



Doing Business in Liberia

Liberia Private Sector Forum

**Plenary Panels 9:25 - 10:30 AM:
Business in Liberia Today: A Panel Discussion**

Washington D.C, February 15, 2007

Business in Liberia: Operating Environment

1. **Economy:** The Liberian Economy is fast growing and is open to new ideas and new investments. Purchasing power is slowly improving and therefore seeing more businesses being patronized.
2. **Road Network:** Although the roads still require very serious and urgent attention, traffic situations are not very bad. It does not form a critical factor in daily planning. Most Businesses can operate and plan effectively on timing.
3. **Local Manpower:** Unskilled labor is very cheap to acquire in Liberia provided tasks are carefully specified and monitored.
4. **Currency:** The Local Currency is the Liberian Dollar. But the primary legal tender still remains the US Dollar. For most businesses, this presents an opportunity to earn US Dollars directly without having to go through exchange rate processing. Liberia is predominantly a US based environment with most facilities, cars, and naming conventions etc still following American standards closely.
5. **Response to new Businesses:** Liberians will tend to patronize new products and services quickly. This means that businesses will get a quick response to their products or services to know if the business will succeed or not.
6. **Communications:** There are currently more than 3 GSM networks in Liberia which means businesses can start up easily with communications not forming a critical factor in determining their success. Local calls are fairly affordable and a good size of the population has mobile phones. Business centers to make calls and buy recharge cards are statistically high as you will find one in every 100m anywhere around the city. Important to note is the absence of FAX services due to the absence of Local Telephone Exchanges or Land Lines.
7. **Internet Access:** Internet access points are quite limited but affordable and accessible. Most prominent is the Commuim Mobile Internet Services which use GPRS boxes. This is the major source of Internet Services for most businesses. Reliability is still being worked on but is achieving almost 70% efficiency at the moment.

Business in Liberia: Challenges

Some of the key challenges we have experienced are outlined below

1. **Infrastructure:** Operating cost in Liberia is currently very high. This is primarily due to the limited infrastructure in place. Chief amongst these is Electricity. The assumption for most businesses e.g. Hotels, Restaurants, Offices is that they will run on generators for all operating hours. For most hotels, this means running 2 generators 12 hours each to provide full services. A gallon of Diesel goes for \$3.50 and most standard generators will operate with more than 30 gallons a day.
2. **Trained Manpower:** Trained manpower is very limited in Liberia. Returnees to Liberia form the best source of Trained manpower. But this weighs heavily against the cost of acquiring them. Local manpower is much cheaper but requires extensive training to perform various tasks and job functions. To this end, having a mix of these also means the Entrepreneur/Employer needs to pay more attention to the business than usual
3. **Government Support:** Government Support is very limited in terms of encouraging Entrepreneurs to come and set up in the country. The encouragement is primarily at the surface level i.e. principle agreement. When it comes to the implementation stages of any project, one will have to deal with local vendors and importers pretty much the same way as the Local businesses. We encourage the Government to setup a ClearingHouse (Facilitation Services) to facilitate actual business entry into Liberia – list of qualified vendors that have agreed to set standards/SLAs, one-stop shop for permits, etc
4. **Real Estate:** Offices for Let/Lease are very limited in supply. A lot of buildings downtown were affected by the war and have since not been renovated. This means for any business setting up, renovation work is the most critical success factor in getting the business up and running. This in turn means as a matter of necessity deal with solving Water, Landscaping, Electricity and Painting problems.
5. **Business Registration:** Business registration for the International investor can be very slow. Though the guidelines are clear, the process can be very slow.
6. **Housing:** Housing in Liberia is a bit expensive. Again this is due to the absence of necessary infrastructure like electricity. Water runs in some parts of the city but Electricity will have to be gotten through collaboration with other neighbors to operate a central generator otherwise private generators have to be acquired. Rents are high due to the presence of the UN staff that takes up housing at higher costs than Liberians can afford.

SocketWorks Operations in Liberia: "Who Dares Wins"

Late last year, we signed an agreement with the Government of Liberia and its entire higher education institutions to deploy our *CollegePortal*® end-to-end education management software to all its universities/higher institutions. The implementation will automate the *Administrative Systems*, such as Student Information System (SIS), HR, Finance and other ERP systems that support operations and management processes; provide *Learning Systems* such as LMS, Course Support, Open and Distance Learning; *Academic Systems* such as Library Systems, Research Databases, etc; and *Campus Community Systems* such as groupware tools and connectivity to external digital libraries, learned journals and workgroup resources.

SocketWorks will also provide ICT infrastructure including Information Access Devices (computers/flat-screen monitors); Backend Devices (servers, storage devices, backup devices, etc); Connectivity (VSAT Internet & Campus-wide Wi-Fi LAN) and well-designed, ergonomic Digital Multimedia Resource Centers with 100% reliable power supply.

The project objective is to significantly enhance the quality of learning outcomes while providing significant computer training for domestic employment opportunities and enabling local content development and the development of knowledge products.

This project is currently on going with the flagship institution, the University of Liberia at an advanced stage of completion. The program's official launch date is April 23-27, 2007.

Some pics...

Initially.....



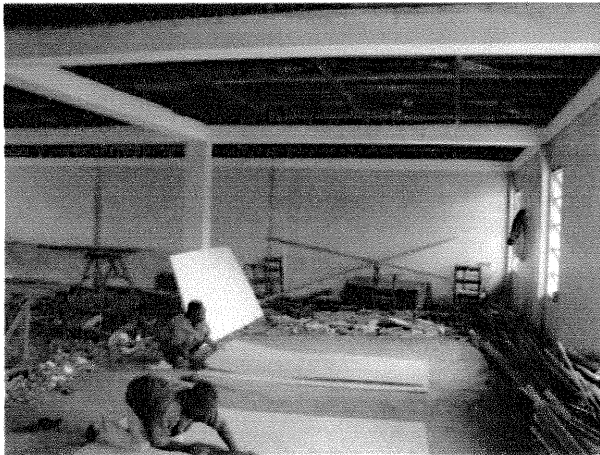


This is where we started from. No windows, building and roof rundown etc.



Building before the roof was torn down.

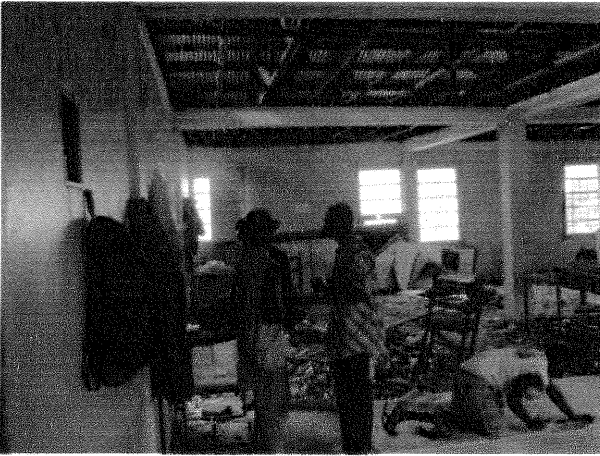
In progress



Entire ceiling being worked on. It has since been completed.



Project manager's office
being created. This will
also be the server room.
Roof work in progress here.
Has since been completed.



Entire roof replaced as
shown from inside the
building.