

July - September 2025

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THE REGULATOR



Promoting financial inclusion, consumer protection and financial sector stability

Liberia Moves to Cashless Future with Launch of Inclusive Instant Payment System (IIPS)

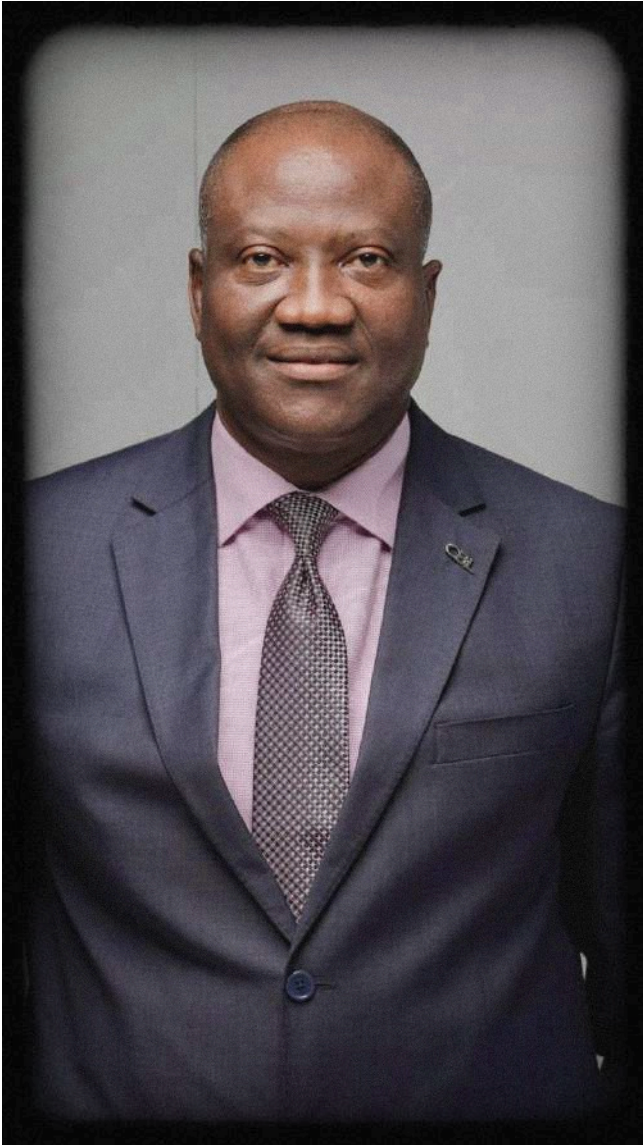


The REGULATOR is the official newsletter of the Central Bank of Liberia, produced by its Corporate Communications Section

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FROM THE GOVERNOR'S DESK



Hon. Henry F. Saamoi
Executive Governor, Central Bank of Liberia

Our Money, Our Pride — A Call to National Responsibility

In every nation, currency is more than paper and metal — it is a symbol of sovereignty, stability, and shared identity. In Liberia, the Liberian dollar carries our history, our aspirations, and our pride. Yet, too often, we see it torn, defaced, and discarded — treated not as a national asset, but as disposable change.

This must change!

The Central Bank of Liberia's Clean Note Campaign, launched under the banner "Our Money, Our Pride: Handle it with Care," is not just about aesthetics. It is a call to action. A call to every Liberian to treat our currency with the respect it deserves. Clean notes mean lower printing costs, smoother transactions, and stronger public confidence. But more than that, they reflect who we are as a people — disciplined, proud, and forward-looking.

This campaign is part of a broader transformation. From financial literacy campaigns in rural counties to strategic reserve diversification and digital payment reforms, the Bank is working to build a resilient, inclusive, and modern financial system.

But success depends on all of us. Institutions alone cannot instill pride. It must be lived, practiced, and passed on — from market stalls to classrooms, from boardrooms to street corners.

Let us reject the culture of carelessness. Let us embrace a new ethic of responsibility. Whether you are a trader, a student, a banker, or a policymaker, you have a role to play. Handle your money with care. Teach others to do the same. And remember: when we protect our currency, we protect our economy, our dignity, and our future.

Our Money, Our Pride. Let's live it.



Liberia Moves to Cashless Future with Launch of Inclusive Instant Payment System (IIPS)

The Central Bank of Liberia (CBL) launches on December 16, 2025, the Inclusive Instant Payment System (IIPS), which will principally enable mobile money transfers between the two Mobile Network Operators, Lone Star MTN and Orange Liberia. The launch, which takes place at the Ministerial Complex in Congo Town, represents a transformative step in Liberia’s efforts to modernize its national payments infrastructure and expand access to secure, convenient, and inclusive digital financial services.

The ceremony will convene key actors across Liberia’s financial sector, including mobile money operators, Lonestar Cell MTN and Orange, all commercial banks and financial institutions, government ministries, agencies and commissions, development partners, and international stakeholders.

His Excellency President Joseph Nyuma Boakai, Sr. will deliver the keynote address, reaffirming the Government of Liberia’s commitment to digital transformation under the ARREST Agenda.



With the IIPS, individuals and businesses will be able to send and receive money in real time—whether between bank accounts, mobile wallets, or across service providers—enhancing convenience, reducing transaction delays, and limiting reliance on cash.



The IIPS is a national digital payment platform regulated and supervised by the Central Bank of Liberia. It enables full interoperability between banks, mobile money operators, and other financial service providers, allowing instant and secure transactions across different platforms and institutions.

“Pay Na-Na”



Why the IIPS Matters for Liberia

As Liberia’s digital economy continues to expand, the need for a unified, efficient, and inclusive payment ecosystem has become increasingly urgent. The IIPS addresses persistent challenges such as fragmented payment channels, slow transaction processing, and limited interoperability among financial service providers. By connecting all major players on one national platform, the system enhances trust, transparency, and efficiency across the digital payments landscape.

Expected Benefits and Impact

1. For citizens and small businesses:

- The IIPS will make everyday transactions simpler and safer—whether sending money to family, receiving payments directly into a mobile wallet or bank account, or conducting business without carrying cash. Market women, farmers, students, entrepreneurs, and SMEs will benefit from faster and more reliable digital payment options.

2. For government:

- The system will support efficient Government-to-Person (G2P) transactions, including salaries, social benefits, and other public payments. This will improve transparency, reduce leakages, and help ensure funds reach beneficiaries quickly and securely.

3. For the wider economy:

- The IIPS strengthens Liberia’s financial infrastructure, promotes innovation, and expands access to regulated financial services across both urban and rural communities—advancing the country’s broader financial inclusion agenda.



The CBL notes that rollout of IIPS services will continue after the official launch, in close partnership with participating banks and mobile money operators.

The Central Bank of Liberia remains committed to improving the safe, secure and efficient payment system across the country and encourages all media partners to help inform and educate the public about the IIPS and its benefits.





CBL Signs Participation Agreement with MMOs, Issues New Service Level Standards to Strengthen Liberia's Instant Payment System



CBL EG Hon. Saamoi (middle) and MTN Mobile Money Head, Mr. Halidu (Left) sign the agreement as Orange Money CEO, Maxwell Dodd looks on smiling

Monrovia, Liberia – The Central Bank of Liberia (CBL) today signed the participation and service level agreements with Lonestar Cell/MTN Mobile Money and Orange Money to advance the operations of the Inclusive Instant Payment System (IIPS).

The participation agreement outlines how CBL, MTN Mobile Money, Orange Money, and ThitsaWorks (technical system integrator) will work together to smoothly and securely operate the instant payment platform.

The Service Level Agreement (SLA) sets the rules and performance standards for all participating institutions.

These actions move Liberia closer to a modern, safe, and fully interoperable national payment system where customers can send and receive money instantly across different networks.

Participation Agreement Strengthens Collaboration

The participation agreement, which runs for an initial three-year period, may be renewed for additional three-year terms upon mutual agreement.

According to the agreement, CBL will:

- Hold and manage the settlement accounts (Liquidity Accounts) in both USD and LRD.
- Process daily settlements and ensure timely fund transfers.
- Provide daily reports for transparency and oversight.
- Support proper reconciliation of all transactions across networks.
- Move funds between providers when instructed by the Switch Operator.



CBL EG Hon. Herry F. Saamoi signs the agreement



MTN Mobile Money Head, Mr. Halidu (Left) and Orange Money CEO, Mr. Dodd (Right) sign the agreement



CBL Governor Saamoi poses for a photograph with officials of Orange Money and MTN Mobile Money and staff of the CBL Payment System Department after the signing of the agreements on December 12 in the Board room of the CBL.

Cont. According to the agreement, CBL will:

“For me, today's signing is a dream come through, because it's been our aspiration to enhance financial inclusion. We cannot operate in an economy where you have others excluded from financial services,” said Executive Governor, Henry Saamoi, adding, “We cannot eradicate poverty from our midst if we don't bring everyone in the same financial ecosystem.”

The Agreement will also ensure MTN Mobile Money and Orange Money:

- Maintain their required settlement accounts at CBL.
- Keep minimum liquidity balances to support smooth daily transactions.
- Allow the Switch Operator to send settlement instructions.
- Share needed information with CBL for compliance and monitoring.

‘Today's signing marks that giant step towards the financial inclusion agenda of the Liberian people,’ said Abubakari Halidu, Lone Star Cell/MTN Mobile Money General Manager. Mr. Halidu praised the cooperation of his Orange Money counterpart. Orange Money Chief Executive Officer, Maxwell Dodd called the signing “a great milestone”, saying the Mobile Network Operators hope that the Liberian people will be happy.

The Agreement will also ensure the technical system integrator, ThitsaWorks will:

- Operate the national switch technology.
- Support daily reconciliation.
- Provide advance notice for maintenance.
- Train and guide all participants on IIPS processes.
- Send all settlement instructions to CBL.

The agreement also includes procedures for dispute resolution, limits on liability, and rules for ending or renewing the arrangement, ensuring fairness and safety for all parties.

The Service Level Agreement Sets High Performance Standards

The Service Level Agreement (SLA) ensures strong performance and reliability as IIPS moves into live operations with real funds. The SLA also sets penalties for late settlement, liquidity shortfalls, or system downtime to ensure all parties meet their responsibilities.

A Major Step Toward a Modern Digital Payments Future

Together, the participation agreement and the SLA reinforce CBL's commitment to building a safe, inclusive, and reliable instant payment system. With MTN Lonestar Cell Mobile Money, Orange Money, government agencies, and ThitsaWorks fully aligned under clear rules, Liberia is moving closer to a fully interoperable digital financial ecosystem.

Following the launch of the IIPS on December 16, Liberians will enjoy easier, faster, and more secure transactions anytime and across any participating network.



Head of MTN Mobile Money and CEO of Orange Money exchanging pleasantries after the signing



CBL EG Saamoi exchanging pleasantries with the CEO of Orange Mobile Money after the signing



CBL EG Saamoi exchanging pleasantries with the head of MTN Mobile Money after the signing



Our Money, Our Pride: The Case for Clean Notes in Liberia

In a bold and culturally resonant move, the Central Bank of Liberia (CBL) has launched a nationwide Clean Note Campaign under the theme “**Our Money, Our Pride: Handle it with Care.**” This initiative, which officially kicked off on September 19, 2025, at the Rally Time Market in Monrovia, is more than a public awareness drive – it is a strategic intervention aimed at preserving the integrity of the Liberian dollar, reducing currency replacement costs, and fostering national pride in Liberia’s monetary system.

A Currency Worth Caring For

Currency is not just a tool for transactions – it is a symbol of national identity, economic stability, and institutional credibility. In Liberia, however, the physical condition of banknotes has long been a concern. Torn, defaced, and dirty notes are commonplace, undermining public confidence and creating logistical and financial burdens for the Central Bank.

The Clean Note Campaign seeks to reverse this trend by educating the public on proper currency handling practices. By encouraging citizens to treat banknotes with care, the CBL aims to extend the lifespan of the Liberian dollar, reduce the frequency of reprinting, and promote a culture of financial responsibility.

Launching with Energy and Engagement

The campaign’s launch event at the Rally Time Market was a vibrant affair, featuring a float parade, music, and drama performances. These creative elements were designed to capture public attention and communicate the campaign’s message in a relatable and memorable way. The choice of venue – a bustling commercial hub – was strategic, ensuring that the message reached traders, consumers, and everyday citizens who interact with cash daily.

CBL staff, market women, youth groups, and local entertainers participated in the event, reinforcing the idea that currency care is a shared responsibility. The festive atmosphere helped to frame the campaign not as a top-down directive, but as a grassroots movement rooted in national pride.



CBL Banking Department Deputy Director Juah Feikah, with CBL Head of Corporate Communications Alphonsus Zeon during the launch of the Clean Note



CBL Head of Corporate Communications Alphonsus Zeon, speaking during the launch of the Clean Note

Damaging Practices and Their Impact

At the heart of the campaign is a call to end common practices that damage currency. These include:

- Squeezing, writing, stamping, or stapling banknotes
- Exposing notes to dirt, moisture, or excessive heat
- Melting coins for non-monetary use

Such actions degrade the physical appearance of the currency and shorten its usable life. This leads to increased printing costs, logistical challenges in currency distribution, and potential disruptions in day-to-day transactions – especially in rural areas where access to fresh notes is limited.



Cultural performance during the launch of the “Our Money, Our Pride Campaign.”

The CBL’s message is clear: every Liberian has a role to play in protecting the currency. Proper handling of banknotes is not just a matter of cleanliness — it is a matter of national pride and economic efficiency.

Economic Rationale Behind the Campaign

The Clean Note Campaign is not merely cosmetic; it has real economic implications. The cost of printing new currency is substantial, particularly for economies that rely heavily on physical cash. By extending the lifespan of existing notes, the CBL can redirect resources toward other priorities, such as financial inclusion, digital payments infrastructure, and monetary policy effectiveness.

Moreover, clean currency enhances the credibility of the financial system. When citizens receive crisp, well-maintained notes, it reinforces trust in the banking sector and the central bank’s commitment to sound monetary management.

A Cultural Shift in the Making

Beyond the technical and financial aspects, the Clean Note Campaign is a cultural intervention. It seeks to instill a sense of pride in Liberia’s currency —an emblem of sovereignty and shared identity. By framing the campaign around the slogan “Our Money, Our Pride,” the CBL is tapping into a deeper narrative of national ownership and civic duty.

This cultural shift is being reinforced through partnerships with schools, community organizations, and media outlets. Educational materials, radio jingles, and social media content are being deployed to reach diverse audiences, from urban youth to rural traders. The goal is to make clean note practices second nature to every Liberian.

Looking Ahead: Sustainability and Impact

The Clean Note Campaign is part of a broader strategy by the Central Bank to modernize Liberia’s currency management. It complements other initiatives such as the phased introduction of new banknotes, improvements in cash distribution logistics, and efforts to digitize payments. As the campaign gains momentum, its success will depend on sustained public engagement and institutional support.

Local businesses, commercial banks, and government agencies all have a role to play in modeling good currency handling practices and reinforcing the campaign’s message.

The Clean Note Campaign is a timely and strategic intervention that aligns with the Central Bank of Liberia’s mandate to maintain monetary stability and promote public confidence in the national currency. By encouraging citizens to treat their money with care, the Bank is not only protecting the physical integrity of the Liberian dollar but also nurturing a culture of respect, responsibility, and pride.

In the words of the campaign: **“Our Money, Our Pride.”** Let us all handle it with care.



Safeguarding Currency Integrity

- CBL Hosts Cash Management Workshop



CBL Assistant Director of Banking, Mr. Theo Lamin, speaking during the Cash Management Workshop

On Thursday, September 4, 2025, the Central Bank of Liberia (CBL) hosted a one-day workshop with commercial banks to deepen stakeholder understanding of the Bank's Cash Deposit and Withdrawal Policy. The event, held at CBL's headquarters, brought together cash operations managers, compliance officers, and senior representatives from Liberia's commercial banks.

The workshop was part of the Bank's broader efforts to strengthen cash management practices, reduce the circulation of unfit currency, and promote public confidence in the Liberian dollar. It also served as a preparatory engagement ahead of the nationwide Clean Note Awareness Campaign.

Key Themes and Discussions

The workshop focused on three interrelated themes:

1. Secure Cash Handling Procedures

Participants reviewed best practices for the secure handling, transportation, and storage of cash. Presentations emphasized the importance of internal controls, staff training, and the use of tamper-evident packaging to minimize risks associated with theft, fraud, and operational lapses.

2. Penalties for Counterfeit and Mutilated Banknotes

The CBL reiterated its policy on rejecting counterfeit and excessively mutilated notes, highlighting the legal and financial consequences for non-compliance.

The Bank emphasized that commercial banks have a frontline role in detecting and reporting counterfeit currency, and in ensuring that only clean, fit notes are recirculated.

3. Implementation of the Clean Note Awareness Campaign

The Clean Note Campaign aims to sensitize the public on the importance of handling currency with care, rejecting unfit notes, and understanding the penalties associated with defacing or hoarding currency. The CBL presented a draft communications plan and invited feedback from commercial banks on how to enhance outreach and public engagement.

Stakeholder Feedback and Recommendations

Commercial bank representatives welcomed the Clean Note Campaign and expressed support for it. However, they emphasized the need for a robust public education component to ensure that customers are well-informed about the policy's implications.

Among the suggestions were:

- Broadcasting radio jingles in local languages to reach rural populations.
- Partnering with community leaders and market associations to disseminate information.
- Providing banks with standardized posters and brochures for display in banking halls.

These recommendations reflect a shared understanding that policy effectiveness hinges not only on enforcement but also on public awareness and cooperation.



A cross-section of participants at the September 2025 Cash Management Workshop

Historical Context: Liberia’s Currency Journey

Liberia’s currency history is deeply intertwined with its political and economic evolution.

The Liberian dollar was first introduced in the 19th century, but over time, U.S. dollars also became widely used in parallel. In the 1980s and 1990s, amid civil conflict and economic instability, the country experienced a fragmented currency system, with multiple versions of the Liberian dollar circulating simultaneously – most notably the “Liberty” and “JJ Roberts” notes.

This duality created confusion, undermined monetary policy, and eroded public trust in the national currency.

It wasn’t until the early 2000s that the Central Bank of Liberia, established in 1999, began consolidating the currency system and gradually phasing out older notes.

In recent years, the CBL has embarked on a comprehensive Currency Reform Program, including the introduction of new banknotes and coins, enhanced security features, and improved cash processing infrastructure.

The Clean Note Policy is a critical component of this reform, aimed at ensuring that only clean, durable, and secure notes remain in circulation.

A Shared Commitment to Currency Integrity

The workshop concluded with a strong call for collaboration between the CBL and commercial banks to uphold the quality of currency in circulation. Participants agreed that a clean and secure currency environment is essential for maintaining public trust in the financial system and supporting broader macroeconomic stability.

The workshop is one of several initiatives under the CBL’s Currency Reform Program, which also includes the digitization of payment systems and the promotion of financial inclusion. As the CBL continues to implement its Clean Note Policy, such engagements will remain critical in aligning stakeholders, addressing operational challenges, and ensuring that Liberia’s currency remains a symbol of national pride and economic resilience.



Awarding of a certificate to a participant at the Cash Management Workshop



Empowering Communities: CBL's Financial Education Campaign Gains Momentum Nationwide



Participants at the Training of Trainers' event during the Financial Education Campaign in Robertsport, Cape Mount County

The Central Bank of Liberia (CBL), in collaboration with the Female Journalists Association of Liberia (FeJAL), PERT Consultancy Inc., and the Office of the Arts & Culture Ambassador at MICAT, has made significant strides in rolling out its nationwide Financial Education and Literacy Campaign, reaching thousands of Liberians across seven counties. The initiative is part of CBL's broader commitment to financial inclusion and economic empowerment.

The campaign's primary objective is to equip Liberians with practical financial knowledge – budgeting, saving, borrowing, investing, and understanding financial services – while promoting responsible money management and respect for the national currency through the Clean Note Policy.

County-Level Launches and Community Engagement

In Voinjama, Lofa County, the campaign began with a two-day Training of Trainers (TOT) workshop held from July 11–12. Local stakeholders, including teachers, youth leaders, women's groups, rural savings groups (VSLAs), persons with disabilities, transport unions, and community media, were trained to promote financial literacy in their communities. Participants explored topics such as mobile money usage, consumer rights, financial protection, and accessing banking services. The launch was supported by technical assistance from the U.S. Department of Treasury's Office of Technical Assistance.

Momentum continued in Kakata, Margibi County, where over 300 participants gathered for the fifth county-level launch. Thirteen mobilizers – market leaders, youth advocates, motorcyclists, and members of the disability community – were certified to lead grassroots financial education sessions.

Their enthusiasm reflected a growing public appetite for financial knowledge and empowerment.

In Gbarnga, Bong County, the fourth phase of the campaign saw another cohort of 13 trainers undergo intensive TOT sessions. These mobilizers began rolling out community-level trainings, reinforcing the campaign's message that “knowledge is power” and that financial literacy is key to tackling poverty and achieving financial stability.

The sixth phase unfolded in Sinje, Grand Cape Mount County, where mobilizers received two days of training before the public launch. The event featured cultural performances and lectures, emphasizing the importance of financial education and the Clean Note Campaign – CBL's drive to promote pride and care for the Liberian currency.

Buchanan: A Vibrant Seventh Launch

The most recent and vibrant launch took place in Buchanan, Grand Bassa County, where over 300 people attended the seventh county-level rollout. Held at Buchanan City Hall, the event featured lectures on budgeting, saving, borrowing, and investing, alongside cultural dance and drama performances that creatively depicted the importance of financial literacy.

Twelve mobilizers were certified during the Buchanan launch and are now actively rolling out community-based financial education programs across the county. The collaboration with FeJAL and MICAT's Arts & Culture Ambassador added a dynamic layer to the campaign, blending policy messaging with cultural storytelling to engage diverse audiences.

Clean Note Policy and Cultural Integration

A key component of the campaign has been the integration of the Clean Note Policy, which encourages Liberians to treat their currency with respect –keeping notes clean, unwrinkled, and intact. This policy is not just about aesthetics; it's about reinforcing national pride and reducing the costs associated with printing and replacing damaged currency.

Cultural performances have played a vital role in communicating these messages. Through drama, dance, and music, communities have been able to connect with financial concepts in relatable and memorable ways. These performances have also helped bridge literacy gaps, ensuring that even those with limited formal education can grasp the campaign's core messages.



Trainees conferring during the training of trainers' event during the Financial Education Campaign in Grand Cape Mount County



Capacity Building and International Exposure

In addition to local engagements, CBL staff from the Payment Systems, Development Finance, Regulation & Supervision, and Corporate Communications departments attended the Global Policy Forum of the Alliance for Financial Inclusion in Swakopmund, Namibia. This international exposure provided valuable insights and skills that are now being applied to enhance the effectiveness of the national campaign.

The campaign's success is also attributed to its inclusive approach. By targeting diverse groups – women, youth, persons with disabilities, market vendors, and rural savings groups – the initiative ensures that financial education reaches those who need it most. The use of community-based officers (CBOs) as trainers has proven effective in building trust and fostering peer-to-peer learning.

Looking Ahead

As the campaign continues into its next phases, the Central Bank of Liberia remains committed to expanding financial literacy county by county. The goal is not only to educate but to empower Liberians to make informed financial decisions, access formal financial services, and contribute to national economic growth.

The Financial Education and Literacy Campaign is more than a series of workshops – it is a movement. It is changing mindsets, building capacity, and laying the foundation for a financially resilient Liberia. With continued collaboration, cultural integration, and community ownership, the campaign is poised to make lasting impact across the country.



CBL on Course to Accomplish Legislative Mandate for the Insurance Sector

Liberia is on the verge of a major regulatory shift as the Central Bank of Liberia (CBL) advances plans to establish an independent insurance regulator, fulfilling a mandate set by the National Legislature in 2020. The draft Insurance Commission Act, now before lawmakers, is expected to transform the country's insurance sector and strengthen consumer protection.

Clear Legislative Mandate

Section 6(o) of the amended CBL Act requires the Bank to transition oversight of the insurance sector to a department and later an autonomous regulator within five years. Having achieved departmental status, CBL—with support from the U.S. Treasury's Office for Technical Assistance and other partners—has drafted and validated the new law, which has been submitted to the Legislature through the President's office.

"This legislation is critical to closing regulatory gaps and aligning Liberia with international best practices," said Dr. Musa Dukuly, Deputy Governor for Economic Policy at CBL. "It will ensure clarity in supervisory authority and strengthen governance in the insurance sector."

Addressing Regulatory Gaps

The proposed law seeks to eliminate confusion caused by overlapping supervisory powers among CBL, the Ministry of Transport, and the National Insurance Corporation of Liberia (NICOL). It will harmonize Liberia's framework with West African Monetary Zone standards and comply with global principles set by the International Association of Insurance Supervisors.



CBL Executive Governor Henry F. Saamoi

Currently, Liberia lacks mandatory insurance coverage for victims of hit-and-run accidents, uninsured vehicles, and fire-related incidents.

"The new Commission will have enforcement powers that the current framework lacks," noted Cllr Nathaniel Gbaba, Director of Insurance at CBL. "This will boost insurance penetration and protect consumers."

Mandatory Insurance and Enforcement

If enacted, the law will empower the Commission to introduce mandatory insurance schemes and create funds to support accident victims and public safety agencies such as the Liberia National Police and Fire Service.

An inspectorate division will enforce compliance, inspect roads and construction sites, and curb fraudulent practices.

The Commission will also have investigative and subpoena powers to tackle fraud and improprieties, a move expected to restore confidence and drive growth in the sector.

Education, Innovation, and Digitalization

Beyond enforcement, the new regime emphasizes education and digital transformation to expand financial inclusion beyond Monrovia. Public awareness campaigns and technology-driven solutions will help decentralize insurance services and improve transparency.

Regional Cooperation and Recent Milestones

Liberia's commitment to insurance sector reform was evident when it hosted the 41st General Assembly of the ECOWAS Brown Card Insurance Scheme in November 2025.

The event, themed 'ECOWAS at 50: Strengthening Governance through Digital Transformation,' brought together stakeholders from 11 countries to enhance cross-border motor insurance cooperation.

Vice President Jeremiah Kpan Koung, representing President Joseph Nyuma Boakai, underscored ECOWAS' role in breaking down trade barriers and promoting safety.

Two Liberians—Sahr Kaba and Habib Dia—were elected to the scheme's Executive Committee, signaling Liberia's growing influence in regional insurance governance.

Looking Ahead

Passage of the Insurance Commission Act is anticipated before year-end, paving the way for the Insurance Department to transition into an independent commission by early 2026. "This is not just a regulatory reform; it's a step toward building trust and resilience in Liberia's financial system," Dr. Dukuly added.



CBL Deputy Governor for Economic Policy Dr. Musa Dukuly



Mr. Nathaniel Gbaba - Director of CBL Insurance Department



CBL Showcases Liberia's Financial Inclusion Efforts at Global Policy Forum in Namibia



CBL Delegation at the Global Policy Forum of the Alliance for Financial Inclusion in Swakopmund, Namibia in September 2025

A delegation from the Central Bank of Liberia (CBL) participated in the Global Policy Forum (GPF) of the Alliance for Financial Inclusion (AFI), held in Swakopmund, Namibia, in September 2025. The forum, convened under the theme “Empowering Society, Enabling Growth”, brought together financial policymakers, regulators, and development partners from across the globe to share insights, innovations, and strategies for advancing inclusive finance.

Representing Liberia were staff members from the Payment Systems, Development Finance, Regulation & Supervision, and Corporate Communications departments. Their participation underscored CBL's commitment to strengthening financial inclusion and building institutional capacity to support underserved segments of the population.

Liberia's Interventions in SME Finance

A highlight of the forum was a presentation by a member of the CBL team on Liberia's ongoing interventions in small and medium enterprise (SME) finance. The presentation focused on two major initiatives:

1. The Line of Credit (LOC) under the Liberia Investment Finance and Trade (LIFT) Project.

Financed by the World Bank, this program aims to provide sustainable medium-to-long-term financing to micro, small, and medium enterprises (MSMEs), many of which are women-led. The LOC is designed to address access-to-finance barriers and stimulate private sector growth by channeling affordable credit through participating financial institutions.

2. The Youth Entrepreneurship Investment Bank (YEIB) Project.

Supported by the African Development Bank, this initiative will offer a blend of equity and debt financing, along with capacity-building support, to youth-owned businesses in Liberia. The YEIB is expected to catalyze youth entrepreneurship, reduce unemployment, and foster innovation in the Liberian economy.

These interventions reflect Liberia's strategic approach to inclusive finance – targeting vulnerable groups such as women and youth and aligning with broader development goals.



Knowledge Contribution to AFI

In addition to the presentation, the CBL team actively participated in the SME Finance Working Group, where they discussed a policy paper titled “Factors Affecting Interest Rates on Credit to MSMEs in Liberia.”

The paper, which provides a comprehensive analysis of structural and market-based factors influencing lending rates, was well received by the group.

Due to its depth and relevance, the working group recommended that the paper be published as a standalone AFI knowledge product, rather than being merged with other country case studies.

This recognition positions Liberia as a thought leader in SME finance policy and contributes to the global discourse on inclusive financial systems.

Strengthening National Programs

The knowledge and skills gained from the forum are already being applied to enhance CBL’s domestic programs, including the ongoing National Financial Education Campaign.

The campaign, which is being rolled out across counties, aims to empower Liberians with financial literacy and promote responsible money management.

By participating in global forums like AFI’s GPF, CBL is not only showcasing Liberia’s progress but also learning from best practices and innovations that can be adapted to the local context.



Looking Ahead

As Liberia continues to advance its financial inclusion agenda, the insights from the Global Policy Forum will inform policy development, stakeholder engagement, and program implementation.

The CBL remains committed to fostering a financial ecosystem that is inclusive, resilient, and responsive to the needs of all Liberians.





Liberia Turns to Gold

CBL's Strategic Reserve Diversification Signals a New Era of Financial Stability and Independence



In a bold and forward-looking move, the Central Bank of Liberia (CBL) has announced plans to diversify the nation's reserves by incorporating gold holdings – a strategic initiative aimed at reinforcing financial stability, enhancing monetary resilience, and safeguarding the Bank's operational independence.

The announcement was made by Executive Governor Henry F. Saamoi during a high-level courtesy visit by the United States Embassy's Chargé d'Affaires, Joseph E. Zadrozny, at the CBL headquarters in Monrovia on August 29, 2025. The visit marked a significant moment in Liberia's financial diplomacy, underscoring the country's commitment to sound monetary policy and its growing partnership with the United States.

Gold as a Strategic Anchor

Governor Saamoi emphasized that the decision to pursue gold reserve diversification is rooted in both economic prudence and institutional sovereignty.

"Diversifying our reserves with gold provides both stability and security for Liberia's economy," he stated. "But equally important, it reinforces our independence as a Central Bank – free from interference, transparent, and accountable to the Liberian people."

Gold, long regarded as a safe-haven asset, offers protection against currency volatility and geopolitical uncertainty. For Liberia, whose reserves have traditionally been dominated by foreign currencies, the inclusion of gold represents a strategic hedge and a symbol of monetary maturity.

To ensure best practices, the CBL has embarked on study tours to Ghana and Dubai, engaging with the Bank of Ghana and a leading gold refinery to benchmark gold reserve management. These engagements are expected to inform the design of Liberia's gold acquisition, storage, and valuation protocols.

Reaffirming Independence Amid Global Partnerships

While the diversification into gold signals a shift toward greater self-reliance, the CBL remains committed to international cooperation. Governor Saamoi was clear: "The Central Bank of Liberia will continue to welcome external collaboration, but our autonomy is non-negotiable. It is the foundation for sound monetary policy and sustainable economic growth."

Chargé d'Affaires Zadrozny echoed this sentiment, reaffirming the United States Government's strong support for Liberia. He announced the resumption of the U.S.

Treasury's Office of Technical Assistance (OTA) support to the CBL, with a planned OTA visit scheduled for September 2025. The renewed engagement will deepen technical collaboration and bolster institutional capacity at the Bank.



Zadrozny also revealed U.S. assistance to strengthen Liberia's insurance sector, including support for the establishment of a new Insurance Commission – envisioned as the sole regulator of the industry. This initiative aligns with broader efforts to modernize Liberia's financial architecture and promote inclusive economic development.

A Track Record of Progress

The visit also provided an opportunity to reflect on recent achievements. Both parties welcomed the Federal Reserve Bank of New York's recent assessment of Liberia's financial system, which noted substantial improvements since its last review three years ago. These include enhanced transparency, improved risk management, and greater operational efficiency at the CBL.

Governor Saamoi outlined additional priorities under the Bank's strategic plan, including the launch of the Liberia Payment and Interbank Settlement System (LPISS) and the establishment of a state-of-the-art training center to build local capacity.

These initiatives are designed to strengthen the financial ecosystem, improve payment efficiency, and support the broader goals of financial inclusion and economic resilience.

Gold and the Future of Monetary Policy

The move toward gold reserves is not merely symbolic – it reflects a deeper recalibration of Liberia's monetary policy framework. In an era of global uncertainty, central banks are increasingly turning to gold to anchor their reserve portfolios. For Liberia, this shift signals a desire to insulate its economy from external shocks and assert greater control over its monetary destiny.

Moreover, gold reserves can play a critical role in enhancing the credibility of the central bank. By holding tangible assets, CBL can reinforce public confidence in its ability to manage inflation, stabilize the currency, and respond to economic crises.

Strengthening Bilateral Ties

The courtesy visit by the U.S. Embassy also underscored the enduring partnership between Liberia and the United States. With shared values of transparency, accountability, and good governance, both countries are working to build a resilient financial system that supports inclusive growth and democratic stability.

Chargé d'Affaires Zadrozny commended the CBL's initiatives and pledged continued U.S. support. "America's commitment to Liberia's economic development remains strong," he said. "We are proud to stand with the Central Bank as it pursues reforms that will benefit all Liberians."

Conclusion: A Golden Opportunity

As Liberia charts a new course in its monetary policy journey, the decision to diversify reserves with gold is both timely and transformative. It reflects a strategic understanding of global financial dynamics and a firm commitment to institutional independence.

The Central Bank of Liberia's gold initiative is more than a technical adjustment – it is a statement of intent. It signals that Liberia is ready to take its place among nations that manage their economies with foresight, discipline, and confidence.

With continued support from international partners and a clear vision for the future, the CBL is laying the foundation for a more stable, secure, and sovereign financial system – one that is truly golden.



Steady Hands in Uncertain Times

Analyzing the Central Bank of Liberia's July 2025 Monetary Policy Decisions



CBL Executive Governor and Chairman of the Monetary Policy Committee, Henry F. Saamoi, and Monetary Policy Committee member Mr. Samuel W. Thompson, during the reading of the July 2025 monetary policy decisions

In a climate of global economic uncertainty and domestic inflationary pressures, the Central Bank of Liberia (CBL) opted for continuity and caution. At its third Monetary Policy Committee (MPC) meeting of the year, held on July 23, 2025, the Bank unanimously decided to maintain the Monetary Policy Rate (MPR) at 17.25%.

This decision, echoed in the official communique and subsequent press release, reflects a deliberate strategy to anchor inflation expectations, preserve currency stability, and reinforce confidence in Liberia's macroeconomic framework.

At the heart of this decision lies a balancing act: the need to contain inflation without stifling growth. The MPR – Liberia's benchmark interest rate – remains a potent tool in the Bank's arsenal.

By keeping it unchanged, the CBL signals its commitment to a tight monetary stance, aimed at curbing excess liquidity and discouraging speculative borrowing. This is particularly crucial in a context where inflation, though easing, remains elevated at 11.1% in Q2, down from 12.5% earlier in the year.

The Bank's decision to hold the interest rate corridor steady (+2.5/-7.5 percentage points around the MPR) and maintain reserve requirements (25% for Liberian dollar deposits, 10% for U.S. dollar deposits) further reinforces its conservative posture.

These measures ensure that commercial banks operate within a predictable framework, limiting volatility in lending and deposit rates. In effect, the CBL is prioritizing price stability over short-term stimulus – a prudent move given the fragility of Liberia's external sector and the persistent threat of imported inflation.

Yet, the July decision is not merely a technical adjustment. It reflects a broader philosophy of policy coherence and institutional coordination. The presence of the Minister of Finance and Development Planning at the reading of the communique underscores the growing synergy between fiscal and monetary authorities.

In an economy like Liberia's – where fiscal deficits, public debt, and external vulnerabilities often intersect – such coordination is not optional; it is essential.

The communique's emphasis on encouraging the use of the Liberian dollar in domestic transactions and urging exporters to route earnings through local banks speaks to a strategic pivot toward de-dollarization.

While the U.S. dollar remains dominant in Liberia's financial ecosystem, over-reliance on foreign currency undermines monetary sovereignty and complicates policy transmission.



By incentivizing local currency usage and strengthening foreign reserves, the CBL aims to build resilience against external shocks and reduce exchange rate pass-through effects.

This strategy is timely. Although global inflation is easing and commodity prices – particularly food and fuel – are declining, Liberia faces headwinds from falling export prices and sluggish global demand.

The 11.4% rise in remittances offers some cushion, helping to stabilize the exchange rate and support household consumption. However, remittances are inherently volatile and cannot substitute for robust export earnings or diversified revenue streams.

On the growth front, the economy expanded by 4.3% in Q2, with hopes of reaching the 5.6% annual target. This is encouraging, but not yet transformative.

The banking sector remains broadly stable, yet the high level of non-performing loans (26.7%) is a red flag. It suggests underlying weaknesses in credit risk management and points to structural challenges in the real economy – particularly among small and medium enterprises (SMEs), which often lack collateral and financial literacy.

In this context, the CBL's cautious stance is both defensive and forward-looking. By resisting the temptation to lower rates in pursuit of growth, the Bank is safeguarding the purchasing power of ordinary Liberians.

As the press release aptly notes, a steady MPR helps slow down rising prices and protects savings from being eroded by inflation. This is particularly vital in a country where a large portion of the population lives on fixed incomes and where inflation disproportionately affects the poor.

Moreover, the Bank's communication strategy deserves commendation. The clarity and accessibility of the press release – explaining complex monetary decisions in relatable terms – reflect a growing commitment to transparency and public engagement.



A cross-section of participants at the July 2025 reading of the quarterly monetary policy decisions

This is not merely cosmetic. In a democracy, central banks must earn trust not only through sound policy but also through clear and consistent messaging. The inclusion of a stakeholder feedback session in the reading agenda further reinforces this ethos, allowing financial institutions, civil society, and the media to engage directly with policymakers.

The Way Forward

Looking ahead, the CBL faces a delicate path. The global economy remains unpredictable, and Liberia's fiscal space is limited. Structural reforms – in public finance, export diversification, and financial inclusion – must complement monetary prudence.

The July decisions are a step in the right direction, but they must be embedded in a broader reform agenda that addresses the root causes of inflation, currency instability, and market credit inefficiencies.

In sum, the July 2025 monetary policy decisions reflect a mature and measured approach to economic management. By holding the line on interest rates, reinforcing reserve requirements, and promoting local currency usage, CBL is laying the groundwork for long-term stability. The presence of the Minister of Finance at the communique reading signals a welcome alignment of fiscal and monetary priorities.

The Central Bank must therefore be commended for its resolve, continued vigilance, innovation, and collaboration in the pursuit of a stable and inclusive economy.



West Africa's Currency Ambition: A Step Closer to the ECO



*Chairman of the Authority of Heads of State and Government
President Julius Maada Bio of Sierra Leone*

In a significant stride toward regional integration and economic transformation, the Economic Community of West African States (ECOWAS) and its key financial institutions concluded a series of high-level meetings in August 2025. These meetings, held under the auspices of the West African Monetary Agency (WAMA), the West African Institute for Financial and Economic Management (WAIFEM), and the ECOWAS Commission, brought together central bank governors, finance ministers, and technical experts to assess progress toward the long-anticipated launch of the ECO single currency by 2027.

The discussions, which spanned economic performance, financial sector resilience, legal harmonization, and digital payments, underscored both the achievements and the challenges that lie ahead for the region's monetary union agenda.

Economic Performance: A Mixed Picture

West Africa's economy demonstrated resilience in 2024, growing by 4.4% despite global headwinds. However, inflation remains a pressing concern, averaging 24.8% across the region, with particularly high rates in Nigeria, Sierra Leone, and Ghana. These inflationary pressures have complicated efforts to meet the convergence criteria required for ECO adoption.

Only Benin and Cabo Verde have so far met all the macroeconomic benchmarks, which include targets for inflation, fiscal deficits, public debt, and foreign reserves. Nonetheless, several countries are expected to make significant progress in 2025, aided by fiscal consolidation, improved revenue mobilization, and prudent debt management.

Economic Performance: A Mixed Picture

The region's banking systems remain broadly stable, with adequate capital buffers and liquidity levels. However, the rise in non-performing loans—now at 11.6%—has raised concerns about credit risk and the need for stronger supervision.

To address these challenges, WAIFEM has intensified its capacity-building efforts. In the first half of 2025 alone, the institute trained 816 professionals in areas such as digital finance, artificial intelligence, and macroeconomic modeling. These efforts are critical to equipping financial institutions with the skills needed to navigate an increasingly complex and digitized financial landscape.

Legal Harmonization and Institutional Reforms

A key outcome of the meetings was the adoption of a Revised Banking Law aimed at harmonizing regulatory frameworks across ECOWAS member states. This legal alignment is essential for fostering cross-border banking, enhancing investor confidence, and ensuring a level playing field for financial institutions.

In addition, a new Monetary Policy Forum was established to facilitate coordination among central banks. This platform will enable policymakers to align interest rate decisions, inflation targets, and exchange rate policies — an essential step toward a unified monetary zone.



Progress on the ECO Roadmap

The ECO currency, first proposed over two decades ago, has faced repeated delays due to political, economic, and institutional hurdles. However, the 2025 meetings signaled renewed momentum. According to WAMA, key components of the ECO Roadmap are advancing steadily:

- Statistics harmonization: 66.7% complete
- Payment system interconnection: 62.5% complete
- Macroeconomic stability: 60% achieved

While these figures reflect encouraging progress, challenges remain in areas such as institutional capacity, legal frameworks, and public communication. The criteria for selecting the headquarters of the future Central Bank of West Africa (CBWA) were finalized, marking another milestone in the institutional architecture of the monetary union.

Digital Payments and Regional Trade

The ECOWAS Payment and Settlement System (EPSS), designed to facilitate seamless cross-border transactions, has experienced delays but is now being prioritized. Once operational, EPSS – alongside the Pan-African Payment and Settlement System (PAPSS) – is expected to significantly reduce transaction costs, enhance trade, and deepen financial integration across the region.

The meetings also emphasized the importance of leveraging both public and private financing to operationalize these systems, ensuring sustainability and scalability.

Accountability and Strategic Planning

Both WAIFEM and WAMA received clean audit reports for 2024, reflecting sound financial management and institutional credibility. WAMA also unveiled its new Strategic Plan (2025–2028), which focuses on improving data quality, enhancing policy coordination, strengthening financial systems, and expanding public outreach.

These developments underscore the region's commitment to transparency, accountability, and long-term planning – key ingredients for a successful monetary union.

Historical Context: A Long Road to Monetary Union

The vision of a single West African currency dates back to the 1980s, when ECOWAS first articulated the goal of economic and monetary integration. The idea gained traction in the 2000s with the establishment of WAMA and WAIFEM, and the adoption of the ECOWAS Monetary Cooperation Programme (EMCP).

However, political instability, economic divergence, and institutional weaknesses have repeatedly delayed the ECO's launch. The COVID-19 pandemic further disrupted timelines, forcing a recalibration of priorities. The current 2027 target reflects a more pragmatic approach, grounded in incremental progress and stronger regional coordination.

Looking Ahead: Unity Through Currency

As the 2027 deadline approaches, ECOWAS faces a critical window of opportunity. The success of the ECO will depend not only on meeting technical benchmarks but also on building public trust, fostering political will, and ensuring that the currency serves the real economic needs of West Africans.

The August 2025 meetings reaffirmed the region's collective resolve to move forward. With continued leadership, cooperation, and innovation, the ECO could become more than just a currency – it could be a symbol of unity, resilience, and shared prosperity in West Africa.



President of the ECOWAS Commission Dr. Omar Alieu Touray of Gambia



Bridging the Gap: CBL Trains Journalists to Strengthen Monetary Policy Communication



A cross-section of participants at the Training of Journalists in Monetary Policy Communications in August 2025



Dr. Musa Dukuly, CBL Deputy Governor for Economic Policy, delivering the keynote address at the 'Training of Journalists' event

In a landmark initiative to deepen public understanding of economic policy and foster responsible journalism, the Central Bank of Liberia (CBL) hosted a one-day intensive training session for over 30 journalists on monetary policy communication. Held on 7 August 2025 at the Bank's headquarters on Ashmun Street, the event brought together reporters from print and electronic media, including representatives from the Press Union of Liberia (PUL), marking a significant step toward institutionalizing economic literacy through the press.

The training, spearheaded by the Bank's Corporate Communications Section, aimed at equipping journalists with the analytical tools and technical knowledge needed to accurately interpret and report on complex monetary issues. Topics covered included monetary policy operations, inflation dynamics, exchange rate mechanisms, reserve requirements, and the impact of global economic trends on Liberia's economy.

The Media's Role in Economic Stability

Delivering the keynote address, Dr. Musa Dukuly, Deputy Governor for Economic Policy, emphasized the media's critical role in shaping public discourse and economic outcomes. "You are not just reporters," he told participants. "You are educators, watchdogs, and bridges between complex policy decisions and the everyday lives of citizens."

Dr. Dukuly stressed that informed journalism is essential to economic development, noting that the public often relies on media narratives to understand policies that affect their livelihoods – from food prices to job creation.

He warned that misinterpretation or sensationalism in economic reporting could have far-reaching consequences, including eroding public trust, triggering panic, and misguiding policymakers.

To illustrate the risks, Dr. Dukuly cited several examples from across Africa. In Ghana (2022), misreporting on foreign reserves led to speculation and a 300% depreciation of the cedi. In Nigeria (2021), misinterpreted inflation data sparked fears of hyperinflation, prompting multiple clarifications from the Central Bank.

In Kenya (2023), inaccurate reporting on debt repayment capacity temporarily dented investor confidence. Closer to home, a December 2024 headline in Liberia falsely claimed, "no money in the bank," forcing the CBL to issue an urgent clarification to prevent a potential bank run.

"These instances remind us of the delicate balance between disseminating information and the responsibility of precision," Dr. Dukuly said.

Building Bridges, Not Walls

The training was not intended as a one-off event. Instead, it forms part of the CBL's broader strategy to foster transparency and build lasting partnerships with the media.



“We want to build bridges, not walls, between policymakers and the press,” Dr. Dukuly affirmed. He assured journalists of ongoing technical support from the Bank’s Research, Policy & Planning Department and promised future training opportunities to deepen their understanding of economic concepts.

The Bank’s commitment to media engagement reflects a growing recognition that transparency, trust, and financial stability begin with accurate and responsible journalism. “A financially literate public depends on a financially literate press,” Dr. Dukuly concluded.



Presenters at the 'Training of Journalists' event



Trainee journalists at the 'Training of Journalists' event

Demystifying Monetary Policy

The training featured presentations from senior economists and policy planners within the CBL. Jefferson Kambo, Director of Research, Policy, and Planning, provided an overview of monetary policy operations, explaining how the Bank uses policy tools to maintain inflation within single digits and support government economic programs.

Rajie R. Adnan, Deputy Director for Monetary Policy, clarified misconceptions about inflation and exchange rates. “Inflation is a general increase in prices over time – it affects everything,” he said. He also addressed the common belief that the CBL sets the exchange rate, explaining that rates are determined by licensed forex bureaus, commercial banks, and market forces.

Michael D. Titoe, Jr., Deputy Director for Macroeconomic Forecasting, highlighted Liberia’s vulnerability to global economic shocks due to its import dependence and limited export base. He urged journalists to contextualize local economic developments within broader global trends.

Recognizing Responsible Journalism

While cautioning against the dangers of misinformation, the CBL also celebrated examples of constructive media practices across the continent. In South Africa, financial journalists have played a key role in simplifying central bank policies and enhancing fiscal transparency. In Rwanda, local media has significantly raised public awareness around inflation and financial inclusion.

Liberia, too, has seen progress. Several economic reporters have been commended for their coverage of currency reform, inflation trends, and banking sector modernization. These efforts have helped demystify monetary policy and foster public engagement with economic issues.

A Call to Action

As Liberia works to strengthen its economy and build public confidence in financial institutions, the role of journalists in communicating policy effectively has never been more vital. The CBL’s training initiative reflects a strategic shift toward inclusive and transparent policymaking, where the media is not just a messenger but a partner in development.

In closing, Dr. Dukuly urged journalists to take full advantage of the training by asking critical questions and engaging deeply in economic concepts. “Liberia needs a financially literate citizenry,” he said. “That can only be achieved when the media is equipped to report accurately, thoughtfully, and with integrity.”

The August 2025 training marks the beginning of a deeper collaboration between the Central Bank and the nation’s media professionals – one that promises to elevate the quality of economic reporting and strengthen the foundations of public trust and financial stability in Liberia.



Factors Affecting Interest Rates on Credit to MSMEs in Liberia

*Why Credit Costs So Much for Liberian MSMEs and What Can Be Done About It,
By Jay Gblebo Brown (Head – CBL Development Finance Section)*



Jay Gblebo Brown (Head – CBL Development Finance Section)

Micro, small, and medium enterprises (MSMEs) are the backbone of Liberia's economy, driving employment and local commerce. Yet, one of their biggest challenges remains access to affordable credit. Interest rates on loans to MSMEs often range from 14% to over 70% annually, depending on the lender. Why are these rates so high—and what can be done to lower them?

Demand-Side Challenges: Why MSMEs Struggle to Access Affordable Loans

On the borrower side, several issues drive up interest rates:

- **Lack of Collateral:** Many MSMEs don't own land or high-value assets that banks require as security. Without collateral, lenders perceive higher risk and charge more to compensate.
- **Limited Credit History:** Liberia's credit information systems are still developing. Without reliable data on borrowers' past behavior, lenders apply a "worst-case scenario" risk premium.
- **Small Loan Sizes:** MSMEs often borrow small amounts for short periods. While manageable in cash terms, these loans carry high annualized rates. For example, a 5% monthly interest rate translates to 60% annually.
- **Low Financial Literacy and Limited Options:** Many MSMEs don't compare loan offers or understand the full cost of borrowing. With few alternatives, they accept high rates from informal lenders or microfinance institutions.

These factors mean MSMEs are often seen as risky and have little bargaining power, allowing lenders to charge more—or deny credit altogether.

Supply-Side Pressures: Why Lenders Charge High Rates

From the lender's perspective, several structural issues make MSME lending expensive:

- **High Cost of Funds:** Banks and microfinance institutions (MFIs) often rely on costly foreign credit lines. With government treasury bills yielding 5–7%, MSME loans must be priced higher to remain profitable.
- **Operational Costs:** Serving MSMEs is expensive. Poor infrastructure, manual processes, and small loan sizes mean high costs per loan. These are passed on to borrowers.
- **Credit Risk:** MSMEs operate in volatile sectors and are vulnerable to shocks. Liberia's banking sector has experienced high non-performing loan (NPL) ratios, prompting lenders to raise rates to cover potential losses.
- **Limited Competition:** With few banks and MFIs serving MSMEs, competition is weak. This allows lenders to maintain high rates without fear of losing clients.
- **Macroeconomic Instability:** Inflation and currency depreciation force lenders to increase rates to preserve the real value of their capital. Liberia's dollarized economy adds complexity, with USD loans often priced differently than Liberian dollar loans.



Who Charges What? A Snapshot of MSME Lending Rates

Interest rates vary widely depending on the lender:

Lender Type	Typical Annual Interest Rate (APR)	Notes
Commercial Banks	14%–18%	Lower rates for well-established SMEs; access is limited.
Microfinance Institutions (MFIs)	40%–70% (effective)	Charged monthly; high due to small loan sizes and service costs.
Credit Unions/VSLAs	15%–25%	Community-based; limited reach.
Informal Moneylenders	15%–25% per month	Extremely high annual rates; used for quick cash needs.

Most MSMEs fall outside the reach of commercial banks and rely on MFIs or informal lenders — where rates are highest

Liberia in a Regional Context

Liberia’s lending rates are high but not unique. Countries like Sierra Leone and Ghana also face elevated rates due to similar challenges. However, nations like Kenya, Rwanda, and South Africa have managed to lower MSME lending costs through reforms such as:

- Strong credit information systems
- Mobile money and digital lending platforms
- Government-backed credit guarantee schemes

Liberia’s interest rate spreads — the difference between lending and deposit rates — often exceed 10 percentage points, signaling inefficiencies in the financial system.

What Can Be Done?

An outline of several policy recommendations to reduce MSME lending rates:

- 1. Improve Credit Information Systems:** Strengthening credit bureaus and collateral registries can reduce risk premiums and improve loan terms.
- 2. Encourage Competition and Innovation:** Supporting fintech solutions and new financial institutions can drive down rates through efficiency and competition.
- 3. Maintain Macro Stability:** Stable inflation and exchange rates reduce uncertainty and allow lenders to offer lower rates.
- 4. Support MSME Capacity Building:** Training MSMEs to become “credit-ready” can improve their access to better loan terms.
- 5. Expand Targeted Support:** Credit guarantee schemes and subsidized lending for priority sectors (e.g., agriculture, manufacturing) can temporarily ease rates while structural reforms take hold.

Conclusion

High interest rates are a major barrier to MSME growth in Liberia. By addressing both the demand-side and supply-side challenges, Liberia can build a more inclusive financial system. Lowering the cost of credit will unlock entrepreneurship, create jobs, and fuel economic development.

The analysis makes it clear that while the problem is complex, solutions are within reach — if policymakers, lenders, and development partners work together.



LIFT Project's MSME Credit Line Delivers Big Wins for Liberian Entrepreneurs

Liberia's small businesses are getting a major boost thanks to the Micro, Small and Medium Enterprise (MSME) Line of Credit (LOC) under the Liberia Investment Finance and Trade (LIFT) Project. Launched in late 2024, the LOC is a joint initiative of the Ministry of Commerce & Industry and the Central Bank of Liberia (CBL), with support from the World Bank. Its goal? To make affordable loans available to Liberian entrepreneurs and help grow the economy from the ground up.

Phase I of the LOC, backed by US\$2.5 million, has already made a strong impact. By June 2025, 112 MSMEs across eight counties had received loans totaling US\$2.335 million—93% of the available funds. Even better, all loans are performing well, with zero defaults reported so far.

Who Got the Loans?

The LOC reached a wide range of businesses—from market women and petty traders to small manufacturers and service providers. Loan sizes varied from as little as US\$1,000 to the maximum of US\$100,000, with an average loan size of US\$20,800. About 25% of loans were under US\$5,000, showing that even micro-enterprises were included.

While retail and trade businesses made up the bulk of borrowers (about 72%), the LOC also supported ventures in services (17%), manufacturing (6%), and agriculture (1%). This mix reflects Liberia's current business landscape but also shows progress toward diversifying MSME financing beyond traditional trading.



Cross-section of participants at the unveiling of LIFT-P Phase II



CBL Executive Governor Henry F. Saamoi

Reaching Rural Liberia

One of the most impressive achievements of Phase I was its geographic reach. Nearly half of the loans—53 out of 112—went to businesses outside Montserrado County.

Entrepreneurs in Lofa, Nimba, Bong, Grand Kru, Grand Gedeh, Grand Bassa, and Margibi benefited from the program. This is a big step forward in making finance accessible beyond the capital.

Women in Business

The LOC also delivered on its promise to support women entrepreneurs. About 54% of the loans went to women-led businesses, exceeding the project's gender inclusion target. Many women used the funds to expand market stalls, open shops, or start new ventures.

Their success stories are proof that when women have access to finance, communities thrive.

Affordable and Flexible Terms

Loans under the LOC came with borrower-friendly terms. Interest rates ranged from 12% to 14% per year—lower than typical MSME rates in Liberia.

Loan tenures stretched up to three years, and most loans included grace periods of two to six months, giving businesses time to grow before repayments began.



Who Made It Happen?

Three financial institutions participated in Phase I:

- Afriland First Bank Liberia (AFBLL) disbursed US\$971,000 across 19 loans, including partnerships with five rural community finance institutions (RCFIs) that reached deeply rural areas.
- Cititrust Microfinance focused on micro-loans, disbursing US\$725,000 to 40 borrowers –mostly women in Montserrado.
- Liberian Enterprise Development Finance Company (LEDFC) deployed US\$515,000 in 21 loans, many in remote counties like Grand Gedeh and Bong.

Each institution played a unique role, showing that a mix of banks, microfinance institutions, and non-bank lenders can effectively serve Liberia's diverse MSME sector.

Real Stories, Real Impact

Behind the numbers are inspiring stories of transformation:

- Vickey's Business Inc. in Nimba used a US\$20,000 loan to double its monthly sales and add a new employee.
- Patmelia Business Center expanded operations and now serves over 1,500 students through its school, thanks to a US\$25,000 loan.
- Redd Power Ventures in Margibi upgraded its garbage collection fleet with an US\$80,000 loan, improving services and creating jobs.
- Kupat Business Center, a clothing shop, used its loan to boost inventory and sustain jobs.
- J.W. Harris Memorial School accessed US\$20,000 to launch a university program, creating seven new jobs.

These stories show how access to finance can change lives, grow businesses, and strengthen communities.



Minister of Commerce & Industry Hon. Magdaline Ellen Dagoseh

What's Next?

With Phase I off to a strong start, the government and World Bank launched Phase II in July 2025, adding US\$3.5 million and expanding to seven financial institutions. The next phase will focus more on agriculture, manufacturing, and technology – sectors critical to Liberia's long-term growth.

The LOC is structured as a revolving fund, meaning repayments from Phase I will help finance new loans. So far, PFIs have paid US\$35,000 in interest to the project, and repayments from MSMEs are on track.

Final Thoughts

The MSME Line of Credit under the LIFT Project is proving that Liberian entrepreneurs are ready to grow when given the right support.

With strong oversight from the CBL and active participation from financial institutions, the program is helping build a more inclusive, resilient, and vibrant economy.

As Phase II rolls out, the hope is for even more success stories – more jobs, more businesses, and more opportunities for Liberians across the country.



World Bank Country Manager for Liberia, Georgia Wallen



Liberia's MSME Credit Revolution: LIFT Project Phase II Rolls Out with Renewed Promise



CBL Executive Governor Henry F. Saamoi and Minister of Commerce & Industry Hon. Magdaline Ellen Dagoseh, signing Phase II of the LIFT Project Document

In a landmark move to empower Liberia's micro, small, and medium enterprises (MSMEs), the Government of Liberia, in collaboration with the Central Bank of Liberia (CBL) and the World Bank, has officially launched Phase II of the Line of Credit (LOC) under the Liberia Investment, Finance, and Trade (LIFT) Project.

This initiative, backed by a fresh disbursement of US\$3.5 million, marks a significant expansion of efforts to strengthen Liberia's financial system and stimulate inclusive economic growth.

From Pilot to Progress: Building on Phase I

Phase I of the LIFT Project, launched in late 2024, disbursed US\$2.5 million through three financial institutions. It reached nearly 100 MSMEs, with over 50% being women-led businesses and almost half located outside Montserrado County — a testament to the project's national reach and gender inclusivity.

Encouraged by these outcomes, Phase II expands the scope to seven participating financial institutions (PFIs), including banks and Liberian-owned microfinance institutions (MFIs). This expansion is designed to deepen access to credit across Liberia's diverse economic landscape, especially in underserved rural areas.

Strategic Vision and Policy Alignment

The LIFT Project is a five-year initiative aligned with Liberia's Vision 2030 and President Joseph Boakai's ARREST Agenda for Inclusive Development (AAID). It also supports the World Bank Group's Country Partnership Framework, which emphasizes job creation through private sector investment.

At the launch ceremony held at the Central Bank of Liberia, Commerce and Industry Minister Magdalene Ellen Dagoseh described the LOC rollout as a "major step toward empowering local businesses, diversifying the economy, and creating jobs." She emphasized the importance of targeting growth-oriented sectors such as light manufacturing, agro-processing, healthcare, education, and agriculture, noting that "we cannot build an economy based solely on trade and commerce."

A New Approach to Lending

Minister Dagoseh acknowledged the challenges of loan disbursement and repayment in Liberia but highlighted proactive steps taken by the LIFT Steering Committee. These include:

- Transparent lending terms based on market data.
- Inclusion of MFIs to reach remote communities.
- Monitoring of loan coverage and sectoral impact.
- Encouragement of responsible borrowing and repayment.

She also revealed ongoing efforts to digitize the Commercial Court and train judges to expedite commercial disputes — part of broader reforms to improve Liberia's investment climate.



CBL's Oversight and Commitment

CBL Executive Governor Henry F. Saamoi described the LOC program as a “transformative journey to economic growth and development.” He reaffirmed the Bank’s role in ensuring transparent implementation, sound lending practices, and financial inclusion.

Governor Saamoi also called on the National Legislature to pass laws that would enable financial institutions to more effectively enforce loan repayment, thereby strengthening Liberia’s credit culture.



World Bank's Endorsement and Development Vision

World Bank Liberia Country Manager Georgia Wallen offered a compelling narrative of progress and promise. She emphasized that the LOC is not merely about disbursing funds, but about doing so responsibly, transparently, and sustainably. As a revolving credit facility, every dollar repaid is re-lent, multiplying its development impact.

“Repayment is not just a financial obligation – it is a development multiplier,” Wallen stated. “These are not grants; they are loans meant to grow businesses and create jobs.”

She highlighted the expansion into new sectors – agriculture, manufacturing (including agro-processing), healthcare, and education – and pledged the World Bank’s technical assistance to help financial institutions succeed in these areas. Wallen also underscored the importance of shared ambition and mutual accountability, calling on PFIs to uphold sound lending practices and strong client engagement.

“To all Liberians,” she said, “this facility is for you—for the tailor who wants to buy a second sewing machine, the shop owner hoping to restock inventory, the farmer expanding production, and the food processor investing in packaging.”

Participating Financial Institutions and Loan Terms

The seven PFIs approved for Phase II include:

- Afriland First Bank Liberia Limited (AFBLL)
- Citi Trust Microfinance Company
- Liberian Enterprise Development Finance Company (LEDFC)
- Fearless Women Microfinance
- Diaconia Microfinance Deposit-Taking Institution (DMDI)
- Business Link Microfinance
- Right Bank Partners

Eligible MSMEs can apply for loans of up to US\$100,000 from banks, while non-bank financial institutions (NBFIs) are capped at 7% of their capital. The facility prioritizes Liberian-owned businesses, especially women-led enterprises, and encourages applications from sectors that add value and create jobs.

A Catalyst for Inclusive Growth

The LOC under the LIFT Project is more than a financial instrument – it is a catalyst for inclusive growth, entrepreneurship, and economic transformation. By channeling long-term capital through competitively selected PFIs, the project aims to foster trade, investment, and resilience in Liberia’s private sector.

As Liberia embarks on this next phase, the message from stakeholders is clear: responsible lending, transparent governance, and shared commitment are essential to unlocking the full potential of MSMEs and driving sustainable development.



WAIFEM and CBL Lead Regional Training on Market Infrastructure and Payment Systems

In a rapidly digitizing global economy, the invisible engines that power commerce – financial market infrastructure and payment systems – are increasingly recognized as the lifeblood of modern economies. This was the central theme of a five-day regional course hosted in Monrovia by the West African Institute for Financial and Economic Management (WAIFEM), in collaboration with the Central Bank of Liberia (CBL), from August 18 to 22, 2025.



Participants at the WAIFEM training event

Held at the Bella Cassa Hotel, the training brought together 40 participants from central banks, securities commissions, and finance ministries across Nigeria, Ghana, Sierra Leone, The Gambia, and Liberia. The program aimed to deepen technical knowledge, foster regional cooperation, and catalyze reforms that will strengthen financial systems across West Africa.

The Unseen Pillars of Economic Stability

Delivering opening remarks on behalf of WAIFEM Director General Dr. Baba Y. Musa, Mr. Amadou S. Koora, WAIFEM Director of Financial Sector and Payment System Department, emphasized the indispensable role of financial market infrastructure (FMI). “These systems are the invisible highways through which the lifeblood of commerce and money flows,” Koora said.

He explained that secure and efficient payment systems reduce transaction costs, accelerate settlements, and enhance transparency – key ingredients for building public confidence and supporting regional integration. In a region working toward a single currency and deeper economic ties, harmonized payment systems are not optional – they are essential.

“Without strong, harmonized financial market infrastructure, regional trade will remain slower, costlier, and less competitive,” Koora warned. “With linked and trusted systems, our businesses can trade more seamlessly, our banks can settle cross-border payments faster, and our citizens can engage more confidently in economic activities across borders.”

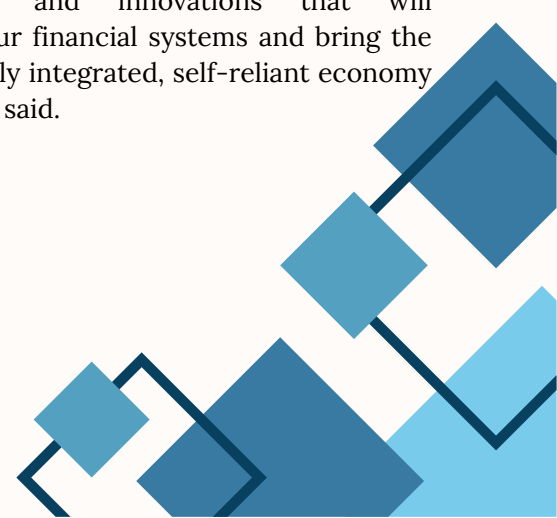
A Forward-Looking Training Agenda

WAIFEM’s training portfolio is evolving to reflect emerging financial and technological realities. Following a recent mid-term review, the institute has incorporated modules on artificial intelligence in monetary policy, digital currencies, big data analytics, cross-border risk management, debt resolution strategies, and climate-related financial risk regulation.

“This realignment is already yielding tangible results,” Koora noted, citing the diversity and impact of WAIFEM’s interventions across the sub-region.

In Monrovia, participants engaged in sessions on real-time gross settlement systems (RTGS), mobile money interoperability, cybersecurity, fraud prevention, and central bank digital currencies (CBDCs). Koora urged attendees to treat the course not as a routine training, but as a launchpad for innovation and reform.

“Let this course be a catalyst for reforms, partnerships, and innovations that will strengthen our financial systems and bring the vision of a fully integrated, self-reliant economy to reality,” he said.





CBL's Commitment to Financial Modernization

Representing CBL Executive Governor Henry F. Saamoi, Sr., Mrs. Euphemia Swen-Monmia, Director of CBL's Financial Markets Department, delivered the keynote address. She described the course as a strategic investment in West Africa's economic competitiveness.

"Payment systems are not just facilitators of commerce; they are enablers of monetary policy transmission, catalysts for financial inclusion, and critical components in preserving public trust in the financial system," she asserted.

Mrs. Swen-Monmia outlined three pillars of financial system stability: robust institutions, dynamic markets, and sound infrastructure. While banks and stock markets often dominate public attention, it is the unseen infrastructure – clearinghouses, settlement mechanisms, and payment systems – that ensures seamless economic activity.

She placed the conversation in a global context, noting the widespread adoption of RTGS systems as the 'gold standard' for large-value transactions. Despite progress, African countries still face challenges such as limited interoperability, weak cybersecurity frameworks, and insufficient regional harmonization – barriers to initiatives like the African Continental Free Trade Area (AfCFTA).

The COVID-19 pandemic, she added, exposed vulnerabilities in economies lacking robust digital payment systems. "In moments of crisis, economies equipped with inclusive and technologically driven payment infrastructures are far better positioned to sustain business activity and cushion the impact on the most vulnerable."

Mrs. Swen-Monmia highlighted CBL's modernization efforts, including the deployment of core banking platforms, expansion of mobile money services, enhanced oversight, and preparations for a national RTGS system. But she emphasized that technology alone is not enough. "A payment system is only as strong as the human capacity that designs, governs, and operates it. This is where specialized training, such as this WAIFEM course, becomes indispensable."

A Call to Action

Mr. Jackson S.W. Worlobah, Senior Advisor on Multilateral Relations at CBL, echoed the importance of applying lessons learned. "The real value of this program will be measured by how you apply these lessons to strengthen your institutions and drive meaningful reforms," he said.

Mr. Koora encouraged participants to act as ambassadors for WAIFEM by sharing knowledge with colleagues. "Organize a brief 15–20-minute training session for your staff and make all the materials available to them. This is your responsibility as representatives."

In closing, Mr. Gabriel Asante, WAIFEM's Senior Programme Manager, thanked the institutions and individuals who made the program possible. "To you, the participants – if you had not availed yourselves, this program would not have come on. We hope your expectations have been met."

Toward a More Integrated Future

As West Africa strives for economic integration, the importance of resilient financial market infrastructure cannot be overstated. The Monrovia training underscored that the path to shared prosperity lies not only in visionary policy but also in the technical systems and human capacity that make those policies work.

By investing in knowledge, collaboration, and innovation, WAIFEM and CBL are helping to lay the foundation for a more connected, competitive, and inclusive financial future for the region.



Director of the CBL Financial Markets Department, Mrs. Euphemia Swen-Monmia delivering the keynote address on behalf of CBL Executive Governor Henry F. Saamoi



Bridging Theory and Practice: Notre Dame University Students Engage the Central Bank of Liberia

In a landmark initiative to connect classroom learning with real-world experience, the Central Bank of Liberia (CBL) hosted students from the International Business School of Notre Dame University of Liberia for an interactive session on Thursday, July 3, 2025. The event, themed “Entrepreneurial Skills Development and Leadership in a Global Business Environment,” was a vibrant exchange of ideas, insights, and inspiration – underscoring the Bank’s commitment to youth empowerment and inclusive economic growth.

A Vision Rooted in Collaboration

The engagement was born out of a formal request from Notre Dame University, whose administration expressed admiration for the Central Bank’s leadership in promoting financial stability and national development.

In a letter dated June 5, 2025, Dean Dr. Felix O. Dike emphasized the importance of bridging theory and practice, describing the session as “a vital component of the students’ practical learning experience” and a chance to gain “invaluable insight into the realities of leadership and entrepreneurship within Liberia’s evolving business landscape.”

The Bank responded positively, organizing a well-structured program that included keynote addresses, panel discussions, student reflections, and a group photo to commemorate the occasion.



Students of the International Business School of Notre Dame University of Liberia



Participants at the CBL Engagement with students from the International Business School of Notre Dame University of Liberia

A Day of Insight and Engagement

Held at the CBL Auditorium, the session began with welcome remarks delivered on behalf of Executive Governor Hon. Henry F. Saamoi. The speaker highlighted the Bank’s belief in the power of education and collaboration, encouraging students to be curious, engaged, and bold in their pursuit of leadership and innovation.

The keynote address, titled “Leadership and Entrepreneurship in a Globalized Economy,” set the tone for the day. Delivered by the Executive Governor or his designated representative, the speech emphasized the role of young entrepreneurs in shaping Liberia’s future and the importance of leadership in navigating global business dynamics.

Panel Discussion: Bridging Theory and Practice

One of the most impactful segments of the day was the panel discussion on “Bridging Theory and Practice in Business Education.” Moderated by Mr. Francis Wilson, the panel featured Dr. Felix O. Dike and a student representative, who explored the challenges and opportunities facing young entrepreneurs in Liberia.



Panelists tackled questions such as:

- What does entrepreneurship mean in Liberia's current economic landscape?
- How can policy and regulation support entrepreneurial growth?
- What financial tools are available to help young entrepreneurs access capital?
- How can Liberia better prepare its youth to compete globally?

The discussion was enriched by student voices, who shared personal experiences of balancing academic responsibilities with entrepreneurial ventures. Faculty members highlighted curriculum reforms aimed at equipping students with practical skills, while the CBL representative offered insights into the Bank's role in promoting financial inclusion and supporting youth-led enterprises.

Student Reflections: Learning Beyond the Classroom

Following the panel, students from the Business and Economics Department offered reflections and testimonials. Their stories revealed a deep appreciation for the opportunity to engage directly with policymakers and practitioners. Many spoke of newfound clarity about the role of financial institutions in shaping business environments and expressed motivation to apply what they had learned to their own entrepreneurial journeys.

"You've shown us that the future of entrepreneurship and leadership in Liberia is bright and full of promise," Mr. Wilson said in the closing remarks. "We hope today's dialogue has sparked new ideas and given you practical insights that will guide your journey forward."



Students of the International Business School of Notre Dame University of Liberia



Dr. Felix O. Dike, Dean of the International Business School of Notre Dame University of Liberia

Strengthening Institutional Partnerships

The event underscored the importance of collaboration between academia and financial institutions. By facilitating direct engagement with students, the Central Bank reaffirmed its role not only as a regulator but also as a catalyst for economic transformation.

Such partnerships are vital in preparing Liberia's youth to thrive in a competitive global business environment. They help demystify complex economic concepts and encourage students to see themselves as active participants in shaping the country's financial future.

A Shared Commitment to Progress

As the session concluded with closing remarks and a group photo, there was a shared sense of optimism and purpose. The students left with a deeper understanding of the Central Bank's operations and a renewed motivation to pursue their entrepreneurial dreams. The Bank, for its part, reiterated its commitment to supporting initiatives that promote innovation, leadership, and youth empowerment.

"Let us leave here today not just informed, but inspired—to lead, to innovate, and to build a better Liberia," Mr. Wilson said in closing. The July 2025 visit was a testament to what can be achieved when institutions work together to nurture talent and foster dialogue. It was a reminder that the future of Liberia's economy lies in the hands of its young people – and that with the right support, their potential is limitless.

2025



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