

Semi-Annual Overseas Trade Report

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MINISTRY OF COMMERCE & INDUSTRY

REPUBLIC OF LIBERIA



MoCI Semi – Annual Overseas Trade Statistics Report

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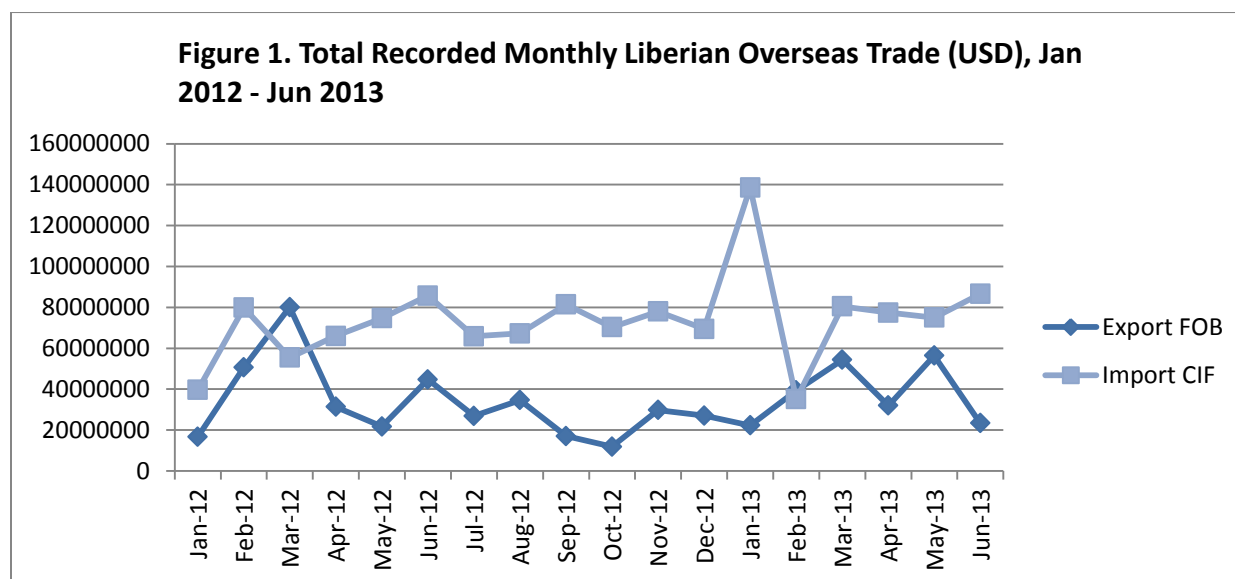
Ministry of Commerce and Industry Trade

The Semi-Annual Overseas Trade Statistics Report is a product of the Division of Trade of the Ministry of Commerce and Industry using trade statistics collected from Import and export permits, BIVAC'S IRF forms as well as cross Border trade declarations. The report is published bi-annually and is intended to inform policy makers, businesses, the general public and consumers. Trade Data from IPDs/EPDs, BIVAC'S IRF forms and cross border trade only cover the subset of goods for which these declarations were made. The data should therefore be used as a guide to the basket of goods collected and not as an accurate depiction of total trade entering or leaving the Liberian economy. For questions on methodological issues please visit www.moci.gov.lr or contact via email members of the Division of Trade Staff

Summary

- *Liberian imports and exports measured by the Ministry of Commerce and Industry have remained on a flat trend over the last eighteen months.*
- *An expansion in imports of food and manufactured goods drove-up total imports for the first half of 2013 to US\$ 417 million, a 4 percent increase in imports compared to this time last year.*
- *Seasonal factors, cross border trade and SWAT supply to the south east opened new markets thus give rise to a recent increase in rice imports to US\$35 million in Q2 2013, while, government regulations led to a decline in wheat flour importation.*
- *Exports in the first half of 2013 are 3 percent lower than in the previous year due to a substantial decline in rubber and log production.*
- *As a result of an expansion in iron ore exports China has become Liberia's largest export trading partner, followed by France and the USA. Among imports, the*

Import and Export Time Series



Source: MoCI Division of Trade, 2013

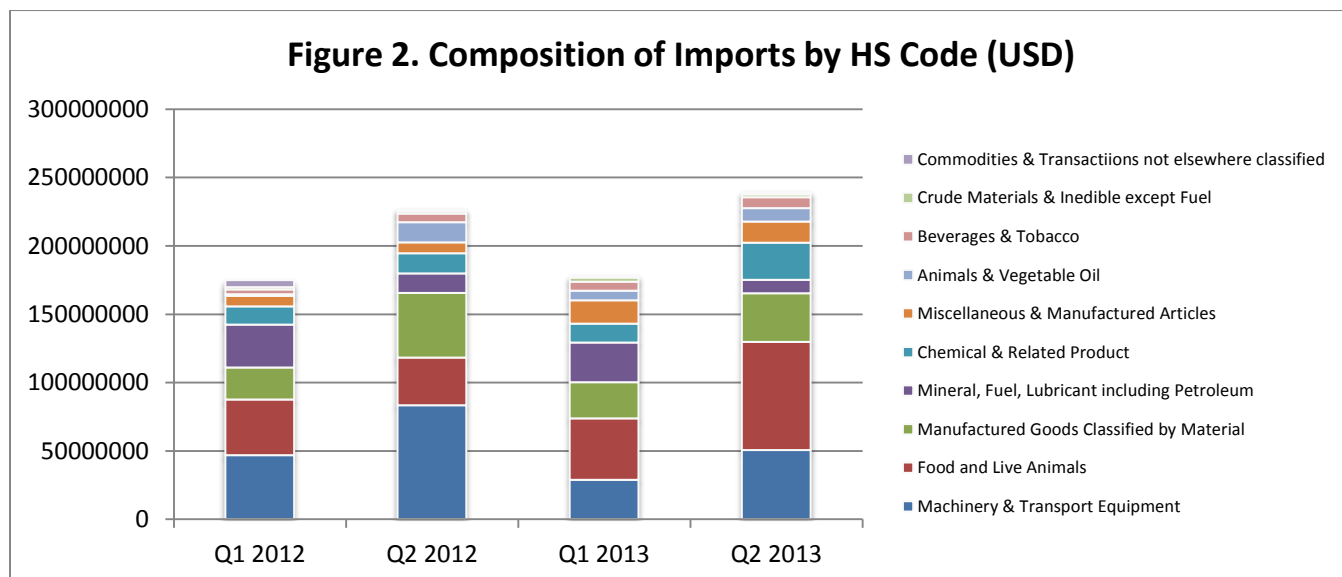
Liberian imports and exports measured by the Ministry of Commerce and Industry have remained on a flat trend over the last year and a half. The mean monthly CIF value of imports measured was US\$74 million over the period. The mean monthly FOB value of exports was US\$34 million. These figures should be interpreted as underestimates as coverage of overseas trade is limited to the goods requiring import and export permitsⁱ, BIVAC'S IRF as well as cross border trade data.

The balance of trade measured was stable and negative for all but one period. This trend is common for Liberia and can largely be accrued to the presence of large concession firms bringing in capital equipment. Again these figures should be interpreted with caution due to the incomplete coverage of the data.

Exports are typically more volatile than imports due to Liberia's lack of export diversification. Over the period rubber exports dropped sharply offset by increases in iron ore, together they made up 84 percent of total exports.

Imports also experienced some volatility as a result of one-off capital imports of machinery and transport equipment for firms. The cause of the import spike in January 2013 is explained by a large increase in imports of machinery and transport and stockpiling of food and fuel.

Imports



| Product | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 |
|-------------|------------|------------|------------|------------|------------|------------|
| Rice | 12,257,663 | 25,144,214 | 31,319,118 | 17,534,918 | 19,220,622 | 35,349,822 |
| Wheat Flour | 875,251 | 475,563 | 1,062,578 | 1,265,092 | 183,099 | 278,743 |
| Cement | 2,393,550 | 0 | 0 | 4,210,014 | n/a | n/a |
| Petroleum | 31,359,673 | 14,209,529 | 17,015,940 | 17,575,131 | 28,965,300 | 9,761,545 |

Source: MoCI Division of Trade, 2012

Liberia's imports have increased by 4 percent compared to this time last year, from US\$401 million in Q1Q2 2012 to US\$417 million in Q1Q2 2013. The increase was driven by an expansion in imports of food and manufactured goods.

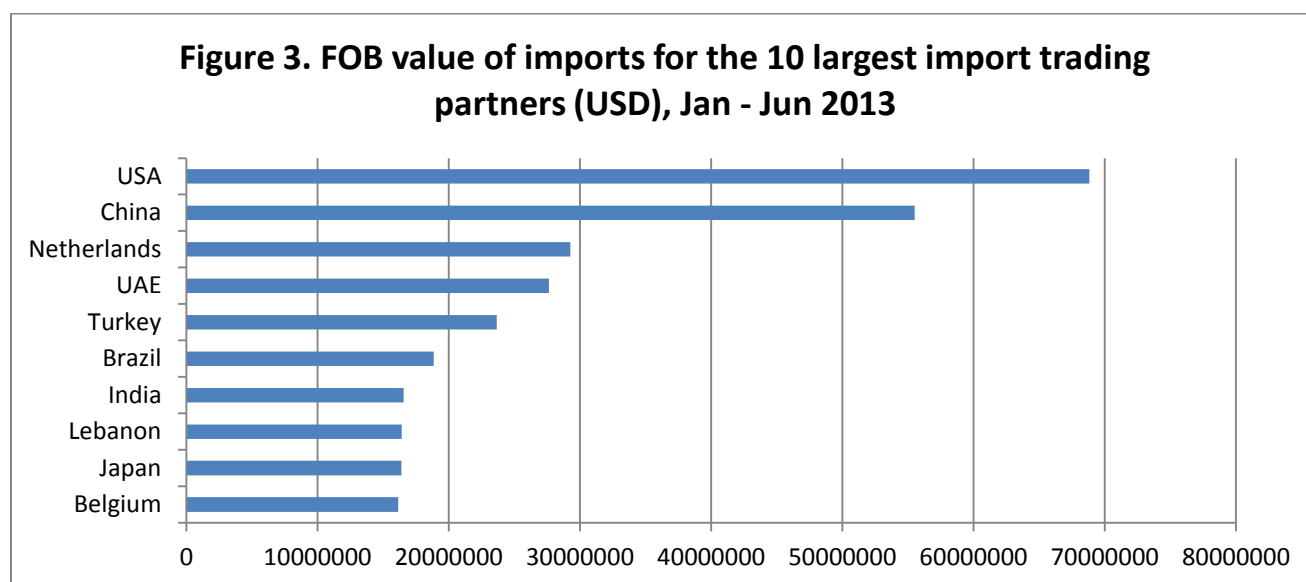
The composition of imports has remained mostly constant over all four quarters. The increase in imports between Q1 and Q2 in both years is a result of seasonal factors as firms begin to increase stocks before prices increase in the rainy season.

Imports of rice are up by 46 percent compared to the first half of 2012. MoCI analysts' expect next two quarter imports to decline as a result of large rice stocks on the market and due to substitution from imported rice to country rice due to the harvest season in Q3 and Q4 2013.

Imports of wheat flour have declined by 65 percent for the first half of 2013 compared to the first half of 2012. This may be a result of Government intervention to support the local wheat flour manufacturer. Wheat flour import experienced a decline in Q2 as a result of the Government intervention to support the local wheat flour industry in keeping with its poverty reduction strategy.

Petroleum imports dropped to their lowest quarterly level in Q2 2013. This is a result of excess stock on the market keeping prices low towards the end of Q1 and the start of Q2 2013.

Cement import data was not available from the MoCI for 2013 due to procedural changes. Trade data from ASYCUDA display cement imports equal to US\$ 10 million and US\$ 6 million in Q1 and Q2 2013, respectively. The largest importer was Fouta who imported 700,000 bags in April 2013.



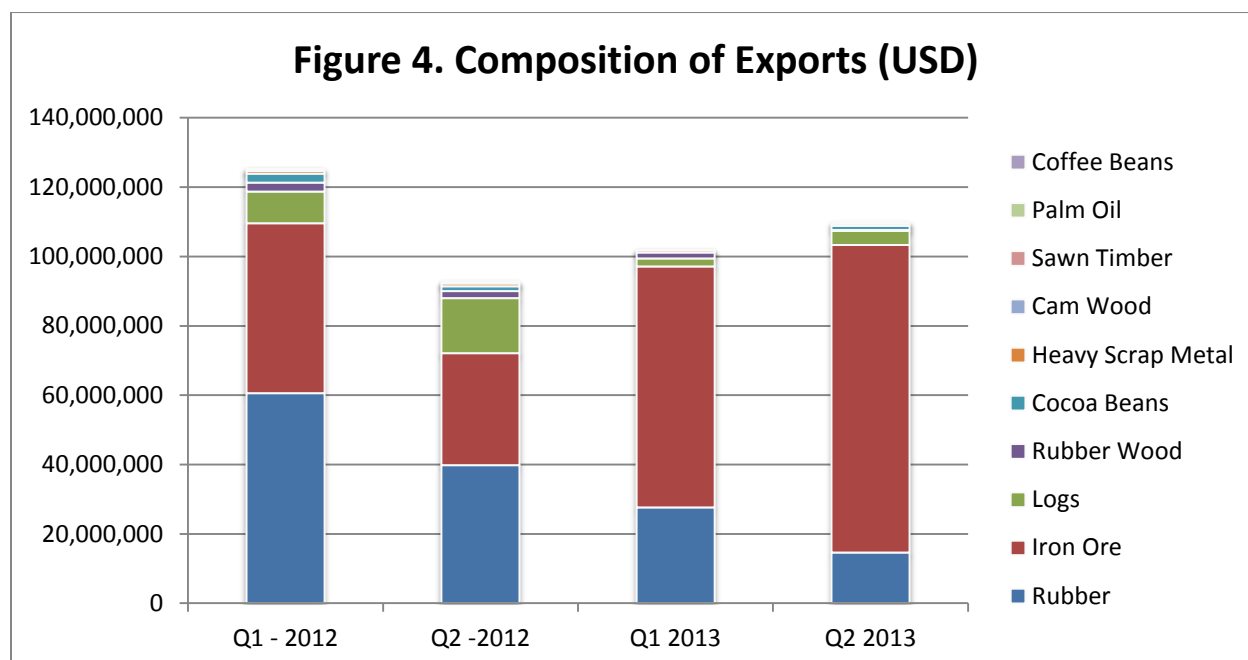
Source: MoCI Division of Trade, 2012

USA and China are Liberia's greatest import trading partners by a substantial margin. Imports from the USA totalled US\$69 million for the first half of 2013. Primary exports from the USA are in second hand clothing, vehicles, and foodstuffs including rice and wheat.

Chinese imports totalled US\$56 million in the first half of 2013. Imports from China are primarily in manufactured goods, electronic appliances and textiles.

Imports from ECOWAS countries remain low at US\$28 million. The largest ECOWAS importer is fuel from the Ivory Coast. The other largest fuel exporter is Switzerland who appear 11th in the list.

Exports



| | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 |
|--------------------------|------------|------------|------------|------------|------------|------------|
| Rubber | 60,556,231 | 39,818,206 | 3,656,142 | 10,470,285 | 27,675,771 | 14,579,999 |
| Iron Ore | 49,035,030 | 32,330,256 | 31,791,359 | 3,843,852 | 69,481,420 | 88,730,621 |
| Logs | 9,153,466 | 15,845,566 | 9,151,168 | 14,059,854 | 2,243,261 | 4,021,297 |
| Rubber Wood | 2,553,553 | 1,982,255 | 419,611 | 778,649 | 1,737,938 | 285,515 |
| Cocoa Beans | 2,572,525 | 1,442,370 | 81,250 | 2,457,625 | 40,000 | 1,209,000 |
| Heavy Scrap Metal | 823,050 | 852,750 | 454,950 | 430,125 | 611,625 | 656,100 |
| Cam Wood | 145,781 | 37,765 | 42,959 | 10,503 | 5,625 | 13,586 |
| Sawn Timber | 140,570 | 180,990 | 226,130 | 100,340 | 0 | 227,000 |
| Palm Oil | 77,850 | 424,249 | 701,980 | 19,125 | 11,750 | 165,946 |
| Coffee Beans | 52,500 | 30,000 | 0 | 0 | 65,000 | 0 |

Source: MoCI Division of Trade, 2013

Exports in the first half of 2013 are 3 percent lower than in the previous year due to a substantial decline in rubber and log exports. Export FOB value for the first half of 2013 was US\$212 million compared to US\$218 in 2012.

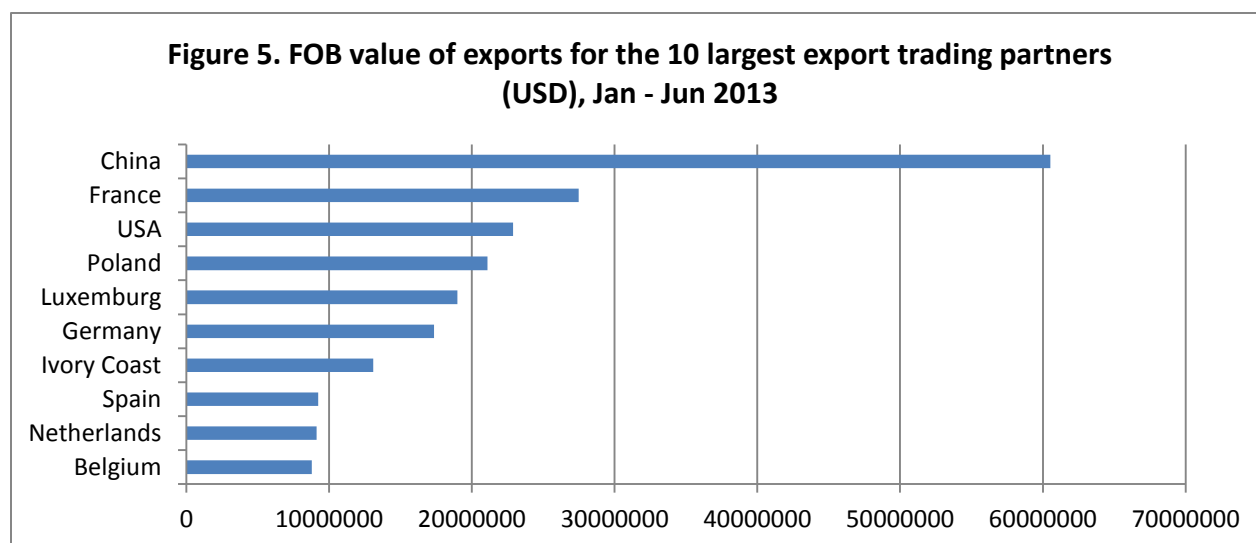
Rubber declined substantially compared to the previous year as a result of replanting of aging trees in Liberia's largest rubber concession. Rubber exports peaked in Q1 2012 at US\$60.5

million compared to a low of US\$3.6 million in Q3 2012. Last quarter rubber output was US\$14.6 million. Reports from Firestone Tire and Rubber company indicate that this is due to aging rubber trees needing replacing and a lower international market price for rubber.

The expansion in iron ore extraction has offset the decline in rubber to become Liberia's most important export commodity. The gradual increase in exports by ArcelorMittal has almost entirely offset the fall in rubber and log exports. Total exports have risen from US\$49 million in Q1 2012 to US\$88.7 million in Q2 2013.

Exports of logs are down as a result of the moratorium on log exports forested under Private Use Permits (PUPs). Total log exports for the first half of 2013 were US\$6.3 million compared to US\$25 million in 2012.

Rubber wood exports decreased by 55 percent compared to 2012. The closure of the Buchanan renewables rubber chip factory leaves Firestone as the only remaining exporter.



Source: MoCI Division of Trade, 2013

China received exports of US\$60.5 million in the first half of 2013, twice as much as any other export destination. This development has been driven by the reduction in importance of rubber destined for the USA relative to iron ore destined for China.

The USA dropped below France as Liberia's second largest export destination. France also imports Liberian iron ore and logs.

The Ivory Coast is Liberia's largest regional export trading partner receiving US\$13 million so far this year. Exports to the Ivory Coast are largely processed rubber for manufacturing into finished goods.

Endnotes

The following goods are covered by Ministry of Commerce Import Permit Declarations and therefore feature in MoCI trade data: Fresh or frozen meat and meat products, including poultry, Fresh and frozen fish and crustaceans, Fresh and frozen vegetables and tubers (excluding canned, preserved, or dried), Fresh fruits and nuts (excluding canned, preserved, or dried), Dairy produce, including milk, cream, butter, cheese and eggs, Bottle water and alcoholic beverages, Products of the milling industry, including rice, flour and starches, Live animals, all types, Prescription medicines/pharmaceuticals and biological substances, Specialized medical, dental, or veterinary apparatus and equipment, Inorganic and organic products of the chemical industry, chemical elements, acids, and chemicals, Fertilizers containing nitrates, Petroleum products, including crude and refined oil and petroleum gases, Explosives, pyrotechnics, fireworks, and combustible liquid or gas preparations, Military tanks and weapons, arms and ammunition; Hazardous waste; Building materials (including lime, cement, steel rods, plywood, PVC pipes, sheets of zinc, and ceramic flooring blocks).

The following goods are covered by Ministry of Commerce Export Permit Declarations and therefore feature in MoCI trade data: Rice, Petroleum Products, Pharmaceutical products; Cement.