

**Liberia: Selected Economic and Financial Indicators, 2009–13**

	2009	2010	2011	2012 Proj.	2013 Proj.
(Annual percentage change, unless otherwise indicated)					
National account and prices					
Real GDP	5.3	6.1	8.2	8.9	8.3
GDP deflator (US dollars)	-1.7	5.4	10.6	5.0	1.1
Nominal GDP (millions of US dollars)	1,155.1	1,291.9	1,545.4	1,767.5	1,934.4
Consumer prices (annual average)	7.4	7.3	8.5	6.6	5.6
External sector					
Exports, f.o.b.	-39.7	40.4	77.0	23.8	14.3
Imports, f.o.b.	-19.0	17.4	49.9	33.3	16.1
Terms of trade (deterioration -)	-9.2	76.8	16.1	-24.1	-2.5
Average exchange rate (local currency per U.S. dollar)	68.3	71.4	72.2	...	...
Gross official reserves (millions of US dollars)	312.2	391.4	425.1	452.0	462.0
Import coverage of reserves (months) <sup>1</sup>	3.2	3.5	2.9	2.2	2.1
Central government operations <sup>2</sup>					
Total revenue and grants	13.5	22.6	30.2	23.0	9.7
<i>Of which:</i> total revenue	5.2	30.2	21.7	29.3	6.5
Total expenditure and net lending	26.3	13.4	35.7	34.3	19.9
<i>Of which:</i> current expenditure	24.2	16.4	23.5	44.3	5.9
capital expenditure	41.5	-6.2	131.7	-7.8	111.8
Money and credit					
Reserve money	12.4	33.9	49.7	13.8	12.1
Broad money (M2) <sup>3</sup>	36.7	35.4	34.6	17.4	12.6
Credit to private sector	31.5	40.1	32.4	14.4	9.4
(Percent of GDP)					
External sector					
Current account balance					
(including official grants)	-28.8	-32.8	-34.1	-52.4	-62.4
(excluding official grants)	-148.2	-152.0	-149.3	-131.5	-97.4
Trade balance	-36.4	-35.5	-40.7	-49.5	-53.0
Exports, f.o.b.	13.3	16.7	24.6	26.7	27.9
Imports, f.o.b.	-49.7	-52.2	-65.4	-76.2	-80.9
Central government operations <sup>2</sup>					
Total revenue and grants	20.7	23.5	26.4	27.8	27.3
<i>Of which:</i> total revenue	18.6	22.5	23.6	26.1	24.9
Total expenditure and net lending	21.9	23.1	27.0	31.0	33.3
<i>Of which:</i> current expenditure	18.9	20.5	21.8	27.0	25.6
capital expenditure	3.0	2.6	5.2	4.1	7.8
Overall fiscal balance (including grants)	-1.2	0.5	-0.6	-3.2	-6.0
Public external debt	145.4	8.8	10.7	12.1	14.8

Sources: Liberian authorities and IMF staff estimates and projections.

<sup>1</sup> Excluding imputed UN military services imports.

<sup>2</sup> Fiscal year ending in June on a cash basis (debt service payments shown after all debt relief).

<sup>3</sup> Defined as Liberian currency outside banks plus demand, time, and savings deposits in Liberian and US dollars.



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### **IMF Executive Board Approves Three-Year, US\$78.9 Million ECF Arrangement for Liberia**

The Executive Board of the International Monetary Fund (IMF) today approved a three-year Extended Credit Facility (ECF)<sup>1</sup> Arrangement for Liberia in an amount equivalent to SDR 51.68 million (about US\$78.9 million). The overall amount of the program represents 40 percent of Liberia's quota in the IMF and approval enables the immediate disbursement of SDR 7.382 million (about US\$11.3 million). The Executive Board also concluded the 2012 Article IV consultations with Liberia, which will be detailed in a Public Information Notice in due course.

Following the Executive Board's discussion of Liberia, Mr. Min Zhu, Deputy Managing Director and Acting Chair, made the following statement.

"Liberia made strong macroeconomic gains under the recent Extended Credit Facility (ECF) arrangement supported by the Fund. Economic growth has been robust; inflation has been largely contained; international reserves have been built up; and external debt has been reduced through substantial debt relief. However, further reforms are needed to promote broad-based growth, reduce poverty, and create jobs, particularly for the youth.

"The new ECF arrangement aims to support the authorities' second poverty reduction strategy. The policy priorities focus on safeguarding macroeconomic stability and laying the basis for faster and diversified growth through a substantial scaling up of infrastructure and social investments.

"Growth will be underpinned by sound macroeconomic policies, higher investment, and vigorous implementation of structural reforms. Fiscal reforms focus on containing current spending, particularly the wage bill, and strengthening budget execution and controls, through improvements in public financial management. An increase in external debt limits will allow a scaling up of critical growth-enhancing investments while maintaining debt sustainability. Measures are also planned to further improve governance and transparency, including financial

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<sup>1</sup> The Extended Credit Facility (ECF) has replaced the Poverty Reduction and Growth Facility (PRGF) as the IMF's main tool for medium-term financial support to low-income countries. It provides for a higher level of access to financing, more concessional terms, enhanced flexibility in program design, and more focused, streamlined conditionality. Financing under ECF currently carries a zero interest rate, with a grace period of 5½ years, and a final maturity of 10 years.