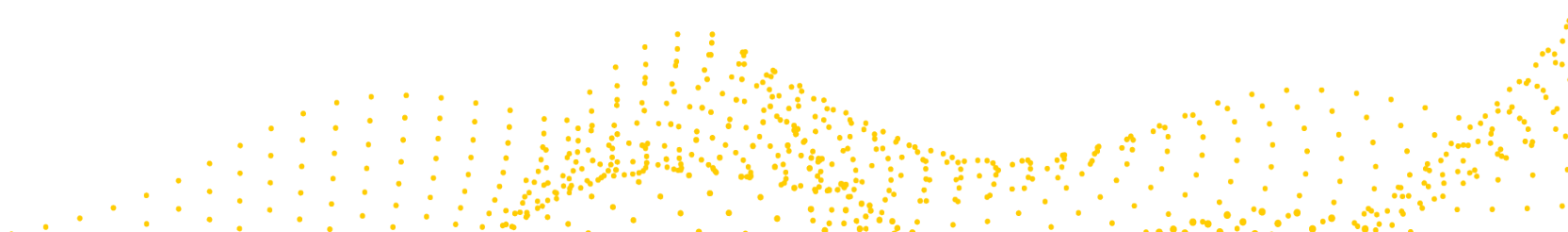
Initial World Bank's Assessment of the Infrastructure Challenges of Liberia

- ❑ The initial World Bank's assessment summarizes Liberia's infrastructure challenges as follows: “Liberia still faces significant infrastructure challenges – particularly in energy (generation, transmission, distribution) and transport (roads, rail, ports, logistics). These sectors are key bottlenecks for economic growth, job creation, and regional trade connectivity”.
- ❑ Successive governments have made significant progress in addressing the infrastructure needs of the country, particularly roads connectivity and energy.



Liberia's Economic Outlook at a glance

- GDP Growth: 5.1% in 2025 from 4.0% in 2024
- Key growth drivers in 2025
 - ❖ Iron production surge by 171% (4.2MT to 11.4MT)
 - ❖ Gold production increased by 5.2% to 388,379 oz
- Outlook: Economy to grow by 5.4%, while inflation is projected at 5% in the medium term



The ARREST Agenda's components on Energy and Transport Sectors

□ Strategic Policy 10: Energy


- ❖ Strategic Objective: Ensure sustainable energy access for the population and businesses, while guaranteeing energy security.

□ Strategic Policy 8: Transport & Logistics

- ❖ Strategic Objective: *Enhance the efficiency and reliability of the transportation network, facilitating the movement of goods and people.*




Energy Sector Opportunities

- ❑ Challenges: Low electricity access, reliance on imported fuel
 - ❑ Opportunities:
 - ❖ Renewable energy (solar, hydro, biomass)
 - ❖ Transmission & distribution expansion
 - ❖ Off-grid rural electrification
 - ❖ Clean cooking technologies
 - ❑ Strategic Objective: *Ensure sustainable energy access for the population and businesses, while guaranteeing energy security*
 - This sector plays a critical role in Liberia's economic transformation by providing reliable energy for economic activities, improving environmental management, and promoting sustainable use of natural resources. Energy is a fundamental driver of economic growth and development. ...
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Transport Sector Opportunities

- ❑ Challenges: Poor road networks, outdated ports, limited air connectivity.
- ❑ Opportunities:
 - ❖ Road rehabilitation & feeder roads
 - ❖ Port modernization (Monrovia, Buchanan, Sinoe & Maryland)
 - ❖ Airport upgrade to the International Civil Aviation Organization (ICAO) standards
 - ❖ Urban transport systems (bus rapid transit, logistics hubs, etc.)
- ❑ Financing Models: Sovereign budget allocations, Public Private Partnerships, AfDB/World Bank support
 - ❖ Strategic Objective: Enhance the efficiency and reliability of the transportation network, facilitating the movement of goods and people.
 - This includes improving road, rail, and port infrastructure to support trade and economic activities. By developing a robust logistics framework, the AAID aims to reduce transportation costs, improve access to markets, and boost regional and international trade

Role of the Central Bank of Liberia

- ❑ Development Finance Section (DFS): Supports real-sector projects
 - ❑ Policy Instruments:
 - ❖ Credit guarantee schemes
 - ❖ Incentives for renewable energy & transport
 - ❖ Collaboration with Commercial Banks for long-term financing
 - ❑ Goal: Mobilize capital, foster partnerships, ensure financial stability
 - ❖ The Central Bank of Liberia by law cannot directly finance Government infrastructure projects, but can:
 - Maintain Monetary and Exchange Rate Stability as an Investment Anchor
 - Preserve macroeconomic stability as the most important indirect contribution to infrastructure finance by:
 - (i) Maintaining price stability.
 - (ii) Managing liquidity to avoid crowding out private credit.
 - (iii) Strengthening foreign reserve buffers to stabilize investors' expectations.
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Risks & Mitigation

- ❑ Risks: Debt sustainability, governance challenges, currency volatility,
- ❑ Mitigation Strategies:
 - ❖ Strengthen PPP frameworks
 - ❖ Transparent procurement processes
 - ❖ Regional integration to expand markets
 - ❖ Stable macroeconomic environment (low inflation, stable exchange rate, etc)
 - ❖ Deepen Monetary-Fiscal Policy Coordination
 - ❖ Effective legal system



Conclusion:

- ❑ Liberia's energy & transport sectors present high potential investment opportunities
 - ❑ The Central Bank of Liberia is committed to:
 - ❖ Mobilizing financing
 - ❖ Supporting private sector participants
 - ❖ Ensuring infrastructure-led growth
 - ❑ Working with Multilateral Development Finance Institutions
 - ❖ World Bank / IDA
 - ❖ African Development Bank (AfDB)
 - ❖ European Investment Bank (EIB)
 - ❖ Ecowas Bank for Investment & Development (EBID)
 - ❖ Afreximbank
 - ❖ Arab Bank for Development & Investment
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Final Words

- The Liberian banking system does have the financial resources to support government's infrastructure projects, but this will require addressing the legacy issues and building the commercial banks' trust in government's debt or borrowing instruments.



THANK YOU FOR YOUR ATTENTION

