

A World Bank Group Flagship Report

16TH EDITION

# DOING BUSINESS 2019

## Training for Reform

Economy Profile  
**Liberia**



Comparing Business Regulation  
for Domestic Firms in **190** Economies

## ***Economy Profile of Liberia***

*Doing Business 2019 Indicators  
(in order of appearance in the document)*

<b>Starting a business</b>	Procedures, time, cost and paid-in minimum capital to start a limited liability company
<b>Dealing with construction permits</b>	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
<b>Getting electricity</b>	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
<b>Registering property</b>	Procedures, time and cost to transfer a property and the quality of the land administration system
<b>Getting credit</b>	Movable collateral laws and credit information systems
<b>Protecting minority investors</b>	Minority shareholders' rights in related-party transactions and in corporate governance
<b>Paying taxes</b>	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
<b>Trading across borders</b>	Time and cost to export the product of comparative advantage and import auto parts
<b>Enforcing contracts</b>	Time and cost to resolve a commercial dispute and the quality of judicial processes
<b>Resolving insolvency</b>	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
<b>Labor market regulation</b>	Flexibility in employment regulation and aspects of job quality

## About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

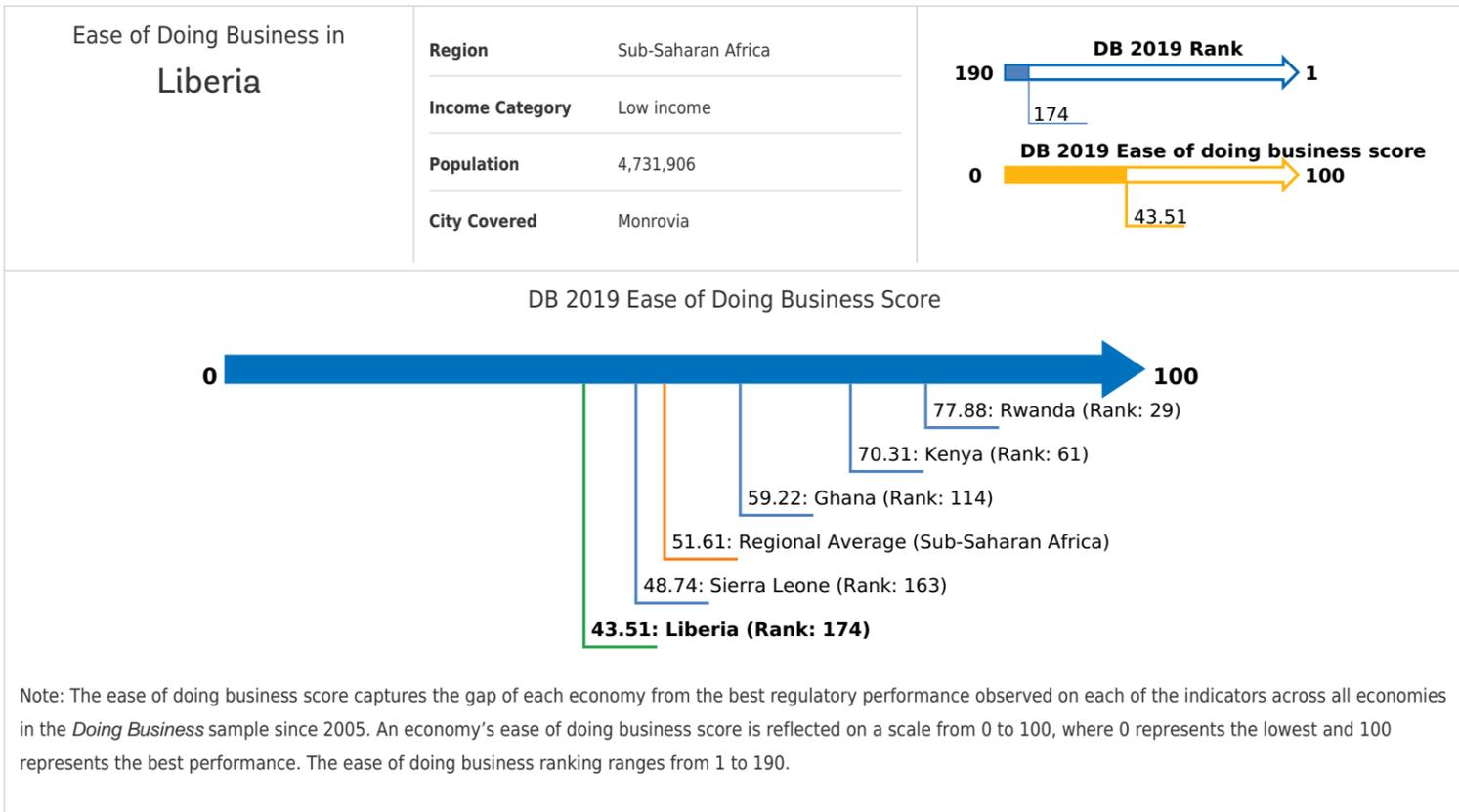
*Doing Business* captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

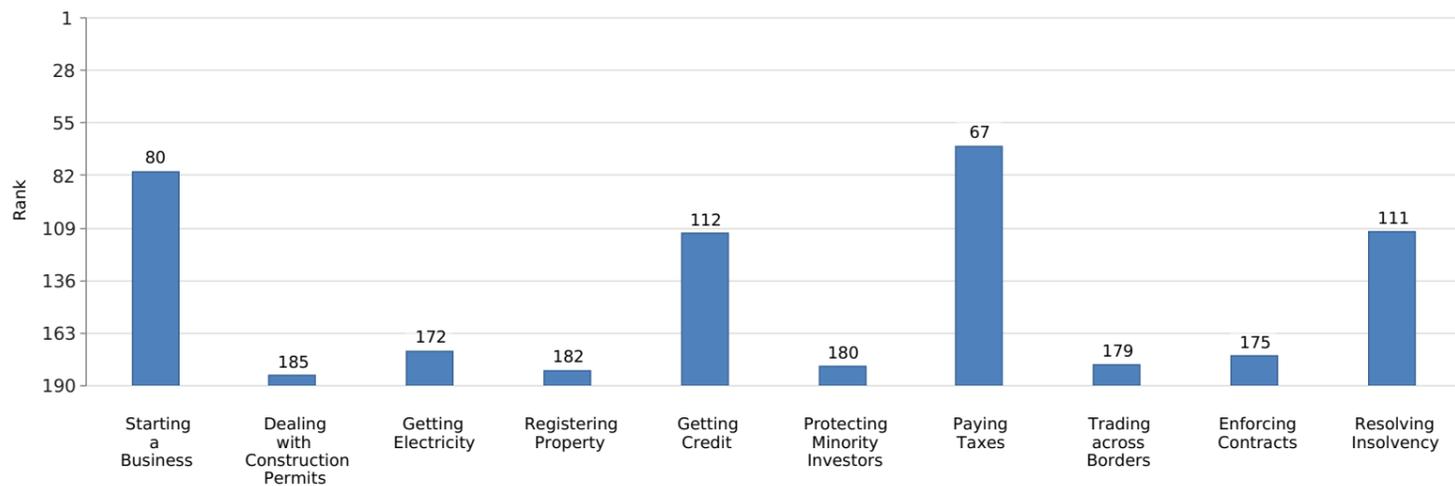
In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

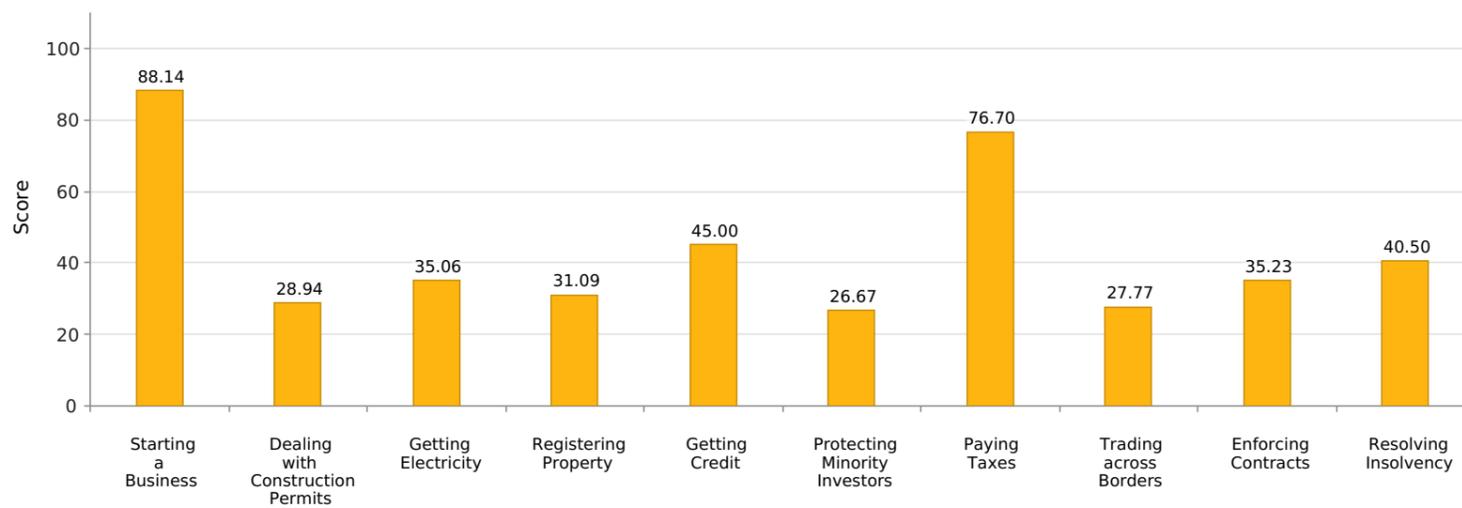
More about [Doing Business](#) (PDF, 5MB)



**Rankings on Doing Business topics - Liberia**



**Ease of Doing Business Score on Doing Business topics - Liberia**



## Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally start and formally operate a company (number)</b></p> <ul style="list-style-type: none"> <li>• Preregistration (for example, name verification or reservation, notarization)</li> <li>• Registration in the economy's largest business city</li> <li>• Postregistration (for example, social security registration, company seal)</li> <li>• Obtaining approval from spouse to start a business or to leave the home to register the company</li> <li>• Obtaining any gender specific document for company registration and operation or national identification card</li> </ul> <p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day (2 procedures cannot start on the same day)</li> <li>• Procedures fully completed online are recorded as ½ day</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul> <p><b>Cost required to complete each procedure (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Official costs only, no bribes</li> <li>• No professional fees unless services required by law or commonly used in practice</li> </ul> <p><b>Paid-in minimum capital (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Funds deposited in a bank or with third party before registration or up to 3 months after incorporation</li> </ul>	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p><b>The business:</b></p> <ul style="list-style-type: none"> <li>- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.</li> <li>- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- The entire office space is approximately 929 square meters (10,000 square feet).</li> <li>- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.</li> <li>- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.</li> <li>- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.</li> <li>- Does not qualify for investment incentives or any special benefits.</li> <li>- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.</li> <li>- Has a company deed that is 10 pages long.</li> </ul> <p><b>The owners:</b></p> <ul style="list-style-type: none"> <li>- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.</li> <li>- Are sane, competent, in good health and have no criminal record.</li> <li>- Are married and the marriage is monogamous and registered with the authorities.</li> <li>- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.</li> </ul>

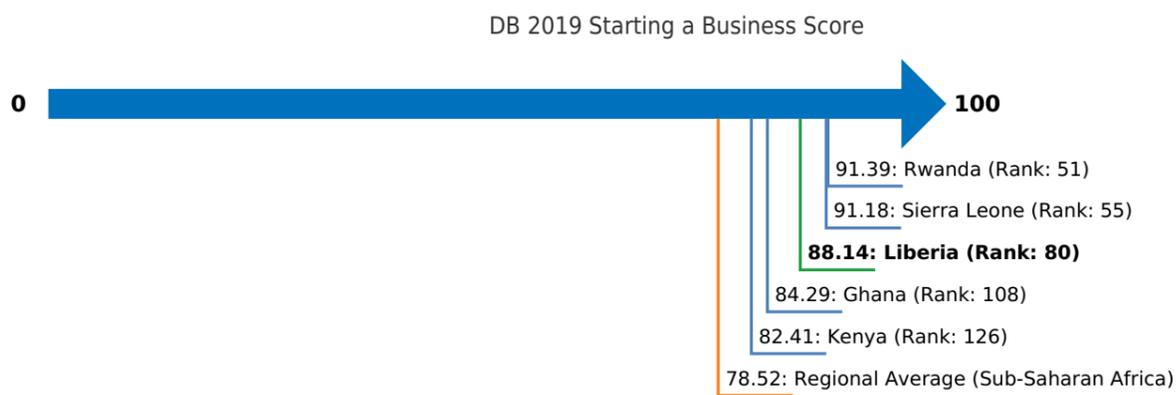
Starting a Business - Liberia

Standardized Company

Legal form	Private Limited Company
Paid-in minimum capital requirement	LRD 0
City Covered	Monrovia

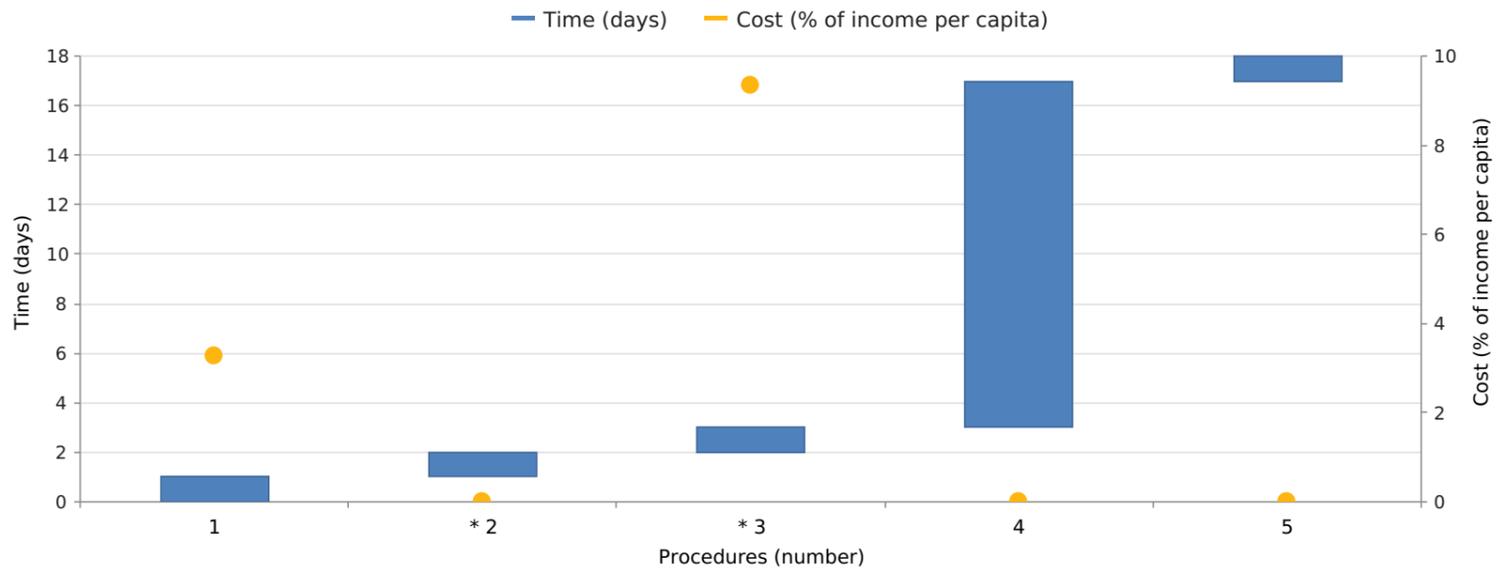
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Procedure - Men (number)	5	7.4	4.9	1 (New Zealand)
Time - Men (days)	18	23.3	9.3	0.5 (New Zealand)
Cost - Men (% of income per capita)	12.6	44.4	3.1	0.0 (Slovenia)
Procedure - Women (number)	5	7.6	4.9	1 (New Zealand)
Time - Women (days)	18	23.4	9.3	0.5 (New Zealand)
Cost - Women (% of income per capita)	12.6	44.4	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	10.0	8.6	0.0 (117 Economies)

Figure - Starting a Business in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Liberia - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

## Details - Starting a Business in Liberia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Reserve a unique company name</b>  <i>Agency</i> : Liberia Business Registry            The applicant can search the name online or at the Liberian Business Registry (LBR) helpdesk. The reservation of the name costs LRD 1,400 and lasts for 120 days.</p>	1 day	LRD 1,400
⇒ 2	<p><b>Register at the Liberia Business Registry</b>  <i>Agency</i> : Liberia Business Registry            The entrepreneur submits the company registration application to the Liberia Business Registry (LBR) office. The application must include the following documents:            Consolidated application for a limited liability company contains:            1. Registration Form (RF – 001)            2. Articles of incorporation            3. Copy of ID documents as attachments to forms A or B            4. Additional parts:            - Empowered person form (A) or Registered agent form (B) in case of a company representative            - Incorporator(s) form (E)            - Shares and shareholder(s) form (F)            - Information for TAX authority form (Q)</p> <p>LBR officers review the application and request the Tax Identification Number (TIN) and BPS from the Ministry of Finance on behalf of the entrepreneur.</p>	1 day (simultaneous with previous procedure)	no charge
⇒ 3	<p><b>Pay fees and obtain proof of payment</b>  <i>Agency</i> : Liberia Business Registry (Central Bank window)            The entrepreneur proceeds to the bank window in order to pay the associated registration fees. Upon payment of the fee, the Bank officer issues a flag receipt of the Government of Liberia as proof of payment. This receipt has to be returned to the initial officer who accepted the application.</p>	1 day (simultaneous with previous procedure)	LRD 4,000
4	<p><b>Receive the Business Registration Certificate</b>  <i>Agency</i> : Liberia Business Registry            The entrepreneur returns to the Liberia Business Registry office to submit the proof of fee payment. The officer then journalizes the dossier and provides the entrepreneur with the receipt slip, thereby approving the dossier for processing. The entrepreneur can track the status of the application online; and upon approval, the company receives a Business Registration Certificate. The amount of LRD 4,000 is charged for business registration. As of June 27 2012, companies no longer need to pay a fee of LRD 4,200 for the business license.</p>	14 days	no charge
5	<p><b>Registration with the National Association of Social Security</b>  <i>Agency</i> : National Association of Social Security (NASSCORP)</p>	1 day	no charge

⇒ Takes place simultaneously with previous procedure.

## Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally build a warehouse (number)</b></p> <ul style="list-style-type: none"> <li>• Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates</li> <li>• Submitting all required notifications and receiving all necessary inspections</li> <li>• Obtaining utility connections for water and sewerage</li> <li>• Registering and selling the warehouse after its completion</li> </ul>	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The construction company (BuildCo):</b></p> <ul style="list-style-type: none"> <li>- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.</li> <li>- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.</li> </ul>
<p><b>Cost required to complete each procedure (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Official costs only, no bribes</li> </ul>	<p><b>The warehouse:</b></p> <ul style="list-style-type: none"> <li>- Will be used for general storage activities, such as storage of books or stationery.</li> <li>- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.</li> <li>- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.</li> <li>- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).</li> </ul>
<p><b>Building quality control index (0-15)</b></p> <ul style="list-style-type: none"> <li>• Quality of building regulations (0-2)</li> <li>• Quality control before construction (0-1)</li> <li>• Quality control during construction (0-3)</li> <li>• Quality control after construction (0-3)</li> <li>• Liability and insurance regimes (0-2)</li> <li>• Professional certifications (0-4)</li> </ul>	<p><b>The water and sewerage connections:</b></p> <ul style="list-style-type: none"> <li>- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.</li> <li>- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.</li> <li>- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.</li> </ul>

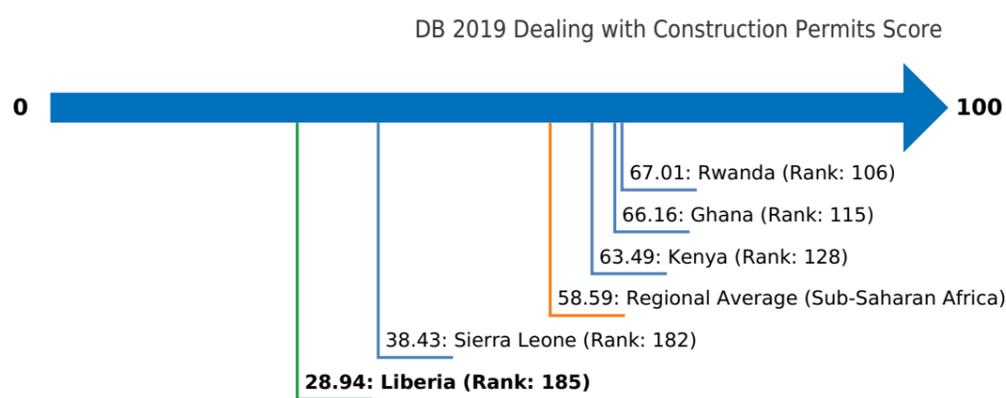
Dealing with Construction Permits - Liberia

Standardized Warehouse

Estimated value of warehouse	LRD 2,141,300
City Covered	Monrovia

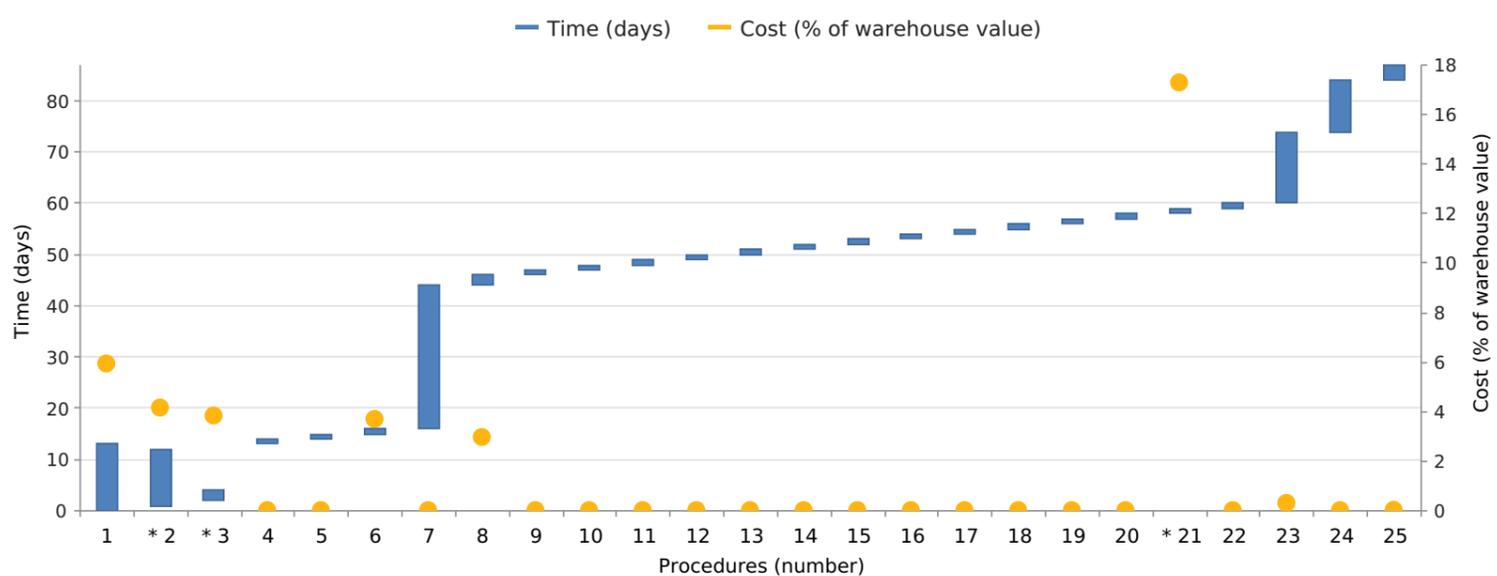
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Procedures (number)	25	14.7	12.7	None in 2017/18
Time (days)	87	145.7	153.1	None in 2017/18
Cost (% of warehouse value)	38.1	8.8	1.5	None in 2017/18
Building quality control index (0-15)	2.0	8.5	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

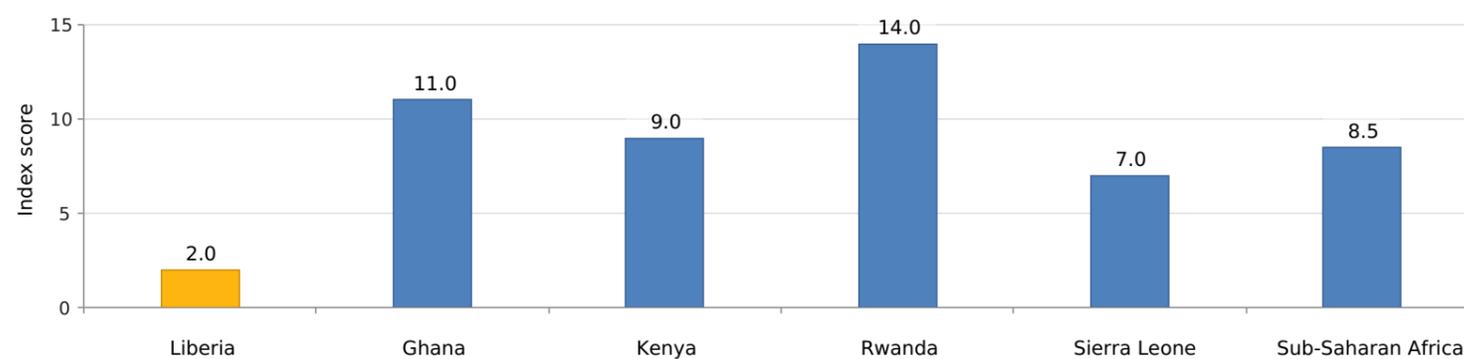
Figure - Dealing with Construction Permits in Liberia - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Liberia and comparator economies - Measure of Quality



## Details - Dealing with Construction Permits in Liberia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Obtain an environmental clearance</b>  <i>Agency : Environmental Protection Agency</i>            The environmental clearance must be obtained before requesting the building plans approval by the Ministry of Public Works.</p>	13 days	USD 1,125
⇒ 2	<p><b>Obtain a geo-technical study/soil test</b>  <i>Agency : Private firm</i>            A geo-technical study / soil test is mandatory to obtain a building permit in Monrovia</p>	11 days	USD 788
⇒ 3	<p><b>Obtain a topographical survey of the land</b>  <i>Agency : Private surveyor</i>            A topographical survey is done to study the slope of the land for the design of the building plans, mainly the water and sewage.</p>	2 days	USD 725
4	<p><b>Submit plans to Ministry of Public Works</b>  <i>Agency : Ministry of Public Works (MPW)</i>            The application file should include 2 copies of the site plan; letter of request addressed to the Deputy Minister; the land deed; and the architectural, structural, and mechanical drawings. These documents are passed from one official to another for approval at the Ministry of Public Works (MPW) before the building permit is issued. Physically all departments are located in different parts of the city which may delay the approval.</p> <p>The documents are submitted internally at the MPW in the following order:</p> <ul style="list-style-type: none"> <li>• Office of the Deputy Minister, Technical Services</li> <li>• Office of the Assistant Minister, Technical Services (initial recipient)</li> <li>• Land-Use Planning and Zoning Division (initial site plan and document review).</li> </ul> <p>There are no thorough checks with the National Archives on the authenticity of the land documents, ensuring that is the responsibility of the owner of the warehouse.</p> <ul style="list-style-type: none"> <li>• Chief of Zoning (physical site approval)</li> <li>• Chief of Architecture (design approval)</li> <li>• Chief of Electromechanical Engineering (electrical and mechanical approval)</li> <li>• Chief of Engineering (structural approval and billing)</li> <li>• Finance Section (payments)</li> <li>• Land-Use Planning and Programming (signature on permit)</li> <li>• Office of the Deputy Minister, Technical Services (permit attached)</li> </ul> <p>A temporary building permit can be granted after the second step above, when the Land-Use Planning and Zoning Division conducts an initial site plan and document review. This temporary permit can be obtained within one week. It is granted for a maximum of 90 days, but this is an exception rather than the rule. In practice, a permit is accorded after all steps mentioned above have been completed. As a result of the weak enforcement of building regulations, partly a result of the post-conflict situation, many private construction projects take place without following the official guidelines.</p>	1 day	no charge
5	<p><b>Receive inspection from Ministry of Public Works (Zoning Division)</b>  <i>Agency : Ministry of Public Works (Zoning Division)</i>            It takes about 3 days for the Zoning Division to process an application. The Zoning Division will contact the applicant to inform them that they will need an inspection. There are only 4 inspectors and resources are limited, so the applicant has to provide transportation for them.</p>	1 day	no charge
6	<p><b>Obtain payment slip from the Ministry of Public Works</b>  <i>Agency : Ministry of Public Works (MPW)</i>            Once all the technical departments have reviewed the application, the Finance Department creates a payment slip. BuildCo must pick up the payment slip and then go the Central Bank to pay the fees. The fee for design approval for commercial buildings is USD 0.05 per sq. ft.</p>	1 day	USD 700

7	<p><b>Obtain construction permit from the Ministry of Public Works</b>  <i>Agency : Ministry of Public Works (MPW)</i>  BuildCo must return to the Ministry of Public Works (MPW) with the payment receipt and the application is then processed for final approval. The process at the MPW from submission of plans (procedure 1) to approval used to take 3 months, but reforms introduced in 2008 reduced the processing time for simple building permits to 1 month. The MPW established a 30-day statutory time limit for the issuance of building permits. The MPW also introduced a checklist to clearly define all of the documents required to complete the application. Now all applications are scrutinized on submission to check for completeness and accuracy before being forwarded for processing. The reform eliminated the Minister's signature on building permits for simple construction projects. By rule, the Minister's consent is only required for projects with a value greater than USD 1 million or that involve a foreign government. However, in practice the Minister or Deputy Minister still approves projects that are less than USD 1 million in value.</p>	28 days	no charge
8	<p><b>Obtain construction clearance from the City Corporation of Monrovia</b>  <i>Agency : City Corporation of Monrovia</i>  After obtaining the design approval from the MPW, BuildCo must obtain a separate construction clearance from the Planning Department at the City Corporation of Monrovia. The Planning Department takes 1 day to review the plans and then prepares a payment slip which is usually paid the next day.</p> <p>City Corporation of Monrovia as of May 1, 2009 abolished 3% fee charge, based on project value, for issuing a building permit and replaced it with a fixed fee of USD 0.04 per sq. ft. for new commercial and industrial construction projects.</p> <p>However, practitioners note that this fee is "negotiable". Applicants can pay a less amount, which is official, for a clearance that will last for a shorter period of time. There are no fee schedules posted at the City Corporation and often, builders are asked to pay much higher fees.</p>	2 days	USD 560
9	<p><b>Receive inspection from the Ministry of Public Works - I</b>  <i>Agency : Ministry of Public Works (MPW)</i>  The construction of the warehouse can commence after the building permit is obtained. There is no requirement to request inspections at any stage of the construction process. However, building inspectors and engineers are often dispatched from the Ministry of Public Works to inspect construction sites to see to what extent the construction conforms with the originally submitted drawings. Over the course of 6 -- 7 months, inspections occur randomly at a rate of every 3 weeks or as often as every week. Construction work stops only if the plans have not been complied with.</p>	1 day	no charge
10	<p><b>Receive inspection from the Ministry of Public Works - II</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
11	<p><b>Receive inspection from the Ministry of Public Works - III</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
12	<p><b>Receive inspection from the Ministry of Public Works - IV</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
13	<p><b>Receive inspection from the Ministry of Public Works - V</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
14	<p><b>Receive inspection from the Ministry of Public Works - VI</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
15	<p><b>Receive inspection from the Ministry of Public Works - VII</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
16	<p><b>Receive inspection from the Ministry of Public Works - VIII</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
17	<p><b>Receive inspection from the Ministry of Public Works - IX</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
18	<p><b>Receive inspection from the Ministry of Public Works - X</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
19	<p><b>Receive inspection from the Ministry of Public Works - XI</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
20	<p><b>Receive inspection from the Ministry of Public Works - XII</b>  <i>Agency : Ministry of Public Works (MPW)</i></p>	1 day	no charge
⇒ 21	<p><b>Install the septic tank</b>  <i>Agency : Liberia Water and Sewer Corporation (LWSC)</i></p>	1 day	USD 3,281

22	<p><b>Receive inspection from the Liberia Water and Sewer Corporation</b></p> <p><i>Agency : Liberia Water and Sewer Corporation (LWSC)</i> The Liberia Water and Sewer Corporation inspects the site to prepare a cost estimate for the pipes and installation.</p>	1 day	no charge
23	<p><b>Obtain water and sewage connection</b></p> <p><i>Agency : Liberia Water and Sewer Corporation (LWSC)</i> Water connections can be made if existing pipelines pass through the construction site. If that is the case, then the water connection should take 1 -- 2 weeks. The cost for water connection includes LRD 250.00 for the connection itself and USD 50.00 for the meter. If a water pipeline does not pass through the area, then BuildCo must buy all the necessary materials to extend an existing pipeline to the construction site before the connection is made. This will inevitably add cost and time to the utility connection process.</p>	14 days	USD 54
24	<p><b>Request and obtain occupancy permit</b></p> <p><i>Agency : Ministry of Public Works (MPW)</i> In the recent year the Ministry of Public Works started more rigorously enforcing the regulations of the Zoning Law. According to article 5. A of the Zoning Law all new building must obtain an occupancy permit before being used. Stricter enforcement has led to wider practice by companies to obtain the occupancy permit. This is issued within 10 days.</p>	10 days	no charge
25	<p><b>Register the building at the Probate Court</b></p> <p><i>Agency : Probate Court</i> This registration of the completed building occurs in two stages. First BuildCo must register the building with the Probate Court, similar to a notarization procedure. Registration at the Probate Court takes 3 days and costs LRD 300.00. The case considered here assumes that BuildCo does not employ a lawyer (lawyer's fees would amount to USD 250.00). Registration is not required, but companies do so to increase the resale value.</p>	3 days	LRD 300

→ Takes place simultaneously with previous procedure.

## Details - Dealing with Construction Permits in Liberia - Measure of Quality

	Answer	Score
<b>Building quality control index (0-15)</b>		<b>2.0</b>
<b>Quality of building regulations index (0-2)</b>		<b>0.0</b>
How accessible are building laws and regulations in your economy? (0-1)	Not easily accessible.	0.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid.	0.0
<b>Quality control before construction index (0-1)</b>		<b>1.0</b>
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
<b>Quality control during construction index (0-3)</b>		<b>0.0</b>
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Unscheduled inspections.	0.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are not always done in practice during construction; Mandatory inspections are done most of the time during construction.	0.0
<b>Quality control after construction index (0-3)</b>		<b>0.0</b>
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Final inspection is not required by law.	0.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection does not always occur in practice.	0.0
<b>Liability and insurance regimes index (0-2)</b>		<b>0.0</b>
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	No party is held liable under the law.	0.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
<b>Professional certifications index (0-4)</b>		<b>1.0</b>
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	University degree in architecture or engineering; Being a registered architect or engineer.	1.0
What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	Being a registered architect or engineer.	0.0

## ⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

#### Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

#### The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

#### Price of electricity (cents per kilowatt-hour)\*

- Price based on monthly bill for commercial warehouse in case study

\*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

#### The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

#### The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

#### The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

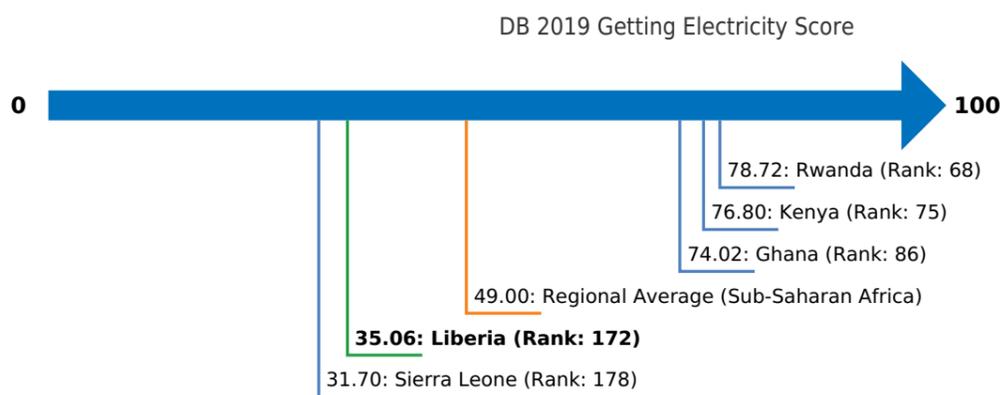
Getting Electricity - Liberia

Standardized Connection

Price of electricity (US cents per kWh)	39.0
Name of utility	Liberia Electricity Corporation (LEC)
City Covered	Monrovia

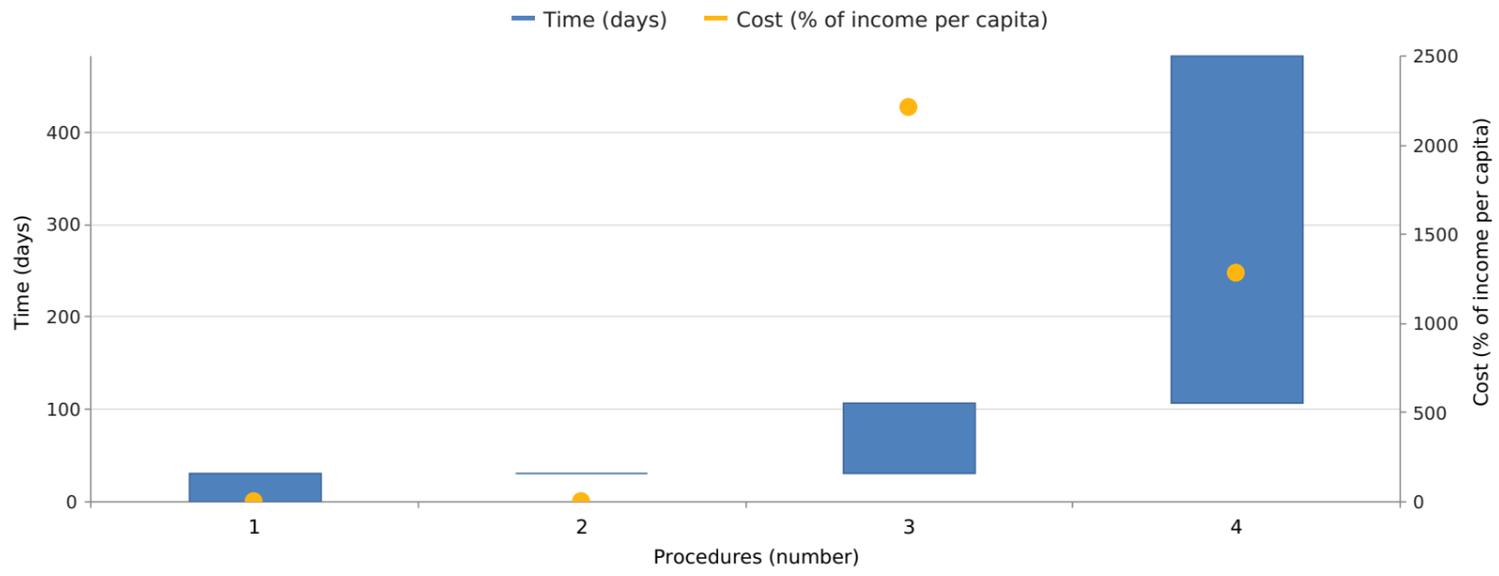
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Procedures (number)	4	5.2	4.5	3 (25 Economies)
Time (days)	482	112.0	77.2	18 (3 Economies)
Cost (% of income per capita)	3491.7	3456.5	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	0	1.6	7.5	8.0 (27 Economies)

Figure - Getting Electricity in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

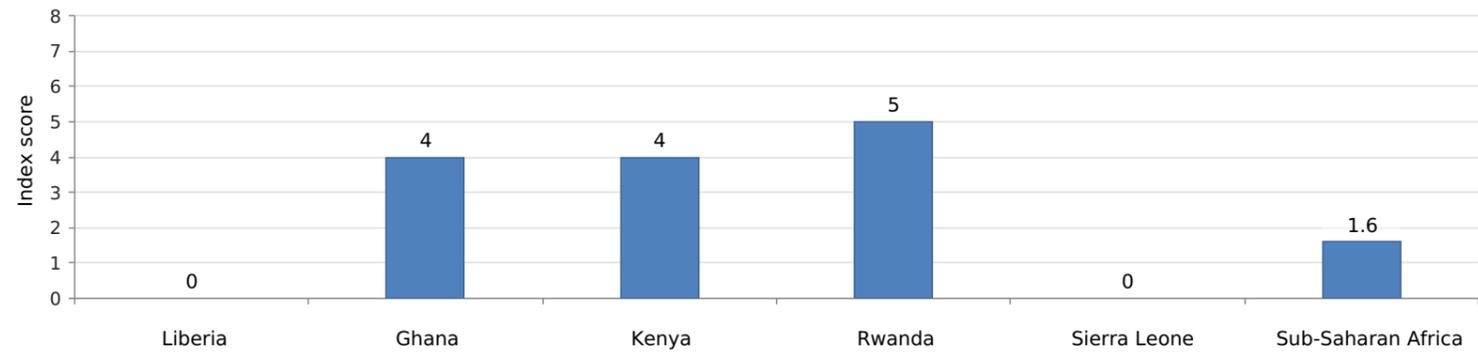
Figure - Getting Electricity in Liberia - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Getting Electricity in Liberia and comparator economies - Measure of Quality



## Details - Getting Electricity in Liberia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Submit application to LEC and await estimate</b>  <i>Agency</i> : Liberia Electricity Corporation (LEC), Monrovia            The company has to submit an application letter along with a copy of the business registration (in the future, also a photo) to the Customer Service Department. Customer service forwards the application letter to the commercial manager, who screens the application and forwards it to the Technical Department.</p>	30 calendar days	LRD 0
2	<p><b>Receive external inspection by LEC</b>  <i>Agency</i> : Liberia Electricity Corporation (LEC), Monrovia            The Technical Department will come out and inspect the premises. The main purpose of the inspection (as with most business-activity-related inspections in Liberia) is to prove that the business exists. The inspector will draw sketches of the location, etc. to determine Liberia Electricity Corporation's capacity to deliver power. Inspectors submit a report to their department, which then gets forwarded to the Commercial Department. Once the Commercial Department approves the application, it notifies the Computer section to prepare an invoice. Once the invoice is prepared, it gets sent back to the Commercial Department and they contact the customer to come pick up the invoice. The customer comes to LEC and signs a ledger to accept payment invoice.</p>	1 calendar day	LRD 0
3	<p><b>Obtain external works from LEC</b>  <i>Agency</i> : Liberia Electricity Corporation (LEC), Monrovia            Only Liberia Electricity Corporation (LEC) can carry out the external works. The utility currently has the material readily available in stock, which has greatly reduced delays by many months.            The works consist of expanding the overhead network by installing poles, a transformer and its accessories and extending wires to the warehouse.</p>	75 calendar days	USD 8,400
4	<p><b>Obtain internal wiring inspection, meter installation and final connection from LEC</b>  <i>Agency</i> : Liberia Electricity Corporation (LEC), Monrovia            When the external works have been completed, and the electrician has finished doing the internal installation, the utility will inspect the wiring and turn on the supply.            The client will need to pay a security deposit and a registration fee. The cost of the meter is included in the registration fee.             Security deposit: based on one month of consumption             Registration fee: There is also a registration fee equivalent to 20% of the Bill of Quantity. When the type of material and the quantity needed has been determined, and also what needs to be done, and the labor cost, the customer will be required to pay a registration fee equivalent to 20% of the Bill of Quantity.</p>	376 calendar days	USD 4,868.27

→ Takes place simultaneously with previous procedure.

## Details - Getting Electricity in Liberia - Measure of Quality

	Answer
<b>Reliability of supply and transparency of tariff index (0-8)</b>	0
<b>Total duration and frequency of outages per customer a year (0-3)</b>	0
System average interruption duration index (SAIDI)	..
System average interruption frequency index (SAIFI)	..
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	N/A
<b>Mechanisms for monitoring outages (0-1)</b>	0
Does the distribution utility use automated tools to monitor outages?	No
<b>Mechanisms for restoring service (0-1)</b>	0
Does the distribution utility use automated tools to restore service?	No
<b>Regulatory monitoring (0-1)</b>	0
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	No
<b>Financial deterrents aimed at limiting outages (0-1)</b>	0
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	No
<b>Communication of tariffs and tariff changes (0-1)</b>	0
Are effective tariffs available online?	No
Link to the website, if available online	n.a
Are customers notified of a change in tariff ahead of the billing cycle?	No

**Note:**

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

## Registering Property

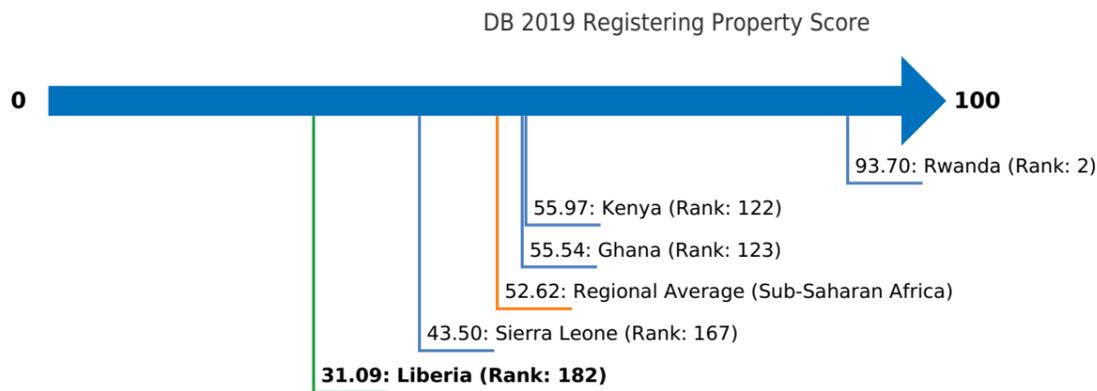
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally transfer title on immovable property (number)</b></p> <ul style="list-style-type: none"> <li>• Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)</li> <li>• Registration procedures in the economy's largest business city.</li> <li>• Postregistration procedures (for example, filling title with municipality)</li> </ul>	<p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The parties (buyer and seller):</b></p> <ul style="list-style-type: none"> <li>- Are limited liability companies (or the legal equivalent).</li> <li>- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Are 100% domestically and privately owned.</li> <li>- Have 50 employees each, all of whom are nationals.</li> <li>- Perform general commercial activities.</li> </ul>
<p><b>Cost required to complete each procedure (% of property value)</b></p> <ul style="list-style-type: none"> <li>• Official costs only (such as administrative fees, duties and taxes).</li> <li>• Value Added Tax, Capital Gains Tax and illicit payments are excluded</li> </ul>	<p><b>The property (fully owned by the seller):</b></p> <ul style="list-style-type: none"> <li>- Has a value of 50 times income per capita, which equals the sale price.</li> <li>- Is fully owned by the seller.</li> <li>- Has no mortgages attached and has been under the same ownership for the past 10 years.</li> <li>- Is registered in the land registry or cadastre, or both, and is free of title disputes.</li> <li>- Is located in a periurban commercial zone, and no rezoning is required.</li> <li>- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.</li> <li>- Will not be subject to renovations or additional construction following the purchase.</li> <li>- Has no trees, natural water sources, natural reserves or historical monuments of any kind.</li> <li>- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.</li> <li>- Has no occupants, and no other party holds a legal interest in it.</li> </ul>
<p><b>Quality of land administration index (0-30)</b></p> <ul style="list-style-type: none"> <li>• Reliability of infrastructure index (0-8)</li> <li>• Transparency of information index (0-6)</li> <li>• Geographic coverage index (0-8)</li> <li>• Land dispute resolution index (0-8)</li> <li>• Equal access to property rights index (-2-0)</li> </ul>	

Registering Property - Liberia

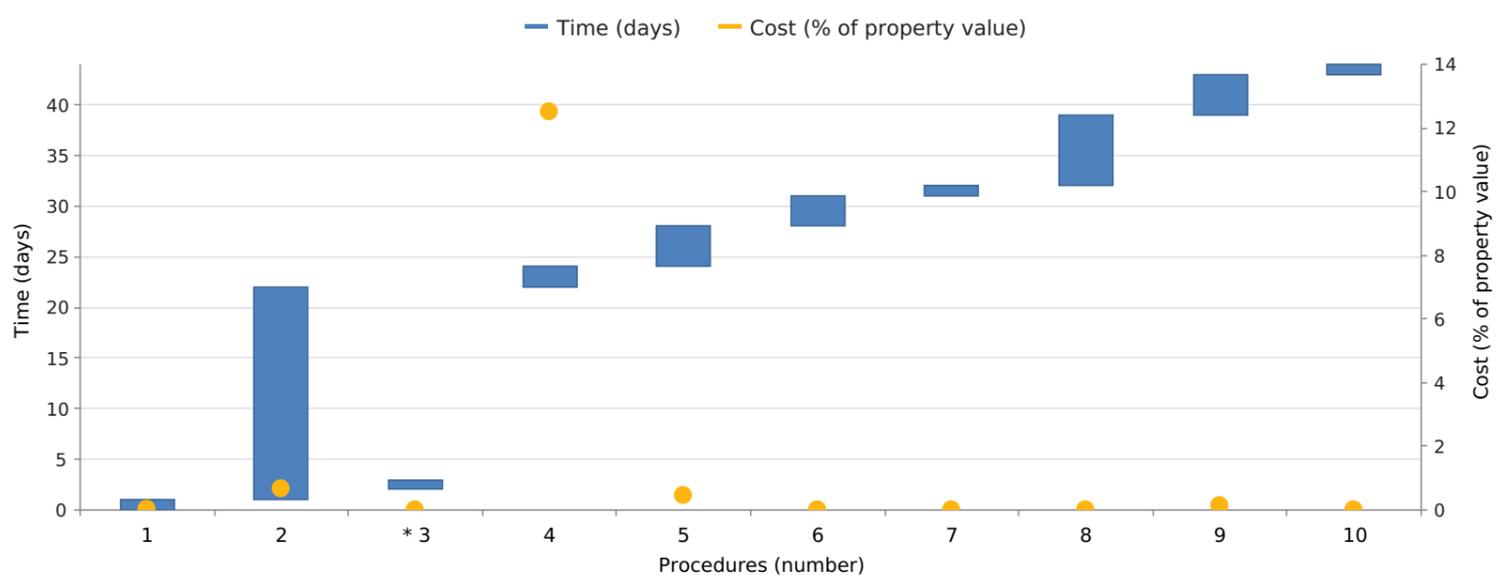
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Procedures (number)	10	6.2	4.7	1 (4 Economies)
Time (days)	44	53.9	20.1	1 (New Zealand)
Cost (% of property value)	13.8	7.6	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	3.5	8.8	23.0	None in 2017/18

Figure - Registering Property in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

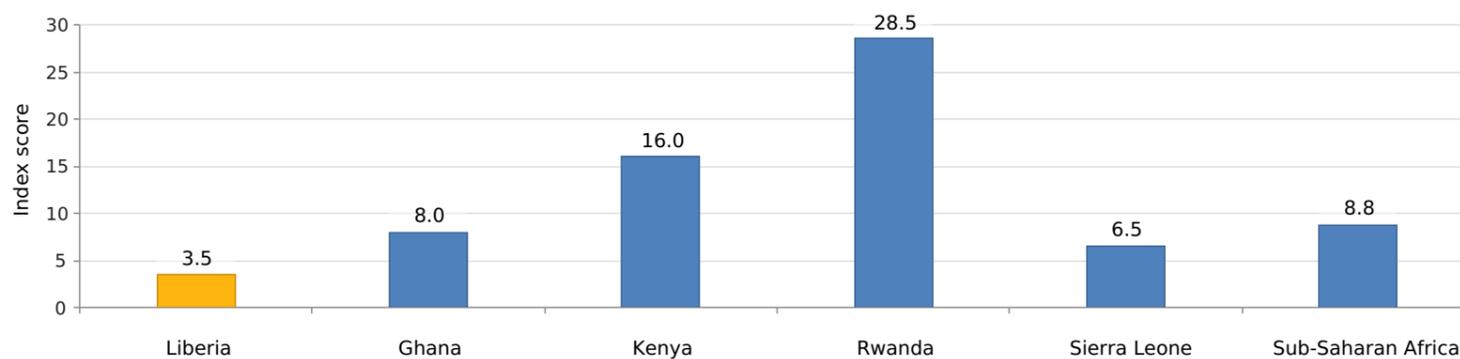
Figure - Registering Property in Liberia - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Liberia and comparator economies - Measure of Quality



## Details - Registering Property in Liberia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Obtain a Transfer deed form</b>  <i>Agency : Shop</i>            The parties obtain a Transfer deed form to provide to the surveyor who will be surveying that property. At that time, the seller will also provide a copy of the deed to the new owner. The transfer deed form can be obtained in shops.</p>	1 day	USD 4
2	<p><b>Buyer contacts a surveyor to survey the property</b>  <i>Agency : Private licensed surveyor</i>            One of the requirements before transferring property in Liberia is to conduct a survey of that property by a licensed surveyor. The potential buyer will contact a certified surveyor to do the study of the property to be transferred. The property cannot be surveyed during the notice period. Any person wishing to introduce a claim of ownership on that property must come forward during the notice period. If there are no disputes recorded after the notice period, then the surveyor will conduct the survey of the property with the potential buyer as a witness, and anyone else who wishes to be present.</p>	21 days	USD 125
⇒ 3	<p><b>Publication of survey in newspaper and radio by the surveyor</b>  <i>Agency : Newspaper/radio</i>            By law, the surveyor must inform the public that the survey or re-survey of a particular property will be conducted on a set date. The notice will also provide the location of that property. The announcement is published in local newspapers and is also aired for 15 days. But the law is silent as to the length of this notice.</p>	1 day	included in Procedure 2
4	<p><b>Parties contract a lawyer to start the official transfer process</b>  <i>Agency : Lawyer</i>            The parties give the lawyer the deed on which the licensed surveyor has sketched the property. The transfer process will then start.</p>	2 days	USD 2,375; (10% - 15% property value)
5	<p><b>Lawyer visits Registry to check the status and ownership of the property</b>  <i>Agency : Center for National Documents &amp; Records / National Archives (CNDRA)</i>            The records are kept in ledgers, and the search for ownership is done manually by checking the ledgers. An application for the search of Deeds/Titles document is completed. It takes a week for CNDRA to search for the deeds. CNDRA will contact MOFA in case they do not have the entire file.</p>	4 days	USD 85
6	<p><b>Lawyer visits Bureau of Internal Revenue of the Ministry of Finance (Real Estate Division) to check for outstanding taxes on the property</b>  <i>Agency : Bureau of Internal Revenue at the Ministry of Finance</i>            The Real Estate Tax division will issue an official Tax Receipt evidencing that all delinquent real property taxes have been paid in full. This Tax Receipt is mandatory, as of June 1st, 2009 to have the deed probated at the Probate Court.</p>	3 days	no charge
7	<p><b>Parties sign the deed form at the lawyer's office</b>  <i>Agency : Lawyer</i>            Once all verifications are done by the lawyer to ensure that the property is free of all encumbrances and established the rightful owner of the property, both parties can now sign the deed, which will be probated at the Probate Court. The deed must have a vivid description of the building.</p>	1 day	no charge
8	<p><b>Lawyer visits Probate Court to request the transfer</b>  <i>Agency : Probate Court</i>            The lawyer visits the Probate Court to request the transfer (1 business day). The Court will then publish a notice of the transaction for 4 business days. If there are no objections, on the fifth business day, the lawyer can pick up the deed with the seal of approval from the Court. The Probate court rules state that only lawyers are allowed to submit the deed for probate.</p>	7 days	no charge

9	<b>Parties register the deed at the Registry</b> <i>Agency</i> : Land Registry The buyer will complete the Registration Form for Deeds and Titles Documents. A bill form will be provided at that time and payment is made at the MOF. Documents to be provided at the time of registration:  1. A copy of the Real Estate Tax receipt (obtained in procedure 6) 2. Flag receipt from the Ministry of Finance as proof of payment 3. Original and Two copies of Bill form 4. Probated Deed	4 days	USD 25
10	<b>Seller goes to Bureau of Internal Revenues to change the owner's name on the property</b> <i>Agency</i> : Bureau of Internal Revenues The parties will change the ownership name at the Bureau of Internal Revenues. It is in the interest of the seller to ensure that the name is adjusted so that the new owner is responsible for future taxes.	1 day	no charge

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→ Takes place simultaneously with previous procedure.

## Details - Registering Property in Liberia - Measure of Quality

	Answer	Score
<b>Reliability of infrastructure index (0-8)</b>		<b>0.0</b>
What is the institution in charge of immovable property registration?	CENDRA	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Ministry of Lands, Mines and Energy	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	No	0.0
<b>Transparency of information index (0-6)</b>		<b>1.0</b>
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Only intermediaries and interested parties	0.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, on public boards	0.5
Link for online access:		
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	<a href="http://www.cndra.gov.lr/CSC-COST.php?main=30&amp;related=30&amp;pg=mp">http://www.cndra.gov.lr/CSC-COST.php?main=30&amp;related=30&amp;pg=mp</a>	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	Yes, in person	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No	0.0
Link for online access:		

Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
<b>Geographic coverage index (0-8)</b>		<b>0.0</b>
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	No	0.0
<b>Land dispute resolution index (0-8)</b>		<b>2.5</b>
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	No	0.0
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	Yes	0.5
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar;	
Does the legal system require verification of the identity of the parties to a property transaction?	No	0.0
If yes, who is responsible for verifying the identity of the parties?	No one;	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Magisterial Courts	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	More than 3 years	0.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
<b>Equal access to property rights index (-2-0)</b>		<b>0.0</b>
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

## Getting Credit

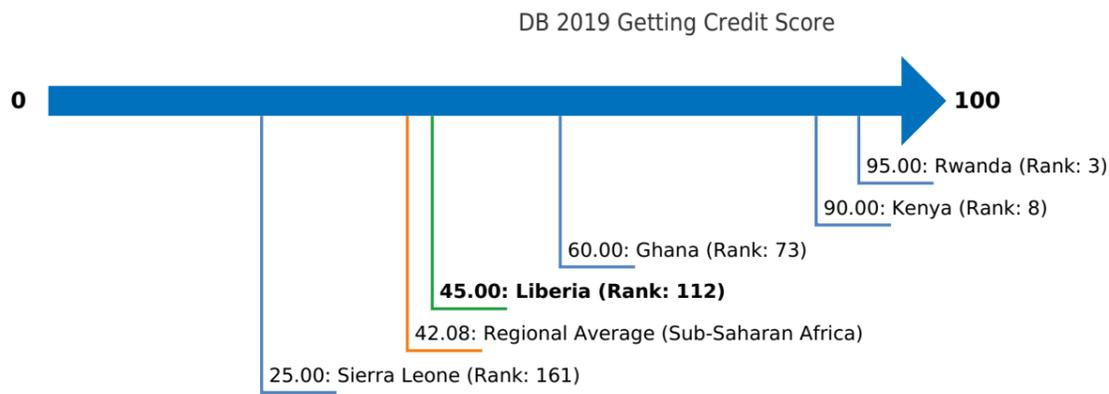
This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Strength of legal rights index (0-12)</b></p> <ul style="list-style-type: none"> <li>• Rights of borrowers and lenders through collateral laws (0-10)</li> <li>• Protection of secured creditors' rights through bankruptcy laws (0-2)</li> </ul> <p><b>Depth of credit information index (0-8)</b></p> <ul style="list-style-type: none"> <li>• Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)</li> </ul> <p><b>Credit bureau coverage (% of adults)</b></p> <ul style="list-style-type: none"> <li>• Number of individuals and firms listed in largest credit bureau as a percentage of adult population</li> </ul> <p><b>Credit registry coverage (% of adults)</b></p> <ul style="list-style-type: none"> <li>• Number of individuals and firms listed in credit registry as a percentage of adult population</li> </ul>	<p><i>Doing Business</i> assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.</p> <p>In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.</p> <p><b>Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:</b></p> <ul style="list-style-type: none"> <li>- ABC is a domestic limited liability company (or its legal equivalent).</li> <li>- ABC has up to 50 employees.</li> <li>- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Both ABC and BizBank are 100% domestically owned.</li> </ul> <p>The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).</p> <p>In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.</p>

Getting Credit - Liberia

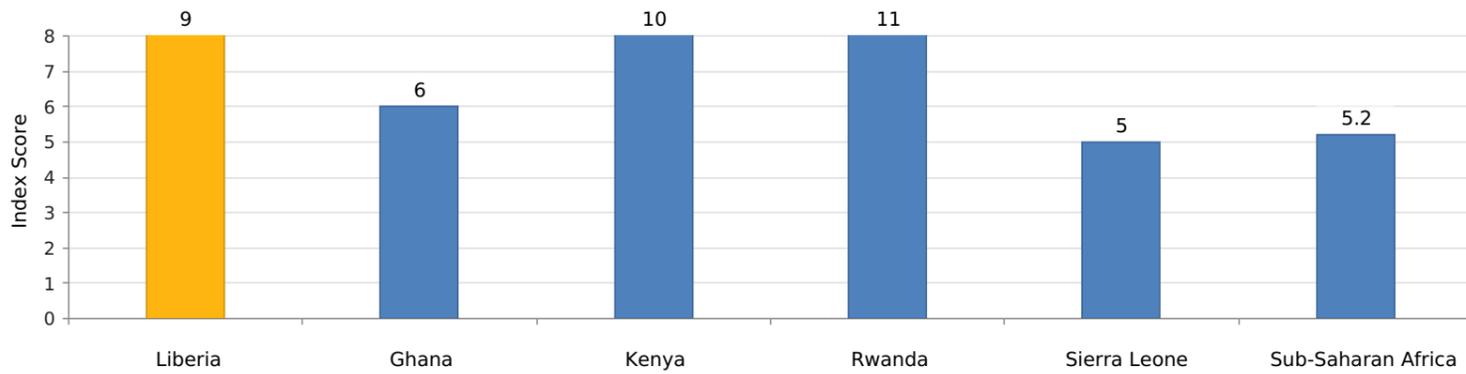
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	9	5.2	6.1	12 (5 Economies)
Depth of credit information index (0-8)	0	3.3	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	1.8	7.0	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	0	8.9	65.3	100.0 (25 Economies)

Figure - Getting Credit in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Liberia and comparator economies



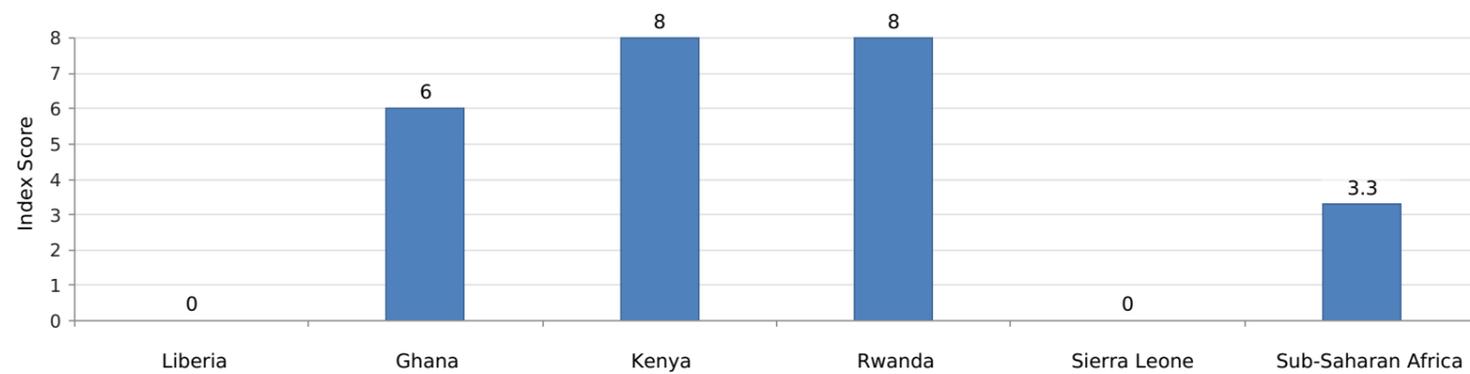
Details - Legal Rights in Liberia

Strength of legal rights index (0-12)

9

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	Yes
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	Yes
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	Yes
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	Yes
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	Yes
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	No
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	No
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	No

Figure - Credit Information in Liberia and comparator economies



## Details - Credit Information in Liberia

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	No	No	0
Are both positive and negative credit data distributed?	No	No	0
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	No	No	0
Are data on loan amounts below 1% of income per capita distributed?	No	No	0
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	No	No	0
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	No	No	0
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	No	No	0
<b>Total Score ("yes" to either public bureau or private registry)</b>			<b>0</b>

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	0	N/A
Number of firms	0	N/A
Total	0	48,169
<b>Percentage of adult population</b>	<b>0</b>	<b>1.8</b>

## Protecting Minority Investors

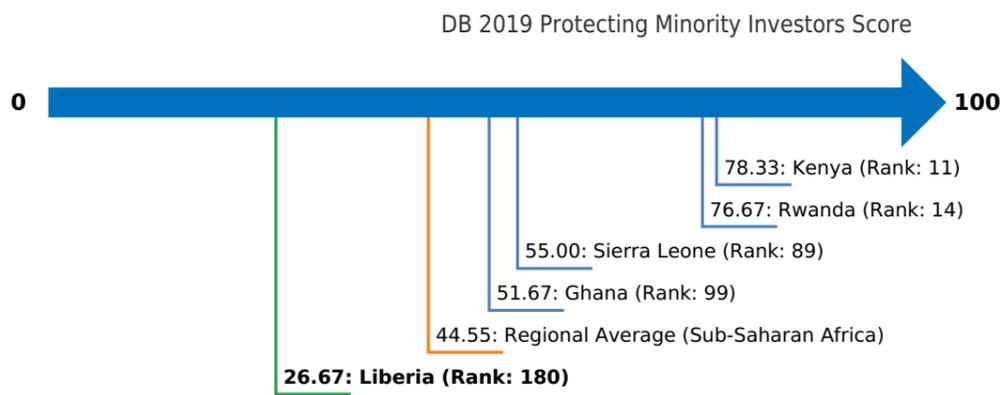
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<ul style="list-style-type: none"> <li>• <b>Extent of disclosure index (0-10):</b> Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions</li> <li>• <b>Extent of director liability index (0-10):</b> Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)</li> <li>• <b>Ease of shareholder suits index (0-10):</b> Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses</li> <li>• <b>Extent of conflict of interest regulation index (0-10):</b> Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices</li> <li>• <b>Extent of shareholder rights index (0-10):</b> Shareholders' rights and role in major corporate decisions</li> <li>• <b>Extent of ownership and control index (0-10):</b> Governance safeguards protecting shareholders from undue board control and entrenchment</li> <li>• <b>Extent of corporate transparency index (0-10):</b> Corporate transparency on ownership stakes, compensation, audits and financial prospects</li> <li>• <b>Extent of shareholder governance index (0-10):</b> Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices</li> <li>• <b>Strength of minority investor protection index (0-10):</b> Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices</li> </ul>	<p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p><b>The business (Buyer):</b></p> <ul style="list-style-type: none"> <li>- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.</li> <li>- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.</li> <li>- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.</li> <li>- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.</li> <li>- Is a manufacturing company with its own distribution network.</li> </ul> <p><b>The transaction involves the following details:</b></p> <ul style="list-style-type: none"> <li>- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.</li> <li>- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.</li> <li>- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.</li> <li>- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.</li> <li>- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.</li> <li>- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.</li> </ul>

Protecting Minority Investors - Liberia

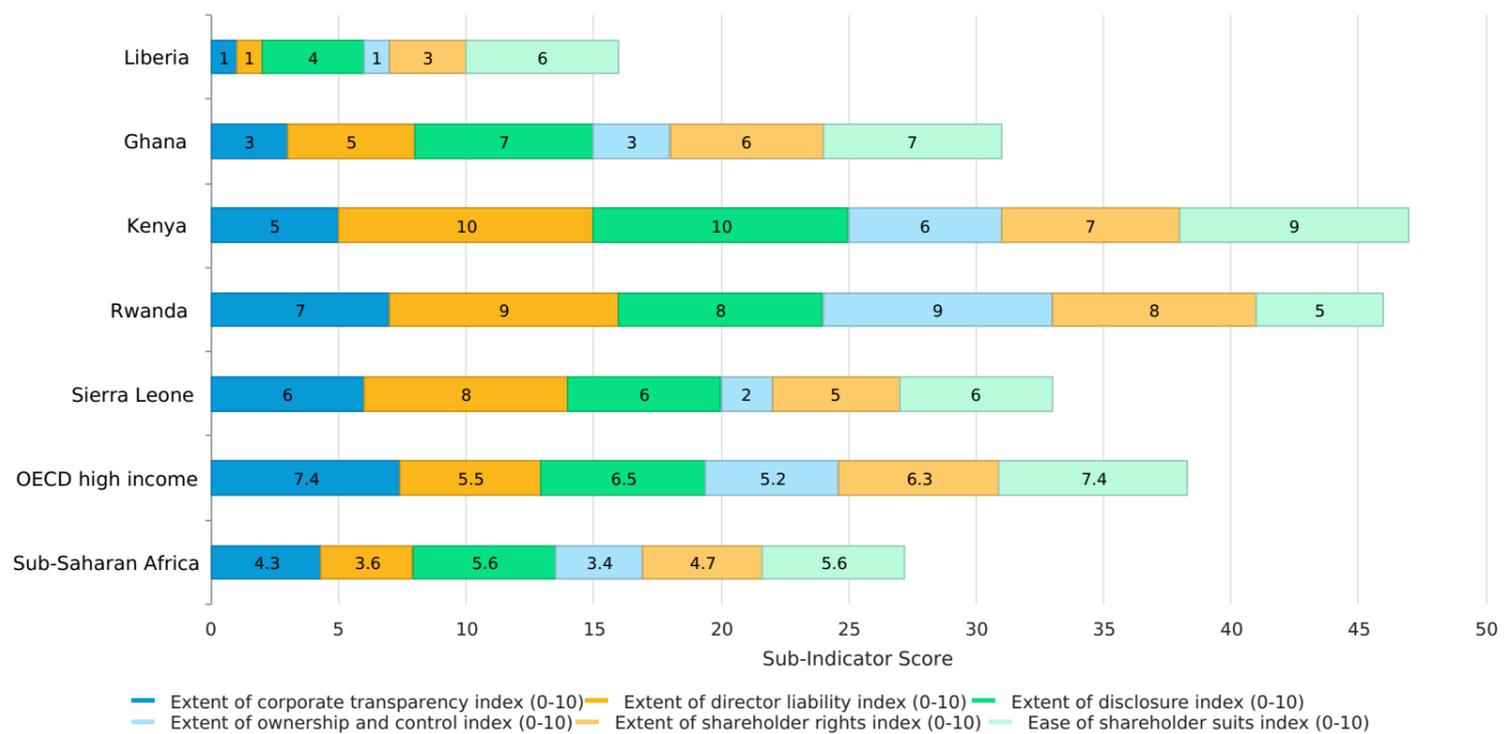
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	4.0	5.5	6.5	10 (13 Economies)
Extent of director liability index (0-10)	1.0	3.5	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	6.0	5.5	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	3.0	4.6	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	1.0	3.4	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	1.0	4.1	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Liberia and comparator economies - Measure of Quality



## Details - Protecting Minority Investors in Liberia - Measure of Quality

	Answer	Score
<b>Extent of conflict of interest regulation index (0-10)</b>		<b>3.7</b>
<b>Extent of disclosure index (0-10)</b>		<b>4.0</b>
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Board of directors excluding interested members	2.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	No disclosure obligation	0.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
<b>Extent of director liability index (0-10)</b>		<b>1.0</b>
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Not liable	0.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Not liable	0.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	No	0.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Only in case of fraud or bad faith	0.0
<b>Ease of shareholder suits index (0-10)</b>		<b>6.0</b>
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	No	0.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	At the discretion of the court	0.0
<b>Extent of shareholder governance index (0-10)</b>		<b>1.7</b>
<b>Extent of shareholder rights index (0-10)</b>		<b>3.0</b>
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	No	0.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0

Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	No	0.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
<b>Extent of ownership and control index (0-10)</b>		<b>1.0</b>
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	No	0.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
<b>Extent of corporate transparency index (0-10)</b>		<b>1.0</b>
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	No	0.0
Must Buyer disclose the compensation of individual managers?	No	0.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	No	0.0
Must Buyer's annual financial statements be audited by an external auditor?	No	0.0
Must Buyer disclose its audit reports to the public?	No	0.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

## Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). [See the methodology for more information.](#)

### What the indicators measure

#### Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

#### Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

#### Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

#### Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

### Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

#### The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

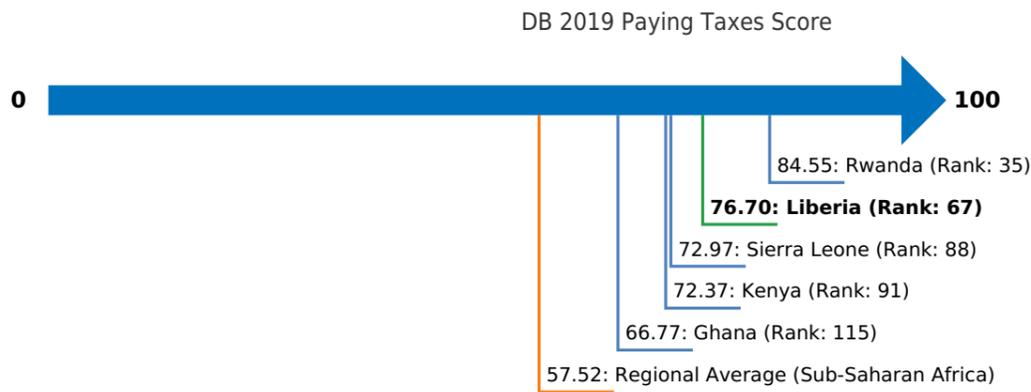
#### The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

**Paying Taxes - Liberia**

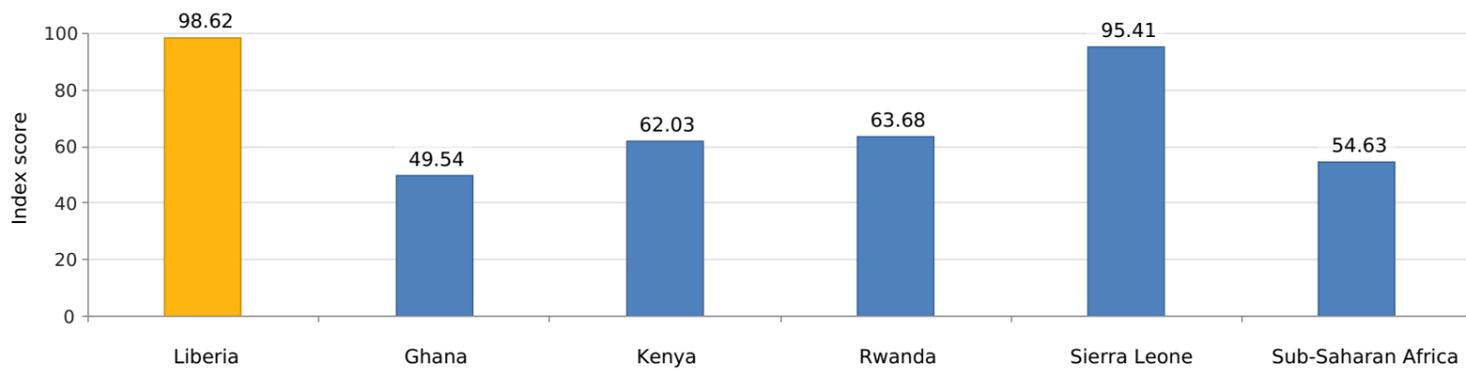
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Payments (number per year)	33	37.4	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	139.5	280.6	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	45.5	46.8	39.8	26.1% (32 Economies)
Postfiling index (0-100)	98.62	54.63	84.41	None in 2017/18

**Figure - Paying Taxes in Liberia and comparator economies - Ranking and Score**



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

**Figure - Paying Taxes in Liberia and comparator economies - Measure of Quality**



## Details - Paying Taxes in Liberia

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Corporate income tax	5.0		56.5	25% of taxable income or 2% of turnover	Taxable income or turnover	35.35	
Social security	12.0		52.5	4.75%	gross salaries	5.36	
Property tax	1.0			1.5%	Assessed Value of building	2.22	
Municipal tax	1.0			fee scale	type of business	2.18	
Tax on interest	0.0			15%	Money market account interest	0.38	
Social security contributions on employee	0.0	jointly		3%	gross salaries	0.00	not included
Stamp duty	1.0			LD 100	revenue stamps required on legal documents	0.00	small amount
Fuel tax	1.0				value of fuel consumption	0.00	small amount
Goods and Service Tax	12.0		30.5	10%	value added	0.00	not included
Totals	33		139.5			45.5	

## Details - Paying Taxes in Liberia - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	35.4
Labor tax and contributions (% of profit)	5.4
Other taxes (% of profit)	4.8

## Details - Paying Taxes in Liberia - Measure of Quality

	Answer	Score
<b>Postfiling index (0-100)</b>		<b>98.62</b>
<b>VAT refunds</b>		
Does VAT exist?	No	
Does a VAT refund process exist per the case study?	N/A	
Restrictions on VAT refund process	N/A	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT	No VAT
Time to obtain a VAT refund (weeks)	No VAT	No VAT
<b>Corporate income tax audits</b>		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	3.0	97.25
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

## Trading across Borders

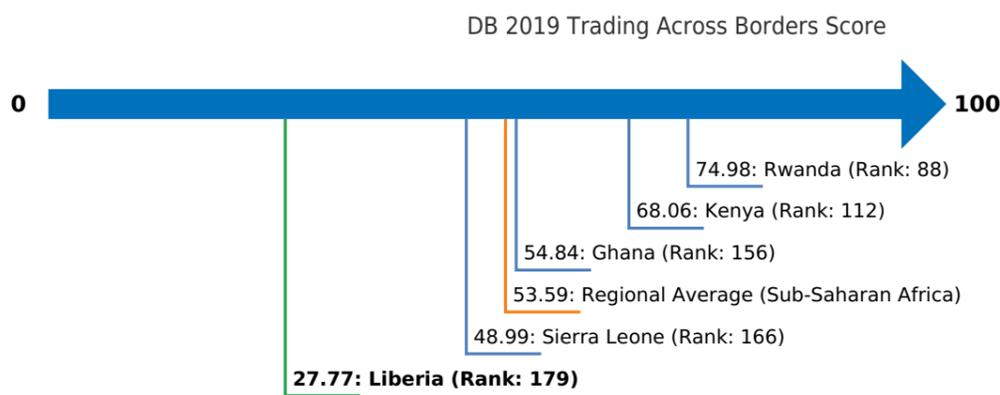
*Doing Business* records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Documentary compliance</b></p> <ul style="list-style-type: none"> <li>• Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy</li> <li>• Obtaining, preparing and submitting documents required by destination economy and any transit economies</li> <li>• Covers all documents required by law and in practice, including electronic submissions of information</li> </ul> <p><b>Border compliance</b></p> <ul style="list-style-type: none"> <li>• Customs clearance and inspections</li> <li>• Inspections by other agencies (if applied to more than 20% of shipments)</li> <li>• Handling and inspections that take place at the economy's port or border</li> </ul> <p><b>Domestic transport</b></p> <ul style="list-style-type: none"> <li>• Loading or unloading of the shipment at the warehouse or port/border</li> <li>• Transport between warehouse and port/border</li> <li>• Traffic delays and road police checks while shipment is en route</li> </ul>	<p>To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:</p> <p><b>Time:</b> Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.</p> <p><b>Cost:</b> Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.</p> <p><b>Assumptions of the case study:</b></p> <ul style="list-style-type: none"> <li>- For all 190 economies covered by <i>Doing Business</i>, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.</li> <li>- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.</li> <li>- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.</li> <li>- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.</li> <li>- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.</li> <li>- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.</li> </ul>

Trading across Borders - Liberia

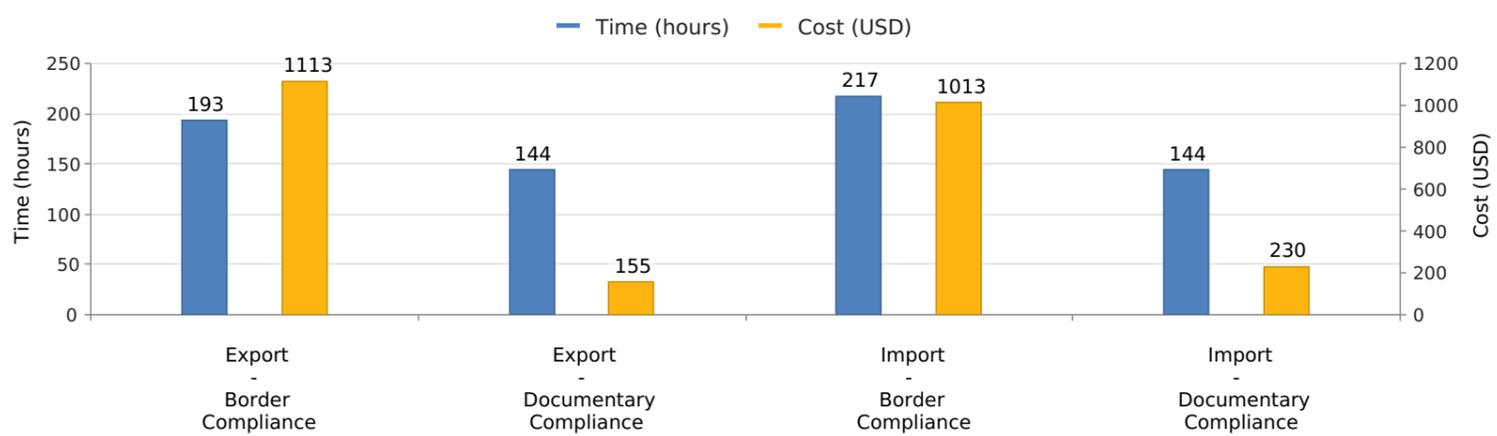
Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	193	97.3	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	1113	605.8	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	144	72.8	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	155	168.8	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	217	126.3	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	1013	684.3	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	144	97.7	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	230	283.5	24.9	0 (30 Economies)

Figure - Trading across Borders in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Liberia - Time and Cost



## Details - Trading across Borders in Liberia

Characteristics	Export	Import
Product	HS 40: Rubber and articles thereof	HS 8708: Parts and accessories of motor vehicles
Trade partner	China	Korea, Rep.
Border	Monrovia port	Monrovia port
Distance (km)	10	10
Domestic transport time (hours)	7	7
Domestic transport cost (USD)	225	225

## Details - Trading across Borders in Liberia - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	60.0	250.0
Export: Clearance and inspections required by agencies other than customs	144.0	700.0
Export: Port or border handling	49.0	162.5
Import: Clearance and inspections required by customs authorities	72.0	250.0
Import: Clearance and inspections required by agencies other than customs	144.0	600.0
Import: Port or border handling	49.0	162.5

## Details - Trading across Borders in Liberia - Trade Documents

Export	Import
Bill of lading	Bill of lading
Cargo Acceptance Note (shipping note)	Delivery order
Certificate of origin	Certificate of origin
Commercial invoice	Commercial invoice
Customs release form	Simplified Administrative Document (SAD) import declaration
Export Permit Declaration (EPD)	Exit Note
Clean Report of Findings (from BIVAC)	Import Permit Declaration (IPD)
Packing list	Clean Report of Findings (from BIVAC)
Terminal handling receipt	Packing list
SOLAS certificate	Official receipt of payment of port charges (from NPA)
	Confirmation receipt of payment of customs fees and duties
	SOLAS certificate

## Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Time required to enforce a contract through the courts (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Time to file and serve the case</li> <li>• Time for trial and to obtain the judgment</li> <li>• Time to enforce the judgment</li> </ul> <p><b>Cost required to enforce a contract through the courts (% of claim)</b></p> <ul style="list-style-type: none"> <li>• Attorney fees</li> <li>• Court fees</li> <li>• Enforcement fees</li> </ul> <p><b>Quality of judicial processes index (0-18)</b></p> <ul style="list-style-type: none"> <li>• Court structure and proceedings (-1-5)</li> <li>• Case management (0-6)</li> <li>• Court automation (0-4)</li> <li>• Alternative dispute resolution (0-3)</li> </ul>	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p> <p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p> <ul style="list-style-type: none"> <li>- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.</li> <li>- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.</li> <li>- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000.</li> <li>- The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.</li> <li>- The dispute on the quality of the goods requires an expert opinion.</li> <li>- The judge decides in favor of the seller; there is no appeal.</li> <li>- The seller enforces the judgment through a public sale of the buyer's movable assets.</li> </ul>

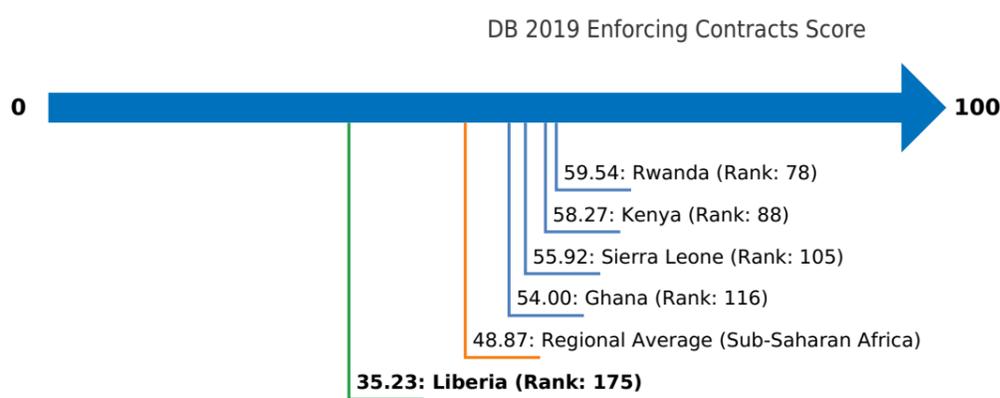
Enforcing Contracts - Liberia

Standardized Case

Claim value	LRD 464,550
Court name	Monrovia Sixth Circuit Court
City Covered	Monrovia

Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Time (days)	1300	655.1	582.4	None in 2017/18
Cost (% of claim value)	35.0	42.3	21.2	None in 2017/18
Quality of judicial processes index (0-18)	7.5	6.7	11.5	None in 2017/18

Figure - Enforcing Contracts in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Liberia - Time and Cost

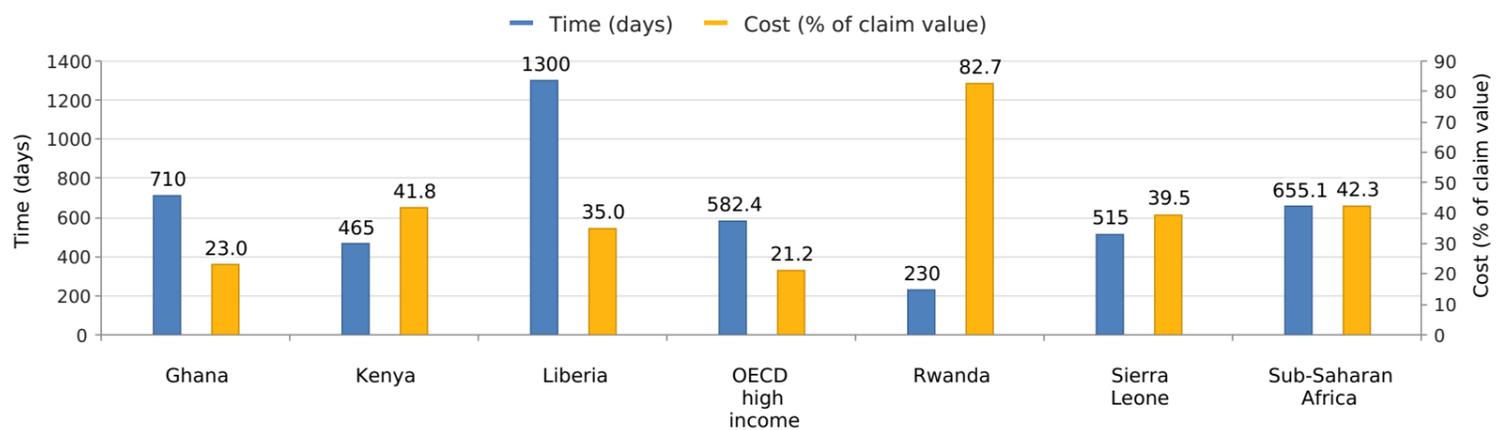
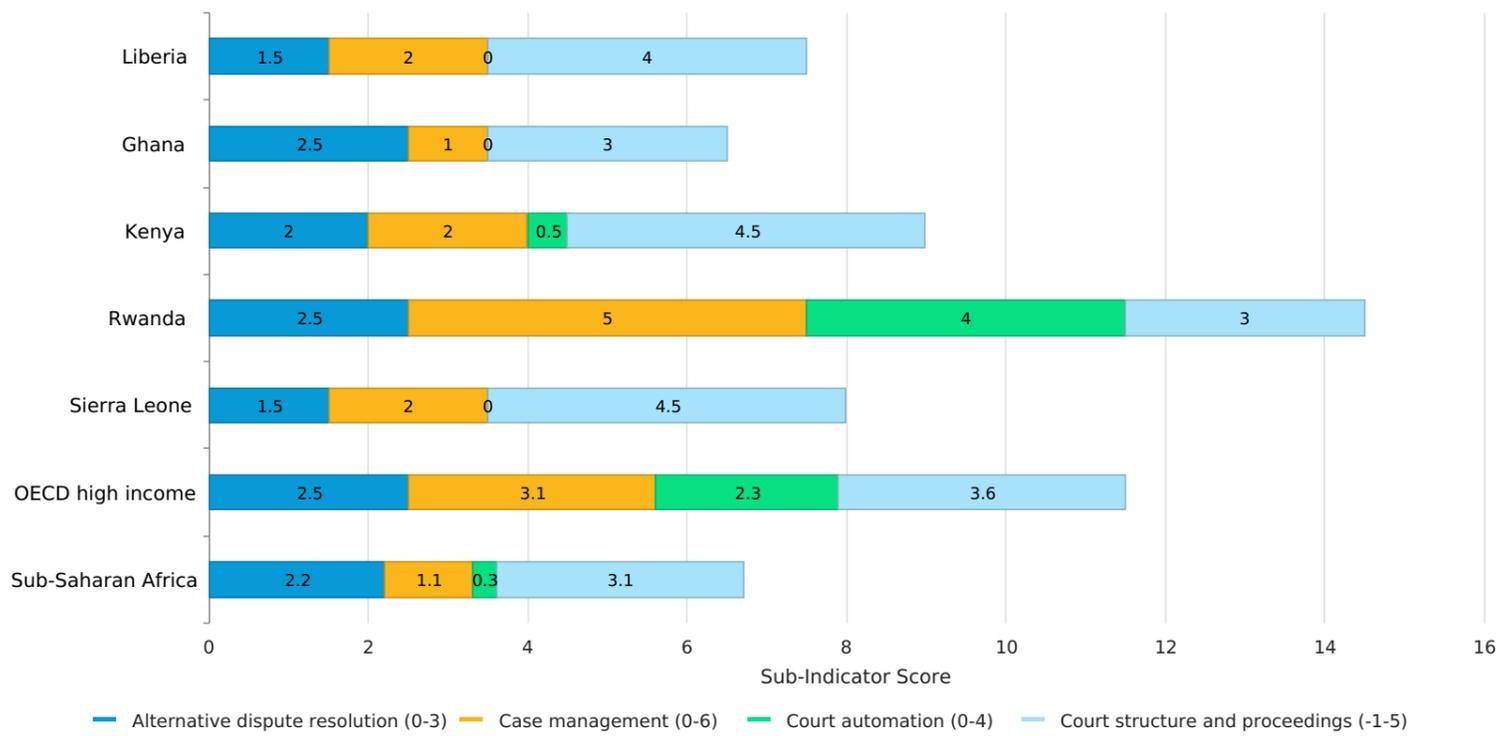


Figure - Enforcing Contracts in Liberia and comparator economies - Measure of Quality



Details - Enforcing Contracts in Liberia

	Indicator
<b>Time (days)</b>	<b>1300</b>
Filing and service	30
Trial and judgment	730
Enforcement of judgment	540
<b>Cost (% of claim value)</b>	<b>35.0</b>
Attorney fees	25.1
Court fees	6.9
Enforcement fees	3
<b>Quality of judicial processes index (0-18)</b>	<b>7.5</b>
Court structure and proceedings (-1-5)	4.0
Case management (0-6)	2.0
Court automation (0-4)	0.0
Alternative dispute resolution (0-3)	1.5

## Details - Enforcing Contracts in Liberia - Measure of Quality

	Answer	Score
<b>Quality of judicial processes index (0-18)</b>		<b>7.5</b>
<b>Court structure and proceedings (-1-5)</b>		<b>4.0</b>
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.0
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	n.a.	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
<b>Case management (0-6)</b>		<b>2.0</b>
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		1.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	Yes	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	Yes	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	Yes	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	0.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
<b>Court automation (0-4)</b>		<b>0.0</b>
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	No	0.0
4. Publication of judgments		0.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
<b>Alternative dispute resolution (0-3)</b>		<b>1.5</b>
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		0.0
2.a. Is voluntary mediation or conciliation available?	No	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	n.a.	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	n.a.	

## Resolving Insolvency

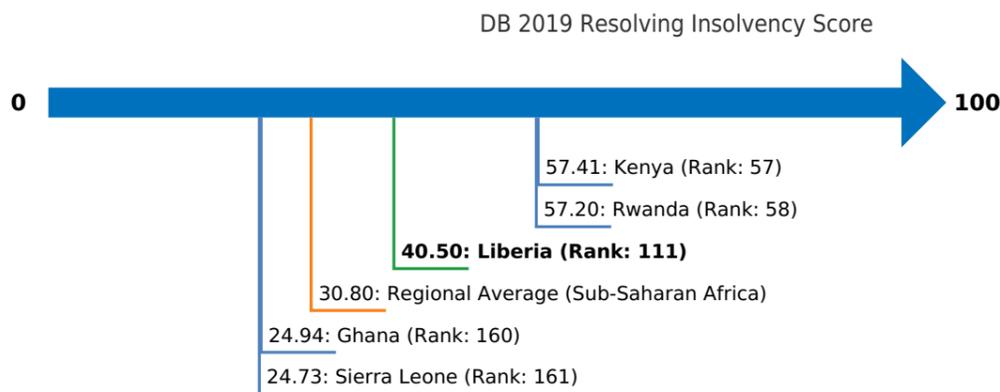
*Doing Business* studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<b>Time required to recover debt (years)</b>	To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:
<ul style="list-style-type: none"> <li>• Measured in calendar years</li> <li>• Appeals and requests for extension are included</li> </ul>	<ul style="list-style-type: none"> <li>- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.</li> </ul>
<b>Cost required to recover debt (% of debtor's estate)</b>	<ul style="list-style-type: none"> <li>- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.</li> </ul>
<ul style="list-style-type: none"> <li>• Measured as percentage of estate value</li> <li>• Court fees</li> <li>• Fees of insolvency administrators</li> <li>• Lawyers' fees</li> <li>• Assessors' and auctioneers' fees</li> <li>• Other related fees</li> </ul>	<ul style="list-style-type: none"> <li>- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.</li> </ul>
<b>Outcome</b>	In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.
<ul style="list-style-type: none"> <li>• Whether business continues operating as a going concern or business assets are sold piecemeal</li> </ul>	
<b>Recovery rate for creditors</b>	
<ul style="list-style-type: none"> <li>• Measures the cents on the dollar recovered by secured creditors</li> <li>• Outcome for the business (survival or not) determines the maximum value that can be recovered</li> <li>• Official costs of the insolvency proceedings are deducted</li> <li>• Depreciation of furniture is taken into account</li> <li>• Present value of debt recovered</li> </ul>	
<b>Strength of insolvency framework index (0- 16)</b>	
<ul style="list-style-type: none"> <li>• Sum of the scores of four component indices:</li> <li>• Commencement of proceedings index (0-3)</li> <li>• Management of debtor's assets index (0-6)</li> <li>• Reorganization proceedings index (0-3)</li> <li>• Creditor participation index (0-4)</li> </ul>	

Resolving Insolvency - Liberia

Indicator	Liberia	Sub-Saharan Africa	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	17.2	20.3	70.5	None in 2017/18
Time (years)	3.0	2.9	1.7	0.4 (Ireland)
Cost (% of estate)	30.0	22.7	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0	..	..	..
Strength of insolvency framework index (0-16)	10.0	6.4	11.9	None in 2017/18

Figure - Resolving Insolvency in Liberia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Liberia - Time and Cost

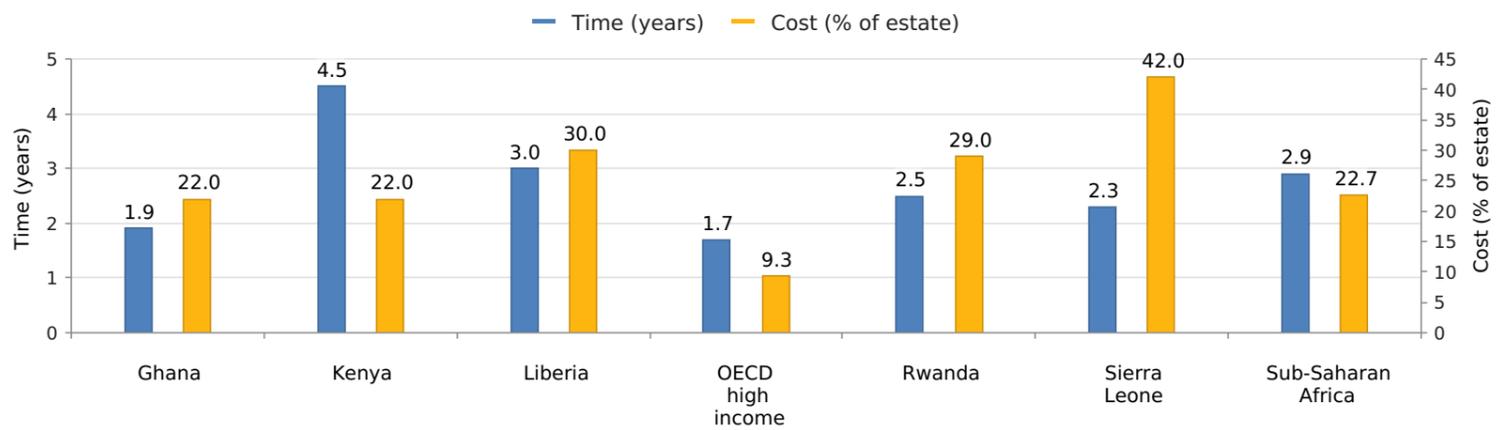
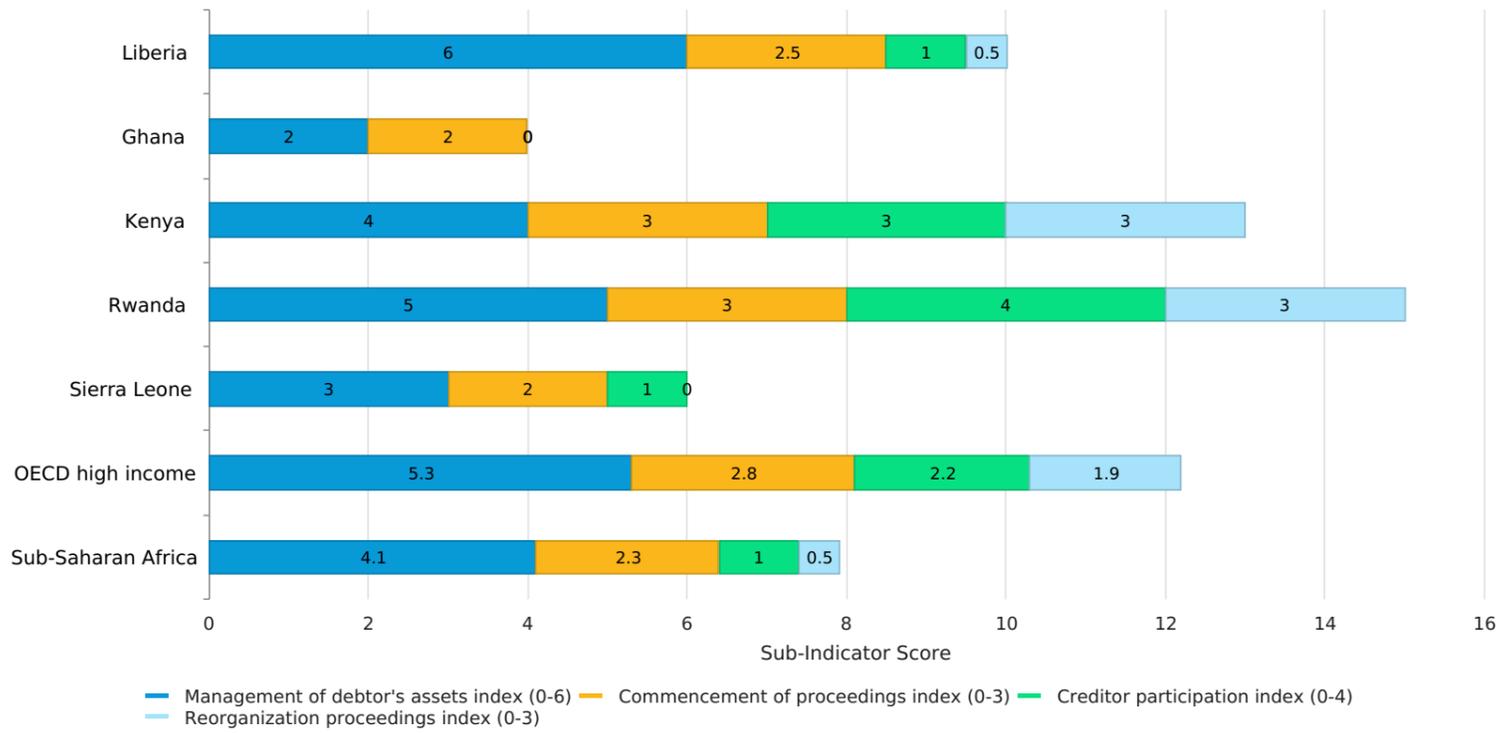
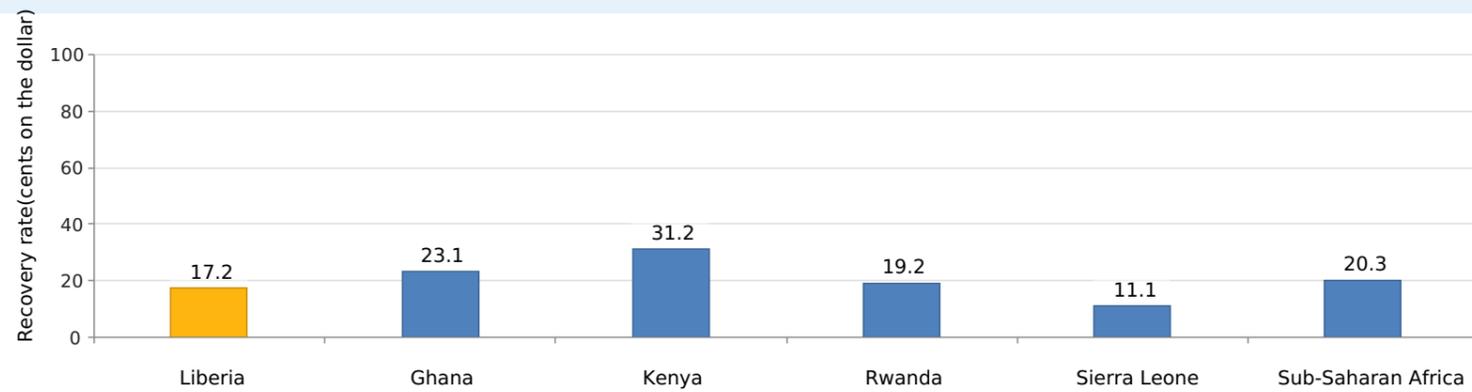


Figure - Resolving Insolvency in Liberia and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Liberia and comparator economies - Recovery Rate



## Details - Resolving Insolvency in Liberia

Indicator	Answer	Score
Proceeding	foreclosure	Pursuant to Section 6.20 of the Liberian Commercial Code, after 60 days since Mirage's default on payment, BizBank is entitled to commence foreclosure by filing a complaint against Mirage, showing that a default has occurred in the obligations secured by the mortgage and requesting that the mortgage be foreclosed in a court-supervised sale.
Outcome	piecemeal sale	The hotel will stop operating and Mirage assets will be sold piecemeal in a public auction upon the completion of foreclosure proceeding.
Time (in years)	3.0	The foreclosure procedure takes approximate 3 years until BizBank is repaid some or all of the money owed to it. After 60 days as of Mirage's default on payment, BizBank would initiate foreclosure procedure by filing a written complaint to the Commercial Court with copies served on Mirage. Mirage would then file against the foreclosure. It will take approximate 1.5 years for the Court to hold hearings, conduct pretrial conference, until a money judgment is issued with orders for public auction if not paid. This may followed by Mirage's appealing to the Justice in Chambers of the Supreme Court for review by way of certiorari or prohibition. If not satisfied with the ruling from the Justice in Chambers of the Supreme Court, Mirage can appeal the ruling to the Full Supreme Court Bench. The whole appealing process until the final ruling is made by the Supreme Court will take approximate 1.5 years. When the Supreme Court delivers a judgement, it will send it back to the Commercial Court which reads the mandate and approves it. After this, the sheriff proceeds with the auction. The execution of the assets sale usually takes place within a month and the sale proceeds will be paid to BizBank.
Cost (% of estate)	30.0	The cost associated with the case would amount to approximately 30% of the value of the debtor's estate. The cost incurred during the entire insolvency process mainly includes court fees (5%), attorneys' fees (15%), auctioneer's fees (5%), assessors' fees (4%), and other fees (1%).
Recovery rate (cents on the dollar)		17.2

## Details - Resolving Insolvency in Liberia - Measure of Quality

	Answer	Score
<b>Strength of insolvency framework index (0-16)</b>		<b>10.0</b>
<b>Commencement of proceedings index (0-3)</b>		<b>2.5</b>
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
<b>Management of debtor's assets index (0-6)</b>		<b>6.0</b>
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(b) Yes over ordinary unsecured creditors but not over secured creditors	1.0
<b>Reorganization proceedings index (0-3)</b>		<b>0.5</b>
Which creditors vote on the proposed reorganization plan?	(a) All creditors	0.5
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
<b>Creditor participation index (0-4)</b>		<b>1.0</b>
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	No	0.0

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

## Labor Market Regulation

*Doing Business* presents detailed data for the labor market regulation indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

#### Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

#### Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

#### Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

#### Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

### Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

#### The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

#### The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

## Labor Market Regulation - Liberia

## Details - Labor Market Regulation in Liberia

	Answer
<b>Hiring</b>	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	141.4
Ratio of minimum wage to value added per worker	2.5
Maximum length of probationary period (months)	3.0
<b>Working hours</b>	
Standard workday	8.0
Maximum number of working days per week	5.5
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	Yes
Paid annual leave for a worker with 1 year of tenure (working days)	5.5
Paid annual leave for a worker with 5 years of tenure (working days)	22.0
Paid annual leave for a worker with 10 years of tenure (working days)	22.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	16.5
<b>Redundancy rules</b>	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	Yes
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
<b>Redundancy cost</b>	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.3
Notice period for redundancy dismissal for a worker with 5 years of tenure	4.3
Notice period for redundancy dismissal for a worker with 10 years of tenure	4.3
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	4.3
Severance pay for redundancy dismissal for a worker with 1 year of tenure	4.0

Severance pay for redundancy dismissal for a worker with 5 years of tenure	20.0
Severance pay for redundancy dismissal for a worker with 10 years of tenure	40.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	21.3
<b>Job quality</b>	
Equal remuneration for work of equal value?	Yes
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	98.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	No
Minimum contribution period for unemployment protection (months)?	n.a.

## Business Reforms in Liberia

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

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DB2018

✓ **Resolving Insolvency:** Liberia made resolving insolvency easier by introducing a legal framework for corporate insolvency, making liquidation and reorganization procedures available to debtors and creditors.

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DB2017

**Labor Market Regulation:** Liberia shortened the workweek by increasing the mandatory number of weekly rest hours to 36 consecutive hours with Sunday designated as the weekly holiday. It also mandated a maximum of five overtime hours per week. Liberia also introduced paid annual leave entitlements to employees after one year of employment, extended the duration of paid maternity leave and mandated equal remuneration for work of equal value.

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DB2016

✓ **Getting Credit:** Liberia improved access to credit by adopting new laws on secured transactions that establish a modern, unified and notice-based collateral registry.

✗ **Paying Taxes:** Liberia made paying taxes more complicated for companies by introducing a minimum corporate income tax.

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DB2014

✓ **Starting a Business:** Liberia made starting a business easier by eliminating the business trade license fees.

✓ **Registering Property:** Liberia made transferring property easier by digitizing the records at the land registry.

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DB2013

✓ **Getting Electricity:** In Liberia obtaining an electricity connection became easier thanks to the adoption of better procurement practices by the Liberia Electricity Corporation.

✓ **Paying Taxes:** Liberia made paying taxes easier for companies by reducing the profit tax rate and abolishing the turnover tax.

✓ **Enforcing Contracts:** Liberia made enforcing contracts easier by creating a specialized commercial court.

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DB2012

✓ **Starting a Business:** Liberia made starting a business easier by introducing a one-stop shop.

✓ **Getting Credit:** Liberia strengthened its legal framework for secured transactions by adopting a new commercial code that broadens the range of assets that can be used as collateral (including future assets) and extends the security interest to the proceeds of the original asset.

✓ **Trading across Borders:** Liberia made trading across borders faster by implementing online submission of customs forms and enhancing risk-based inspections.

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DB2010

✓ **Starting a Business:** Liberia made starting a business easier by eliminating the requirement to obtain an environmental impact assessment when forming a general trading company.

✓ **Dealing with Construction Permits:** Liberia made dealing with construction permits easier by reducing the building permit fee and eliminating the requirement to obtain a tax waiver certificate before submitting a building permit application. In addition, the cost of obtaining a power generator declined, and with the reopening of Libtelco fixed telephone connections became more readily available.

✓ **Trading across Borders:** Liberia reduced the time needed for trading across borders by creating a one-stop shop that brings together government ministries and agencies and by streamlining the inspection process.

DB2009

- ✓ **Starting a Business:** Liberia made starting a business easier and less time consuming by simplifying registration processes, introducing time limits for procedures and revising business licensing procedures.
  
- ✓ **Dealing with Construction Permits:** Liberia reduced the time needed to obtain a building permit by introducing a 30-day statutory time limit and eliminating the requirement for the signature of the minister of public works—while also cutting the building permit fees by half.
  
- ✓ **Getting Credit:** Liberia improved access to credit information by creating a nascent public credit registry in its central bank.
  
- ✓ **Trading across Borders:** Liberia made trading across borders less costly by reducing fees for customs clearance and port and terminal handling.

*Doing Business 2019* is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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