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**Cautiously Optimistic: The Case for Maintaining Sanctions in Liberia**

**Global Witness Briefing Document**

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## Recommendations

### **The UN Security Council should:**

- Maintain sanctions on the Liberian timber and diamond industries until it can be demonstrated that the benchmarks laid out in Security Council Resolution 1521 (2003) have been met.
- Only consider lifting timber sanctions provided that the Liberian government imposes a moratorium on timber exports (see next section below)
- Urge the United Nations Mission in Liberia (UNMIL) and its Police Force (UNPOL) to fulfil their mandate to ensure adequate and effective control of areas rich in natural resources and key border crossing points by the Liberian security forces, as defined by Security Council Resolution 1509 (2003), and reiterated in Security Council Resolution 1607 (2005).
- Impose financial and/or travel restrictions on private or public persons found to be supporting, in any way, actors engaged in activities that undermine peace and stability in Liberia and the region, in line with Security Council Resolution 1532 (2004).
- Raise awareness within Liberia of the positive effect of maintaining sanctions in the short term, in recognition of the new government's efforts to implement reforms.

### **The Government of Liberia should:**

#### **1) Reforms of the forestry sector**

- Pass a moratorium on the resumption of industrial logging and export of timber until they exert full control of the forests and the sector has been satisfactorily reformed. These reforms should include participatory forest/land use planning, a comprehensive national forest inventory, a new forest use system, definition of chain of custody and related control systems and structures.
- Assemble and publish a list of banned logging companies that contributed to civil instability and conflict Liberia and the region, including the logging companies named by the Forest Concession Review Committee and the principals of those companies.
- Make all necessary political and administrative provisions to ensure that the reforms espoused in the Liberia Forest Initiative (LFI) are implemented in a timely fashion.
- Establish transparency within the forestry sector through the public provision of all regulations, forest operations and timber processing licenses and accredited entities, forest use planning documents, royalties, fees and penalties due and paid, and results of monitoring and control of forest activities.
- Ensure that any company which is considered for concession allocation has a demonstrable track record of achieving best international standards and legal compliance in all their areas of operation.

#### **2) Other reforms of the natural resources sector**

- Fully implement the recommendations made by the Kimberley Process expert mission report on the implementation of diamond control laws.
- Intensify efforts to exercise government control over diamond fields and ensure that mining agents, inspectors and regional offices are adequately equipped.
- Incorporate into national law and implement the principles of the Extractive Industries Transparency Initiative (EITI) with the full participation of Liberian civil society and in accordance with the EITI minimum criteria.
- Ensure transparency and accountability through the establishment of a register of commercial interests of government officials and a corporate register showing beneficial ownership of companies, as well as the publication of revenues raised and distributed.
- Consider a separate revenue management law or freedom of information provision, in addition to any legislation governing the resource sector and investment - which would contain pro-transparency language<sup>A</sup>.
- Negotiate the withdrawal of ex-combatants in Guthrie and Sinoe Rubber Plantations and ensure their rehabilitation and reintegration into the community.

### **The UN Mission in Liberia (UNMIL) should:**

- Fulfil Security Council Resolution 1509 (2003) and increase its assistance to the Liberian government to regain control throughout the country, including over areas rich in natural resources, and take all necessary steps to prevent ex-combatants from illegally exploiting natural resources.

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<sup>A</sup> Columbia University provided model legislation in its revenue management project with Sao Tome and Principe, which may be a useful tool for Liberia's review. The main legislative clauses to promote revenue transparency are available at [http://www.earthinstitute.columbia.edu/cgsd/STP/index\\_oillaw.htm](http://www.earthinstitute.columbia.edu/cgsd/STP/index_oillaw.htm).

- Formalise the coordination of border control with UN peacekeeping forces in neighbouring countries and with the Liberian Security Forces in order to increase security and prevent cross-border trafficking of resources, weapons and mercenaries.
- Continue to support the Liberian Forestry Development Authority (FDA) to restore an efficient forest administration and effective chain-of-custody control system.
- Set up and adhere to ethical purchasing policies for timber products used for construction, reconstruction and rehabilitation measures related to all UN activities, to ensure that no illegally-sourced or conflict-fuelling timber is being used.
- Provide adequate security to ensure that rehabilitation and reintegration programmes for ex-combatants within the rubber plantations can be implemented.

**International donors should:**

- Encourage greater civil society participation in GEMAP and all state re-building processes.
- Create a centralized place, such as a web site, for all GEMAP documents, terms of reference for international experts and minutes from the weekly meetings to enhance transparency and public information.
- Ensure that the Liberia Forest Initiative (LFI) receives strong political and financial support, and encourage the Liberian government to implement forestry sector reforms in a timely manner.
- Increase funds and technical assistance for the rehabilitation and reintegration of demobilised ex-combatants.
- Provide support and technical assistance for the implementation of the Extractive Industries Transparency Initiative (EITI).
- Ensure that the contracts and concessions review includes contracts and concessions which were granted prior to the NTGL period.

**The Kimberley Process should:**

- Urge its members to provide the necessary technical and financial assistance to Liberia to ensure effective enforcement of Liberian laws to implement the Kimberley Process.

**The African Union (AU) and the Economic Community of West African States (ECOWAS) should:**

- Ensure that all AU and ECOWAS countries enforce the UN arms embargo on Liberia, as well as the arms embargo on neighbouring Côte d'Ivoire in light of the well-documented links between the conflicts in these two countries.
- Adhere to the ECOWAS Moratorium on the Import, Export and Manufacture of Small Arms and Light Weapons.

**Rubber Companies Operating in Liberia**

- Stop purchasing rubber from Guthrie and Sinoe rubber plantations until government control is re-established over these areas.

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## Executive Summary

- **Introduction & overview**

The election of President Ellen Johnson Sirleaf in November 2005 and the extradition to Sierra Leone of former President Charles Taylor from Nigeria on 29 March 2006 following his indictment by the Special Court for Sierra Leone mark a new era for the country. The incoming government has demonstrated its willingness to break from the past through the implementation of the Governance and Economic Management Assistance Programme (GEMAP); the invigoration of reforms in the timber industry; the cancellation of all timber concessions; and President Sirleaf's call for the National Transitional Government of Liberia (NTGL) to be audited and for all political appointees to step down.

- **Progress in meeting the benchmarks set out in UN Resolution 1521**

Unless the security situation in Liberia deteriorates suddenly, sanctions on the timber and diamond sectors will, quite rightly, be lifted before long. There is immense national and international political pressure to lift sanctions as soon as possible, but it is crucial that the benchmarks imposed by UNSC Resolution 1521 (2003) are not sacrificed for short-term political gains or gestures. Failure to enforce these benchmarks would undermine sanctions regimes in general, and in Liberia's case prematurely expose the natural resource sector to abuse before the government has had a chance to fully control it. The criteria set out in UNSC Resolution 1521 (2003) are clear. Despite the best efforts of the new government, Liberia has not yet met these criteria.

### **Forestry**

Significant progress has been made in the reform of the forestry sector, including the cancellation of all previous concessions, but the criteria in United Nations Security Council resolution 1521 for UN sanctions to be lifted have not yet been fulfilled. The Forestry Development (FDA) has not yet succeeded in its efforts to control forest regions and illegal pit sawing by ex-combatants is continuing. **See *The Timber Sector – Page 13***

### **Diamonds**

Large numbers of ex-combatants continue to mine diamonds illegally, generating significant uncontrolled revenues and demonstrating the continued lack of control by the government over its territory, and thus raising security concerns. The Ministry of Lands and Mines has made insufficient progress in implementing the necessary controls for Liberia to join the Kimberley Process and for UN sanctions to be lifted. **See *The Diamond Sector – Page 17***

- **Rubber - continued link between natural resources and insecurity**

Global Witness investigations in March/April 2006 found that the failure of the current government, and the transitional government before it, to secure areas rich in natural resources has resulted in their ongoing exploitation by ex-combatants who have continued to operate within their former command and control structure to generate unallocated and uncontrolled revenue. These "no-go" areas could become a future "safe haven" for those who may wish to resume violence, and could become flash points for instability. **See *The continued link between natural resources and conflict: the Rubber "Safe Havens" – Page 9***

## Acronyms

AFL	Armed Forces of Liberia
AMA	American Mining Association
BOPC	Butaw Oil Palm Corporation (Sanquin District, Sinoe County, Liberia)
DDRR	Disarmament, Demobilisation, Rehabilitation and Reintegration
EITI	Extractive Industries Transparency Initiative
FDA	Forestry Development Authority – Liberia’s government administration in charge of the management of Liberia’s forests
GEMAP	Governance and Economic Management Assistance Programme – a programme of international assistance to Liberia to improve management and accountability of revenues
KP	Kimberley Process – a global diamond certification scheme
LAC	Liberia Agricultural Company – runs a rubber plantation in Grand Bassa County
LFI	Liberia Forestry Initiative – a project to reform Liberia’s forestry industry, financed and directed by the US government and implemented by various partners
LNP	Liberian National Police
LRD	Liberia Dollar – official currency of Liberia
LURD	Liberians United for Reconciliation and Democracy – former rebel group backed by Guinea
MODEL	Movement for Democracy in Liberia – former rebel group backed by Côte d’Ivoire
NPFL	National Patriotic Front of Liberia - former rebel group led by Charles Taylor
NTGL	National Transitional Government of Liberia – in power from October 2003 to 16 January 2006, composed of members of the former Liberian government, LURD, MODEL, and members of civil society
NVRP	National Veteran Rehabilitation Project – ex-combatant ‘NGO’ formed at Guthrie Rubber Plantation
OTC	Oriental Timber Company – logging company formerly based in Buchanan
RUF	Revolutionary United Front - militia in Sierra Leone, supported by Charles Taylor, which fought a ten-year civil war to seize control of the lucrative diamond-producing regions of Sierra Leone
SRSG	Special Representative of the UN Secretary General
TRC	Truth and Reconciliation Commission
UNMIL	United Nations Mission in Liberia
UNOCI	United Nations Operation in Côte d’Ivoire
UNPOL	UN Police – formerly: CIVPOL
USAID	US Agency for International Development

## Introduction & Overview

In December 2003 UN Resolution 1521 introduced sanctions on timber, adding to the existing sanctions on diamonds imposed on Charles Taylor's regime in recognition of the role natural resources played in funding his dictatorial regime, including his sponsoring of the RUF in Sierra Leone. This document, based largely on evidence gained by Global Witness in Liberia in April 2006, provides an overview of the current political and security situation in Liberia, with a particular focus on the natural resources sector, and whether the conditions necessary for the lifting of UN sanctions have been met.

Since the election of President Ellen Johnson Sirleaf in November 2005, and the arrest of her predecessor Charles Taylor in March 2006, Liberia faces the future with an optimism it cannot have felt for decades. This optimism is well-founded. Liberia has the potential to become a success story, primarily because there appears to be true political will to reform, at the highest level: reconstruction is being pushed at a rapid pace through President Sirleaf's 150 day plan, and reform processes relating to the management of natural resources – especially in the timber sector - is proceeding with extraordinary vigour. At the same time, Taylor's arrest has removed what could be considered the greatest threat to the country's nascent peace.

Under the leadership of its new president, the government of Liberia appears to be making considerable efforts to rebuild what remains a shattered country. She has sought to take control of the reconstruction and reform process through establishing the Liberia Reconstruction and Development Committee, which, through multilateral sub-committees, oversees the areas of security, economic revitalization, governance and rule of law, and the infrastructure and basic services.<sup>1</sup>

While security and stability in Liberia are steadily improving, they are currently only ensured through the presence of UNMIL, the UN peacekeeping operation. The Special Representative of the Secretary General (SRSG) reported in March 2006 that the situation in Liberia was "generally stable but fragile".<sup>2</sup> Significant challenges remain, compounded by ongoing regional instability. Despite President Sirleaf's best efforts, the threats to Liberia's full reconstruction, rehabilitation and long term stability cannot be underestimated. The majority of Liberians live in extreme poverty and have no access to health care, sanitation, water and electricity;<sup>3</sup> the country's infrastructure is in ruins and 80% of the population is unemployed. Large numbers of ex-combatants (far outnumbering the national army, even when it reaches its full strength of 2,000 in 2008) still operate within their wartime command structures. They either control resource-rich territory such as diamond mines and rubber plantations, or are frustrated by the lack of benefits brought by the Rehabilitation and Reintegration (RR) programme. Individuals responsible for gross human rights abuses under past regimes are not only still at large but some occupy important positions in the legislature; other individuals with a well-documented record of corruption also occupy powerful positions and pose a threat to reforms.

Ironically, Liberia's own optimism carries a high degree of threat, because it is creating expectations which the government will find extremely difficult to meet, even with international assistance - whether they relate to infrastructural improvements, revenue flows from natural resources or justice. UN sanctions were imposed on the diamond and timber industries in recognition of the role of these industries in fuelling national and regional civil conflict. The new government is understandably keen to be rid of the stigma of UN sanctions, but Liberia presents a difficult case. Sanctions originally intended to curtail an oppressive and aggressive regime now effectively act as a protection to the new administration, enabling it to embark on essential reforms at a time when it does not possess the logistical capacity to control large swathes of its own territory. In this context, sanctions should not be seen as a punitive measure either within Liberia, or by the international community, but instead as a tool to assist the reconstruction and rehabilitation process. The UNSC and the international community more generally could raise awareness within Liberia of the positive effect of maintaining



USAID Sign on the way to Yekepah, April 2006

sanctions for a given period in such a situation, so that the government which is genuinely working hard to reform receives international recognition for its efforts, rather than the perceived criticism usually associated with sanctions.

## Overview of Developments in 2006

- **Charles Taylor:**

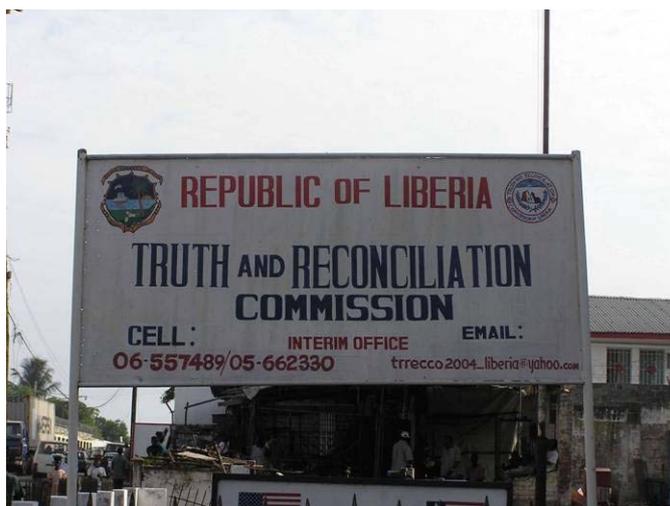
On 3 April 2006, former Liberian President Charles Taylor appeared in the UN-backed Special Court for Sierra Leone to face 11 charges of war crimes and crimes against humanity. If found guilty, he will be the first African leader convicted by an international court. On 30 March 2006 the Special Court for Sierra Leone requested that the trial of Taylor be held at the International Criminal Court (ICC) in the Netherlands by a trial chamber of the Special Court.<sup>4</sup> This decision was based on security concerns within the region.

- **Gus Kouwenhoven:**

On 24th April 2006, Dutch timber baron Gus Kouwenhoven went on trial in a Dutch court in The Hague on charges of committing war crimes against Liberians and violating a United Nations arms embargo. Kouwenhoven was General Manager of the Oriental Timber Company (OTC), Liberia's biggest logging company during the regime of former president Charles Taylor. At the time of writing, the verdict has not been given.

- **Truth and Reconciliation Commission:**

On 20 February 2006 a Truth and Reconciliation Commission (TRC) was formally launched, made up of nine commissioners.<sup>5</sup> The mandate of the TRC includes "gross violations of human rights and violations of international humanitarian law, including massacres, sexual violations, murder, extra-judicial killings and economic crimes such as the exploitation of natural or public resources to perpetuate armed conflict during the period of January 1979 and October 14 2003..."<sup>6</sup> The TRC will conduct hearings which bring perpetrators and victims together and will ultimately make recommendations on institutional, governance, security and justice reform, amnesty,



Truth and Reconciliation Commission, April 2006

prosecutions, and natural resources management, which are mandatory and cannot be reviewed. Its mandate is initially for two years, but there is provision for it to be extended to three years. As of April 2006, the TRC had no money to pay the staff's salaries. Funds have been promised including from the Government of Liberia.<sup>7</sup>

- **Rehabilitation and Reintegration (RR) :**

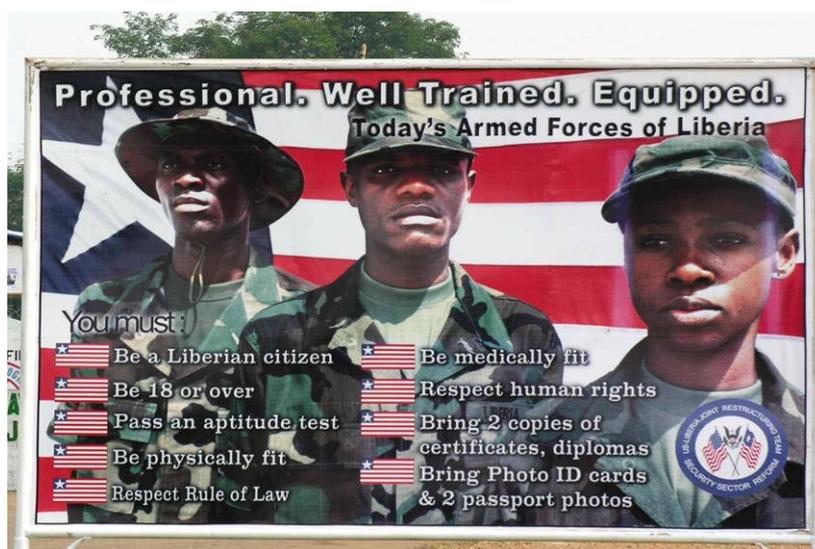
The successful completion of the DDR process is critical to long-term peace and security in Liberia and the region. As discussed in previous Global Witness briefings, the disarmament and demobilisation phase of the process was riddled with problems which undermined its effectiveness.<sup>8</sup> Out of the 101,495 demobilized ex-combatants, by March 2006, 65,000 received RR places and a further 37,000 were waiting to be placed within programmes.<sup>9</sup> US\$5 million is required to provide RR places for 5,125 ex-combatants.<sup>10</sup> Critically, the DDR has so far failed to break the command and control structures of some of the former fighting groups,<sup>11</sup> as illustrated by their presence and operations in the Guthrie and Sinoe rubber plantations.<sup>12</sup> (**See The continued link between natural resources and conflict: the Rubber "Safe Havens" – Page 9**)

- **Reform of the Police:**

The lack of adequate funds has hindered the reform of the Liberian National Police (LNP). UNMIL is aiming to train 3,500 new police officers and had trained 1,442 as of March 2006.<sup>13</sup> A Liberian human rights group told Global Witness that despite the UNMIL training programme, some police officers are still not familiar with the relevant criminal charges and have not received sufficient training in investigation.<sup>14</sup> There have also been reports that some of the newly trained police are extorting money from the population. The lack of regular salaries was identified as one possible cause.<sup>15</sup> UNMIL has proposed that UN police specialists be recruited to advise and mentor in specific areas including policing of the diamond sector, immigration and border security.<sup>16</sup>

- **Reform of the Army:**

The United States is leading the recruitment and restructuring of the army, which began on 18 January 2006,<sup>17</sup> and has hired an American company, Dyncorp, for this purpose. An originally envisaged complement of 6,000 has, due to lack of funds, been reduced to a planned force of 2,000, to be selected and trained by 2008. This number is likely to be insufficient in view of the volatility of the country and ongoing security concerns, especially in the rubber plantations and diamond mines where thousands of ex-



AFL recruitment sign near Guthrie Rubber Plantation, April 2006

combatants are still active. Efforts have been made to weed out known human rights abusers in the army through the publication of applicants' photographs on posters throughout the country.<sup>18</sup> Efforts to restructure the army have led to tensions with members of the former Armed Forces of Liberia (AFL), for example: former soldiers were unwilling leave their AFL base Camp Schiefflin; protests by widows of former soldiers because of failure to pay pensions and allowances;<sup>19</sup> protests by demobilised Anti-Terrorist Unit (ATU) personnel at being excluded from the new army;<sup>20</sup> and rioting by several hundred members of the AFL on 25th April 2006.<sup>21</sup>

- **Tackling Corruption:**

President Sirleaf has begun to address the issues of corruption and bad governance. On 28 January 2006 she ordered all political appointees to resign and two days later, ordered an audit of the NTGL. She further demanded that her cabinet and senior government officials publish their assets.<sup>22</sup> However, the newly-elected government still includes four individuals listed on the United Nations travel ban list.<sup>23</sup> One critical factor which must be addressed as part of measures to reduce corruption is the low pay of civil servants – currently around US\$20 a month in Monrovia (the average monthly cost of commuting from the suburb of Paynesville to Monrovia).<sup>24</sup>



Poster promoting good governance, Monrovia, March 2004.

Under the GEMAP programme (see below), a Governance Reform Commission was set up and two studies into combating corruption were commissioned by the UN Development Programme

(UNDP) and the UK Department for International Development (DfID)<sup>25</sup>. The work of the commission has stalled due to a lack of staff. Further support from donors is still required.

- **GEMAP:**

The Governance and Economic Management Assistance Programme is a framework for political and administrative reform, assistance and oversight, which was agreed between the NTGL and the international community. President Sirleaf welcomed the GEMAP programme and encouraged donors to concentrate on capacity building, to allow Liberians to take control of the process. In May 2006 international experts arrived to be placed in key positions to help ring-fence revenue and spending over the next three years.<sup>26</sup>

To date, there has been minimal progress with the implementation of GEMAP, in part because of a lack of political will within the NTGL and in part because the new government has only been in place for a short time. Many of the concerns highlighted in Global Witness's December 2005 report "An Architecture of Instability" remain valid.<sup>27</sup>

GEMAP will review contracts and concessions and terms of reference have been drafted. All concessions and contracts granted under the NTGL will be reviewed in a process which will take six months and begin in June 2006. The review will be open to the public and will make recommendations.

- **Legal Reform:**

International experts are assisting the new government in a review of national legislation, some of which dates from the 1970s.<sup>28</sup>

**Extractive Industries Transparency Initiative (EITI)**

The Government of Liberia and international community agreed to the implementation of the EITI as part of the GEMAP. It has been envisaged that in Liberia, EITI will cover mining, oil and timber revenues. EITI was launched in June 2003 and brings together producer governments, extractive companies and their investors, the international financial institutions and civil society groups, including Global Witness. The main requirements of EITI are that

- Companies extracting resources publish what they pay to the government;
- The government publishes what it receives from the companies;
- Information is audited and discrepancies investigated and reconciled.

The aims of EITI are to publicly disclose information about revenue flows and to allow citizens to oversee and monitor these revenues. The EITI has a set of principles and minimum criteria which have to be adopted by all countries that implement it. The minimum criteria, summarised, are:

- Revenue flows from extractive companies to the government in each EITI-implementing country must be publicly declared, independently audited and verified, and be open to public discussion.
- Civil society groups take an active part in designing the mechanism for publishing and verifying revenues.
- International institutions provide technical help and training where necessary.

**The rubber "safe havens": the continued link between natural resources and conflict:**

*"The lack of State control over the natural resources of Liberia remains a potential source of instability."* United Nations Security Council, "Tenth progress report of the Secretary-General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 8, No32

The warning contained in the above UNSC progress report is particularly poignant given that two major rubber plantations (and a diamond mine) are under the control of ex-combatants who are heavily involved in uncontrolled resource extraction and trade, demonstrating that the government has very limited control over the natural resource sector. The following brief analysis of the rubber sector serves as a stark warning of the risks associated with the premature lifting of sanctions in the timber and diamond sectors, in a country where natural resource exploitation has played such a devastating role.

The rubber trade has not been the object of UN Security Council sanctions, but recent evidence gathered by Global Witness demonstrates ongoing links between natural resources and potential conflict and instability. As indicated above, ex-combatants who have failed to complete the DDRR

programme and may still be armed are in control of two government owned rubber plantations: the government -owned Guthrie plantation in Bomi and Grand Cape Mount Counties, and Sinoe Plantation, Sinoe County.<sup>29</sup> The Malaysian Guthrie Rubber Company which operated from 1981, ceased its activities in December 2000 when LURD forcibly took control of the plantation. Its two post-war successors, the General Resources Corporation Inc and ARC Agro Resources Corporation Liberia Limited, have not been able to operate the plantation due to the continued presence of ex-combatants from LURD, MODEL and the NPFL. Similarly, in Sinoe Rubber Plantation a management contract with Rubber Resource Management Consultancy and Investment was terminated on 2 July 2005 as the company was unable to commence operations due to the occupation of the plantation by former LURD combatants.<sup>30</sup>

Estimating the numbers of ex-combatants in these two plantations is not easy but interviews on the ground suggest that there may be some 5,000 in Guthrie,<sup>31</sup> and 10,000 in Sinoe<sup>32</sup>.<sup>B</sup> Even the lowest of these estimates is twice as high as the anticipated full strength of the army of 2,000.<sup>33</sup>

Global Witness visited Guthrie rubber plantation in April 2006 and found that there was no government presence there. This was confirmed by human rights monitors based in the area.<sup>34</sup> Global Witness interviews with ex-combatants revealed that the command and control structures of the former rebel groups were still intact and that ex-combatants maintained allegiance to their former commanders.<sup>35</sup> Rubber tapping and control is allocated according to the rank of the ex-combatants. Taxes on the rubber are paid to a self-styled NGO, the National Veteran Rehabilitation Project (NVRP), a five member committee of ex-combatants, controlled by two ex-LURD Generals: Railey Farley who holds the position of Secretary General and Chairman Sumo Dennis.<sup>36</sup> This committee is seemingly in complete control of the plantation and surrounding villages. One rubber tapper interviewed by Global Witness said that a company could only operate there if it worked with General Sumo Dennis.<sup>37</sup>



Ex-combatants' home in Guthrie Rubber Plantation. April 2006

Tappers pay the committee \$100 per large truck load and \$50 for smaller ones.<sup>38</sup> According to UNMIL peacekeepers at the checkpoint at the exit of Guthrie rubber plantation, an average of 6-7 trucks, each carrying between 3 and 15 tons of rubber, leave Guthrie every day, generating up to US\$18,000 per month for the NVRP, in addition to the already significant sums earned by the ex-combatant tappers.<sup>C</sup> Furthermore, during a participatory rural appraisal workshop held in Greenville by leading Liberian law firm Green Advocates in February 2006, the Comptroller of the Sinoe Rubber Corporation, Mr Jackson N Paul Senior, reported: "There are up to ten thousand tappers at SRC (Sinoe Rubber Corporation) as per my records. There are also unspecified number of people including aliens tapping outside my record.....only a monthly due of one-bag of rubber per tapper is collected."<sup>39</sup> Green Advocates estimated that a bag of rubber sold at LD\$450 or US\$8.00 each, multiplied by 10,000 bags (for 10,000 tappers) comes to US\$80,000 a month.<sup>40</sup>

In interviews with Global Witness ex-combatants claimed that they were still waiting for the RR component of the DDR process and they were tapping rubber as a means to survive, and would be happy to leave once RR places were available.<sup>41</sup> However, given the significant incomes earned, it is unlikely that they would be willing to give this up in exchange for the meagre benefits of the RR programme. UNMIL staff and Liberian human rights NGOs suggested that some had not gone through the DD part of the process either.<sup>42</sup> There have been constant rumours, reiterated to Global Witness, that weapons remain in Guthrie and Sinoe but, to date, UNMIL have been unable to find any.<sup>43</sup>

Local human rights groups interviewed by Global Witness reported that residents of the area were intimidated by the ex-combatants in control of Guthrie rubber plantation. When Global Witness

<sup>B</sup> UNMIL's May 2006 report stated that there were 3,700 ex-combatants in Guthrie. However, local NGOs estimated that there were around 5,000.

<sup>C</sup> 6 trucks X US\$ 100 = 600 a day X 30 a month = US\$18,000 a month

attempted to interview people in the surrounding villages, there was a general fearfulness and unwillingness to talk. Residents simply referred Global Witness to the NVRP.



UNMIL noted that it had been “reported on numerous occasions that the ex-combatants in Guthrie Rubber Plantation are committing serious crimes, including murder, rape and aggravated assault. In the absence of the LNP or judicial services, victims of these crimes have limited or no access to justice.”<sup>44</sup> A report by the International Crisis Group also stated that ex-LURD fighters are terrorising civilians and that “police have reported acid attacks... and a rise in domestic violence, often between ex-combatants and women - who they kidnapped and held as sexual slaves during the war.”<sup>45</sup>

Ex-LURD combatant Paulson Gartey who controls Sinoe Rubber Plantation described himself to UNMIL as “both police and judge on the plantation”; he also described himself as “God” in a radio interview.<sup>46</sup> UNMIL noted that “workers live in quasi-slave conditions where the employee has now power to bargain for reasonable terms and conditions.”<sup>47</sup>

The ex-combatants’ control over the plantations is completely dependent on being able to sell the rubber. UNMIL’s May 2006 report *“Human Rights in Liberia’s Rubber Plantations, Tapping into the Future”* asserts that both the Liberian Agricultural Company (LAC) and Firestone have admitted to UNMIL that they had bought rubber from Guthrie and Sinoe.<sup>48</sup> Similar allegations have been made by other sources, but in May 2006 Firestone’s Manager in Liberia, Patrick Rodrigo, rejected the allegations.<sup>49</sup> Global Witness was unable to confirm these allegations independently.

Local environmental and human rights NGOs also reported to Global Witness that these “no-go” areas outside of government or UNMIL control are already providing rallying points for pro-Taylor elements.<sup>50</sup>

The continued control of rubber plantations by ex-combatants both threatens security and undermines the government’s efforts to utilise these resources for the reconstruction of the country. The Tenth Report of the Secretary General, mentioned previously, also states that “The illegal occupation and exploitation of rubber plantations, including Guthrie, Sinoe, Cavalla and Cocopa plantations needs to be urgently addressed.”<sup>51</sup> Previous calls to remove the ex-combatants have come to nothing: in October 2004 the former SRSG Jacques Klein, wrote to the NTGL Chairman “urging immediate action to address the state of impunity enjoyed by the ex-combatants”;<sup>52</sup> and in February 2006 President Sirleaf requested the ex-combatants in Sinoe to turn the facility over to the Government;<sup>53</sup> The Government’s establishment of the Joint Rubber Task Force in February 2006, is another attempt to tackle these issues.<sup>54</sup> Their findings and recommendations are yet to be released.



Firestone Plantation, April 2006

The large numbers of ex-combatants highlights the need for the issue to be resolved while UNMIL is still present in sufficient strength, as it is unlikely that the government will be able to deal with such a security threat alone. The International Crisis Group reported that a town chief remarked “the ex-combatants brag and say just wait until the UN leaves”.<sup>55</sup>

## National and regional security

Security in Liberia is currently ensured by the presence of 15,000 military and 1,115 police UNMIL personnel<sup>A</sup>. UNMIL's continued presence, successful peaceful elections and the continuation of the DDR process have resulted in a steady increase in security in Liberia. However, the country, and the region as a whole, remains volatile, and security in Liberia will not be assured until regional stability is achieved.

Tensions in neighbouring **Côte d'Ivoire** pose a particular challenge; security concerns include the possible recruitment of Liberian ex-combatants, the cross border movement of rebel groups and a possible influx of refugees<sup>B</sup>. Charles Konan Banny was sworn in as Prime Minister on 7 December 2005 and a new government was announced on 28 December 2005. There have been several violent incidents in January and May 2006, including against UN troops. The United Nations Security Council renewed the arms embargo, travel restrictions and assets freeze first imposed by resolution 1572 (2004) and banned the import of rough diamonds from Côte d'Ivoire on 15 December 2005<sup>C</sup>. The UN applied additional asset freezes and a travel ban against three individuals<sup>D</sup> in recognition of their role in the January violence. Presidential elections are planned for October 2006 but could be threatened by further violence. The new prime minister has the difficult mission to unify and disarm Côte d'Ivoire before the elections.

Since the withdrawal of the UN peace-keeping force UNAMSIL from **Sierra Leone** in December 2005, the country has remained stable. However, there is still potential for unrest as triggers of the conflict such as high unemployment among youth<sup>E</sup> and corruption are still unresolved. In **Guinea**, stability has been slowly deteriorating. The question of the succession to President Conte, whose health has continued to decline, has not been solved. Political instability took a new turn when reformist Prime Minister Cellou Dalein Diallo, who had been in charge for 17 months, was sacked by Conte on 5 April 2006, hours after overturning a decree reshuffling the cabinet. The reshuffle would have increased Diallo's influence, notably on the key sectors of economy and finances<sup>F</sup>. He had initiated economic reforms and an anti-corruption crusade, making those close to Conte deeply uncomfortable. A recent report by the International Crisis Group<sup>G</sup> states that there is a high likelihood of a military takeover.

In recognition of some of these issues, UNMIL proposed a two year period of consolidation in Liberia in order to guarantee peace and stability, and to give the new government time to establish its authority and implement its programme of reconstruction<sup>H</sup>. UNMIL is expecting to be reduced by one infantry battalion in mid 2006 and another in early 2007. The drawdown of UNMIL will be linked to benchmarks and timelines corresponding to an increase in security and capacity and authority of the government<sup>I</sup>. Full details of this plan are yet to be confirmed.

Efforts must now be focused on the consolidation of stability through security sector reform; greater control of areas rich in natural resources; re-establishing the rule of law, the reintegration of ex-combatants and the provision of employment opportunities<sup>J</sup>. Flash points of insecurity include Monrovia - where the majority of ex-combatants are based - Guthrie and Sinoe rubber plantations and BOPC diamond mine<sup>K</sup>.

A United Nations Security Council, "Tenth Progress Report of the Secretary General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, 14 March 2006, Page 5, No20

B Global Witness investigations, Liberia, April 2006, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," UNSC S/2006/159, 14 March 2006, p9, No41

C United Nations, *Security Council Resolution 1643*, December 15, 2005), "UN extends sanctions to diamonds", *United Nations Integrated Regional Information Networks*, 16 December 2005

D Pro-government militia leaders Charles Blé Goudé, Eugène Djué, and Forces nouvelles rebel commander, Fofie Kouakou.

E "With no prospects, youths are turning to crime and violence", *United Nations Integrated Regional Information Networks*, 22 December 2005

F "Prime minister Diallo sacked in possible power struggle", *United Nations Integrated Regional Information Networks* 5 April 2006

G "Guinea in transition", *International Crisis Group* report 11 April 2006

H United Nations Security Council, "Tenth Progress Report of the Secretary General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, 14 March 2006, Page 12, No48

I United Nations Security Council, "Tenth Progress Report of the Secretary General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 13, No55

J United Nations Security Council, "Tenth Progress Report of the Secretary General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 9, No 38.

K *Ibid*, identified Guthrie and Sinoe as potential Flashpoints.

## A) Sanctions & the Timber Sector

The following analysis of the relevant benchmarks from UNSC Resolution 1521 (2003), relating to the timber sector, suggests that the UNSC should not lift sanctions in June 2006 when they are next due for review, but should extend them for an appropriate period until the benchmarks are met. However, in recognition of the significant progress achieved by the government so far, the UNSC could consider lifting the sanctions on the proviso that protective measures are put in place by the government to prevent premature forest exploitation: a government-imposed timber export moratorium would be the most effective measure. Alternatively the UNSC could consider extending the sanctions for a further three months, to be reviewed at that time and lifted or extended as necessary. Either measure would send a clear message that improvements have been recognised, but that further progress is still required. Neither option would have a significant negative economic impact at this time because the forest sector is not yet ready to commence logging operations: not all the necessary conditions laid out in the forestry reform process have been implemented, nor have any logging concessions been allocated to companies. Mechanisms to enable both government departments and the timber industry to prepare to commence operations can continue to be developed while a moratorium or sanctions are still in place.

**United Nations Security Council Resolution 1521 (2003). Adopted by the Security Council at its 4890th meeting, on 22 December 2003**

### The Security Council (...)

***Urges the Government of Liberia<sup>D</sup> to establish its full authority and control over the timber producing areas, and to take all necessary steps to ensure that government revenues from the Liberian timber industry are not used to fuel conflict or otherwise in violation of the Council's resolutions but are used for legitimate purposes for the benefit of the Liberian people, including development;*** Section B Paragraph 11

This benchmark remains the greatest single obstacle to the lifting of sanctions. The government still does not have 'full authority and control over the timber producing areas'; in fact, it has very little control of these areas. As described elsewhere in this document, this is not due to a lack of political will but to a lack of logistical capacity. Nevertheless, the risks posed by this situation remain. Although, with the support of UNMIL, the government is able to control the main road networks and could thereby better monitor timber movements along those roads, the same is not true of the forests. For example, Global Witness visited Buchanan in April 2006 and found that illegal and uncontrolled pit sawing by ex-combatants was continuing.<sup>56</sup> Global Witness interviewed the regional FDA officer at the Lower Harlandville office in Buchanan who reported that while the FDA personnel had received some training, the office had only one vehicle, and moreover this vehicle was rarely there.<sup>57</sup> However, the FDA officer noted that security had improved in



Forestry Development Regional Office, Buchanan, April 2006.

the area. Global Witness also interviewed John Woods, the Managing Director of the FDA, who reported that steps had been taken to bring the pit sawing situation under control.<sup>58</sup> The FDA had

<sup>D</sup> UNSC Resolution 1521 refers to the National Transitional Government of Liberia. However, a new government has since been elected. Therefore "Government of Liberia" has been substituted.

conducted a survey of pit sawyers, designed with the help of the FAO, US Forest Service and UNMIL, and was in the process of developing a policy to control activities. The FDA had requested that UNMIL carry out joint patrols with them, to increase control of the forests.

Without full government control over timber producing areas, the forests are open to illicit exploitation, whether by anarchic logging operations or, in the future, by holders of legitimate concession agreements. In its role as Independent Forest Monitor in both Cambodia and Cameroon, Global Witness documented and exposed illegal logging by every legitimate concessionaire.<sup>E</sup> The same patterns could be replicated in Liberia in the absence of adequate safeguards.

In practice, this absence of control means that misappropriated natural resource-derived government revenues could be used for a variety of illicit purposes, including the fuelling of conflict. An example from the rubber sector illustrates potential risks in the forest sector. In April 2006 Global Witness visited the joint police/UNMIL checkpoint near Gba, less than an hour's drive from Monrovia, where the ex combatant NVRP levies 'taxes' on its own (illicit) rubber trade with the full knowledge of both the police and UNMIL.<sup>59</sup> It is using these taxes to raise significant revenues that are used, amongst other things, to maintain the LURD wartime command structure under Chairman Sumo Dennis (**See *The continued link between natural resources and conflict: the Rubber "Safe Havens" – Page 9***).<sup>F</sup> This situation highlights that illicit control of natural resources in Liberia is still widespread, and that without full governmental control, the forests, like the rubber plantations, could be open to similar abuses.

**Encourages the Government of Liberia to establish Oversight mechanisms for the timber industry that will promote responsible business practices, and to establish transparent accounting and auditing mechanisms to ensure that all government revenues, including those from the Liberian International Ship and Corporate Registry, are not used to fuel conflict or otherwise in violation of the Council's resolutions but are used for legitimate purposes for the benefit of the Liberian people, including Development;** Section B, Paragraph 13

In theory, the government, through the LFI, the Forestry Reform Committee and GEMAP is on its way to achieving this condition. However, new, untried and as yet incomplete systems in Monrovia do not equate to a working system that can be applied across the country, particularly in the remote timber producing areas. Commencing industrial logging before the necessary systems and enforcement are in place is likely to result in both revenue and resource loss and will undermine the effectiveness of reforms.

The FDA is writing a manual which will guide the future reform process. When Global Witness was in Liberia in April 2006 this manual had not yet been finalised, let alone implemented, and the process itself was being criticised by local civil society groups as it was seen to be rushing important decisions. The forest inventories are incomplete, concessionaires have not been selected and no independent forest monitor has been appointed. It is highly unlikely that these and other necessary initiatives will be implemented within the next few months.



Camp of ex-LURD pit sawyers, near Buchanan, September 2005

**Urges all parties to the Comprehensive Peace Agreement of 18 August 2003 to implement fully their commitments and fulfil their responsibilities in the National Transitional Government of**

<sup>E</sup> See [www.globalwitness.org](http://www.globalwitness.org) for numerous reports detailing these issues.

<sup>F</sup> UNMIL stated that 3,700 ex-combatants were in Guthrie in their May 2006 report. However, local NGOs estimated that there were around 5,000.

**Liberia, and not to hinder the restoration of the Government's authority throughout the country, particularly over natural resources;** Section B, Paragraph 14

As discussed in *The continued link between natural resources and conflict: the Rubber "Safe Havens"* – **Page 9**, large swathes of territory – particularly some rubber plantations and diamond mining areas – are controlled by ex combatants. The following summary of the situation in the plantations highlights the risks inherent in prematurely opening up the forests to exploitation.

Guthrie is predominantly controlled by ex-LURD fighters, together with some ex-Taylor and MODEL soldiers. Although LURD is not actively hindering the new government's authority, an intact ex-LURD command structure represents a clear threat to security. The ex-combatants' control extends beyond the plantation itself into the town of Gba, and possibly other areas. The ex-combatants clearly hold power in this area and local people are afraid to speak openly; the ex-combatants maintain an organised presence in the town and have set up their own welfare committee which has an office near the police/UNMIL checkpoint. Both villagers and ex-combatants stated to Global Witness that no decision relating to the plantation can be taken without the agreement of the commander, ex-LURD General Sumo Dennis.<sup>60</sup> There have been reports of severe human rights abuses committed by ex combatants, adding to the climate of fear and insecurity.<sup>61</sup>

### Balancing the security and economic risks of a resurgent timber industry

The decision to lift timber sanctions should be based on both security and economic factors: will forest exploitation contribute to conflict and instability, or make a vital economic contribution to the state? Without full governmental control of the forests, neither security nor economic benefit to the state can be assured, whilst the inherent risks would be significantly raised. The UNSC and the government of Liberia should consider that the tropical forest industry is not the great economic driver that its proponents such as the World Bank suggest it is, and therefore should not rush to resume commercial logging before all the necessary safeguards are in place. In 1987 the FAO Senior Director of Forestry, Jack Westoby, said:

*"Over the last two decades, massive tracts of virgin tropical forests have come under exploitation, in all three under-developed regions. That exploitation, with a few honourable exceptions, has been reckless, wasteful, even devastating. Nearly all the operations have been enclavistic, that is to say they have had no profound or durable impact on the social and economic life of the countries where they have taken place... Local needs are not being met; the employment opportunities are trifling. A significant part of the exports, as logs or as primary processed timber, is exported within the firm, and transfer values are fixed to facilitate the accumulation of profits outside the country... The contribution of forestry to improving the lot of the common people has been negligible so far."*<sup>(A)</sup>

In the nineteen years since this statement was made the global situation has, if anything, declined. Forestry operations from the Amazon to Cambodia, from Indonesia to Cameroon and indeed in Liberia itself are synonymous with unsustainable exploitation, corruption, human rights abuses, severe environmental damage, and in some cases conflict.

In Liberia's favour is the fact that it is probably unique amongst these countries, in that there is genuine political will on the part of the president to make things work for the country and its people. Furthermore, the approach of the international community to forestry reform is more innovative, better planned and resourced than in many other countries, although only time will tell if it has been the correct approach. It is true that industrial logging does create jobs and generate revenues, and that timber companies commit to providing resources (usually the responsibility of the state) such as schools, hospitals and roads, but these commitments are often reneged upon, and not maintained in the long-term. Indeed, these were the arguments used by the timber industry and the Taylor government in 2003 to oppose the imposition of timber sanctions in Liberia. The industry conveniently ignored what the international community took to be the even more dramatic consequences brought about by a timber-funded dictatorship and war.

Also, as is happening now in Liberia, the statistics used to justify a resurgent industry can be misleading. For example, Section 1.1 in the Draft FDA Reform Manual, November 2005<sup>B</sup>, uses the illegal and unsustainable plunder of Liberia's forests in the late 1990's and early 2000's to assert that "...the forestry sector has been a strong contributor to the economy of Liberia, in the form of industrial output, national income, employment and export revenues." It justifies this assertion by quoting statistics (unreferenced) that:

- Forest products rose from 5% of GDP in the 1980's to 20% in the late 1990's
  - Forest products accounted for 5-10% of export earnings in the 1980's rising to over 50% by 2000
  - In 2002 timber exports were worth US\$100 million, or 60% of Liberia's total export revenues.
  - The timber industry provided approximately 10,000 jobs.
- Liberia was at this point a failed state. Diamonds were already sanctioned, and it was widely recognised that logging was unsustainable and the forests were being plundered by Charles Taylor to further his military, political and territorial ambitions. There was virtually no other economic or industrial activity. Under these circumstances the fact that forest products equated to 5% of GDP or 50-60% of export earnings is meaningless in the current context, and dangerously misleading when it is used as an economic justification for a post-war timber industry.
- A more meaningful analysis of the statistics demonstrating what revenues the government actually received from forest products, and how the population benefited – or not - would provide a sounder basis for future planning. For example, in 2000 - according to Liberian government statistics - the timber industry was worth a total of US\$186 million. After taking away legitimate production costs and the US\$6.6 million in taxes received by the Ministry of Finance, approximately US\$100 million in timber revenue went unaccounted for<sup>C</sup>.
  - The employment figure is based on the now discredited 2001 OCHA report<sup>D</sup>, the authors of which admitted their figures came from both the Taylor Government and the timber industry, notably OTC. More reliable estimates demonstrate that in 2001 the industry employed 6,150 people, 1,197 of which were expatriates<sup>E</sup>.

Finally, on paper the LFI estimates that the timber industry could be worth US\$20 million per year, but admits that this figure is 'just a marker'<sup>F</sup>. Global Witness is unaware whether this marker is based on any scientific or economic data, but it was published even before the completion of forest zoning.

A. Westoby J, *The Purpose of Forests*, 1987, Page 264-5.

B. FDA, "Draft FDA Reform Manual: Policy and Procedures for Increased Transparency and Accountability in the Commercial Forest Sector", November 2005.

C. For a more detailed analysis of these figures see Global Witness, "Logging Off", September 2002, Section 4.5.

D. United Nations, "Report of the Secretary-General in pursuance of paragraph 13(a) of resolution 1343 (2001) concerning Liberia"; S/2001/1025, 31 October 2001.

E. Based on research conducted by Liberian environmental group, 2001.

F. "One Touch", May 2006, Global Witness Interview with LFI Representative, April 2001

## B) Sanctions and the Diamond Sector

The United Nations placed sanctions on the export of diamonds from Liberia in March 2001<sup>62</sup> in recognition of the role of Liberia in funding the Revolutionary United Front RUF, a rebel group in Sierra Leone whose signature was to hack off civilians' limbs.

### United Nations Security Council resolution 1521:

***Calls upon the National Transitional Government of Liberia to take urgent steps to establish an effective Certificate of Origin regime for trade in Liberian rough diamonds that is transparent and internationally verifiable with a view to joining the Kimberley Process, and to provide the Committee with a detailed description of the proposed regime;***

Liberia passed an act amending the Minerals and Mining Law on 8 October 2004 to fulfil the criteria set out in United Nations Security Council Resolution 1521. Chapter 40 of the act provides controls on the export, import and transit of rough diamonds in Liberia which are required for joining the Kimberley Process. This progress has to be looked at in conjunction with the situation on the ground. In May 2006 Global Witness found that Liberia did not have sufficient controls over diamond regions, and chain of custody has not been implemented. Despite a commitment at the higher levels of government, and in contrast to reforms within the timber sector, there remains a lack of commitment and ownership within the Ministry of Lands and Mines, many of whom served under Charles Taylor's government and are reluctant to change their practices.<sup>63</sup> The lack of progress in the implementation of internal controls means that the Liberia is not yet ready for sanctions to be lifted.

### Diamond mining and control of diamond areas

There is limited government and UNMIL presence within diamond areas, resulting in illegal alluvial diamond mining in Lofa, which is likely to be leading to small scale sanctions violations.<sup>64</sup> Furthermore there are reports of illegal diamond mining in Gbapolu and Cape Mount counties by individuals and companies.<sup>65</sup>

### Progress towards Kimberley Compliance

The critical issue for attaining Kimberley compliance remains one of capacity and implementation of controls. At present the internal control system is, as with the situation in the timber sector, a paper exercise yet to be realised. The Futures Group, a consultancy company funded by the US government, has been brought in for one year to assist the Liberian government to gain Kimberley compliance. Futures Group is providing technical assistance, geological assessments, material assistance and training for mining inspectors and evaluators.

#### **BOPC**

The continued lack of government and UNMIL control of areas rich in natural resources is demonstrated by the operation of the diamond mine in Sinoe, known as BOPC<sup>A</sup>. An estimated 5,000 ex-combatants from various factions including NPFL and LPC are mining for diamonds there and transporting them to neighbouring countries<sup>B</sup>. A lack of sanitation and an outbreak of cholera in August 2005<sup>C</sup> caused large numbers of ex-combatants to leave. However, more recently, many have returned<sup>D</sup>. Global Witness investigations found that the mine is now mechanised and that there are companies operating there.<sup>E</sup>

Global Witness interviewed a representative from the Ministry of Lands and Mines who reported that in 2004/5 the Government wrote to the SRSG Jacques Klein to ask for help to monitor the area. He reported that UNMIL responded by saying that it was not part of their mandate and they did not have the resources to deploy monitors<sup>F</sup>. The representative noted that the ex-combatants remained armed and that the ministry would not be able to address the problem alone. In the response to the Kimberley Process certification scheme questionnaire, UNMIL noted that it conducted joint surveillance and patrolling of border and mining areas<sup>G</sup>.

A. The mine is referred to as BOPC as it was formerly owned by Butaw Oil Palm Corporation, Global Witness interview with UN personnel, Liberia, April 2006.

B. Global Witness interview with a representative from the Ministry of Lands and Mines, April, 2006

C. Global Witness interview with UNMIL, September 2005; 'Cholera epidemic kills 134 in south east', United Nations Integrated Regional Information Networks, 18 August 2005

D. Global Witness interview with UN personnel, Liberia, April 2006.

E. Global Witness investigation, Liberia, May 2006.

F. Global Witness interview with Deputy Minister Fayia, April, 2006

G. UNMIL response to the Kimberley Process certification scheme questionnaire, March 2006

The infrastructure necessary to gain Kimberley compliance is not yet in place. The Ministry of Lands and Mines has built the shell of the Kimberley Process certification centre but is awaiting funds for its completion. The Ministry is still assessing training needs for diamond evaluators. De Beers and Develop Africa of Dubai have promised to provide money and equipment for the laboratory and training for ten evaluators but additional support will be needed to pay for their operating costs. A two-week training program for Mineral Inspectors and Mining Agents, who will staff the regional offices, has been carried out.<sup>66</sup> Liberia must take the opportunity to learn lessons from neighbouring countries where insufficient training and low wages of inspecting officers and other officials have undermined the system. A lack of logistical capacity also hampers the effectiveness of monitoring.

### Internal Controls

The Kimberley Process requires that a chain of custody from point of mine to the point of export be established. The Ministry of Lands and Mines and the Futures Group consultant reported to Global Witness that the Ministry will set up ten regional offices staffed by a mining agent, a mineral inspector and a trained diamond valuer (as discussed above), through which all diamonds will have to pass.<sup>67</sup> The Ministry is piloting three regional offices first. The proposed regional offices are intended to provide greater oversight of the diamond sector in producing regions. However, cross checks of the system would go further toward ensuring compliance. For example, random cross checks of parcels at export, with information at regional offices and mining sites, can be one way to test the system for problems. Regular checks of dealers' inventories against records of buying and selling and imports and exports are also crucial to ensure compliance with internal controls.



The Kimberley Process Certification Center, April 2006.

To ensure that diamonds cannot be trafficked through Liberia from other countries, a cap will be placed on the export of Liberian diamonds. The cap will be based upon assessments of Liberia's current production capacity and projections of future production.<sup>68</sup> The US government has started a geological survey based on historical data and a consultant from Futures Group has been to Liberia to complete this study.<sup>69</sup> An initiative suggested by Futures Group is to offer a bonus to border guards of 10% of the value of any smuggled diamonds they discover.<sup>70</sup>

### Conclusion

The end of the transitional period and the inauguration of an elected government mark a new period of opportunities for Liberia. The new president has demonstrated her commitment to fulfilling the criteria set forth in United Nations Security Council Resolution 1521. Whilst, with the help of the international community, the government is implementing a comprehensive reform process, there are significant obstacles that still need to be dealt with. These range from, notably, control of territory and natural resources, security, logistical constraints and the countless issues that face a country emerging from years of civil war. In this context UN sanctions should not be regarded not as a punitive measure, but as a mechanism that can provide a breathing space to enable the government to complete the reform process. Furthermore, lifting UN sanctions prematurely could expose the country to both economic and security risks, and perpetuate the instability which still threatens not only Liberia, but the entire region.

<sup>1</sup> Global Witness interviews with World Bank, EC, local civil society groups, Liberia, April, 2006.

- <sup>2</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 2, No8.
- <sup>3</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page8, No35.
- <sup>4</sup> Special Court for Sierra Leone, "Special Court President Requests Charles Taylor be Tried in The Hague", Freetown, Sierra Leone, 30 March 2006.
- <sup>5</sup> Global Witness interviews with members of the Truth and Reconciliation Commission, Liberia, April 2006, "United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, Page7, No28.
- <sup>6</sup> Act to Establish the Truth and Reconciliation Commission (TRC) of Liberia, Ministry of Foreign Affairs, 10 June 2005.
- <sup>7</sup> Global Witness interviews with Truth and Reconciliation Commission members and UNMIL, Liberia, April 2006.
- <sup>8</sup> Global Witness, "An Architecture of Instability: How the critical link between natural resources and conflict remains unbroken," December 2005, Global Witness, 'Timber, Taylor, Soldier, Spy': How Liberia's uncontrolled resource exploitation, Charles Taylor's manipulation and the re-recruitment of ex-combatants are threatening regional peace', June 2005, Global Witness, 'Resource Curse or Cure?: Reforming Liberia's governance and logging industry', September 2004.
- <sup>9</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 5, No22.
- <sup>10</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 5, No22.
- <sup>11</sup> Global Witness interviews with UNMIL, Liberia, April 2006.
- <sup>12</sup> Global Witness investigation Liberia, April 2006, Interviews with local human rights groups, Liberia, April, 2006.
- <sup>13</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 6, No23.
- <sup>14</sup> Global Witness interviews with local human rights groups, Liberia, April, 2006.
- <sup>15</sup> Global Witness investigation, Liberia, April 2006.
- <sup>16</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 12, No52.
- <sup>17</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 6, No25, Global Witness Interview with US Military Attaché, April 2006.
- <sup>18</sup> Global Witness interview with US Military Attaché, Liberia, April 2006.
- <sup>19</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 2, No8.
- <sup>20</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, p2, No8," The Analyst, "Former AFL Personnel threaten unrest", 1 March 2006
- <sup>21</sup> UNMIL, *Weekly Press Briefing*, 26 April 2006.
- <sup>22</sup> The News, "Ellen Gives ultimatum for Assets Publication", 1 March 2006.
- <sup>23</sup> Friends of the Earth, "Governance and Economic Management Assistance Program: An update on Liberia's Progress on GEMAP by Friends of the Earth with Contributions from the Sustainable Development Institute," April 27 2006.
- <sup>24</sup> Global Witness interview with human rights activist, Liberia, April 2006.
- <sup>25</sup> Global Witness interviews with World Bank, EC, Liberia, April 2006.
- <sup>26</sup> United Nations Integrated Regional Information Network, "Foreign corruption spotters now in place" 24 May 2006.
- <sup>27</sup> Global Witness, "An Architecture of Instability: How the critical link between natural resources and conflict remains unbroken." December 2005
- <sup>28</sup> Global Witness interview with senior member of the Ministry of Labour, April 2006.
- <sup>29</sup> Global Witness interviews with Liberian human rights NGOs, UNMIL, April 2006.
- <sup>30</sup> United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 2.
- <sup>31</sup> Global Witness interview with Liberian human rights NGO, April 2006,
- <sup>32</sup> Green Advocates, "Two-day Participatory Rural appraisal workshop held in Greenville", Sinoe County from February 11-12 2006.
- <sup>33</sup> Global Witness interview with US Military Attaché, April 2006.
- <sup>34</sup> Global Witness interview with human rights monitor, Guthrie Rubber Plantation April 2006.
- <sup>35</sup> Global Witness interview with ex-combatants in Factory Camp and Married Camp in Guthrie Rubber Plantation, April 2006, Global Witness interviews with local human rights groups, Liberia, April, 2006.
- <sup>36</sup> "United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 64, Global Witness Interview with rubber tapper in Guthrie Rubber Plantation April 2006.
- <sup>37</sup> Global Witness investigation, Guthrie Rubber Plantation, April 2006.
- <sup>38</sup> Global Witness interviews with rubber tappers and ex-combatants in Guthrie Rubber Plantation, April 2006.
- <sup>39</sup> Green Advocates, "Two-day Participatory Rural appraisal workshop held in Greenville", Sinoe County from February 11-12 2006, Page 3.
- <sup>40</sup> Green Advocates, "Two-day Participatory Rural appraisal workshop held in Greenville", Sinoe County from February 11-12 2006, Page 3.
- <sup>41</sup> Global Witness interviews with ex-combatants in Factory Camp and Married Camp in Guthrie Rubber Plantation, April 2006.
- <sup>42</sup> Global Witness interviews with UNMIL and Liberian human rights NGOs, UNMIL, April 2006.
- <sup>43</sup> Global Witness interviews with UNMIL and Liberian human rights NGOs, UNMIL, April 2006, United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 62.
- <sup>44</sup> United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 64, Global Witness Interviews with UNMIL, April 2006.
- <sup>45</sup> International Crisis Group, "Liberia: Resurrecting the Justice System", 6 April 2006, Page 1.
- <sup>46</sup> United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 62.
- <sup>47</sup> United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 6.
- <sup>48</sup> "United Nations Mission in Liberia, "Human Rights in Liberia's Rubber Plantations: Tapping into the Future", May 2006, Page 56, The information was obtained in interviews on 14 July 2005 with Administrative Manager LAC and on 25 July 2005 with Industrial Relations and Public Relations Managers of Firestone.

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- <sup>49</sup> "Firestone in Liberia Rubber Row", Casper Leyton, BBC News BBC News, 24 May 2006
- <sup>50</sup> Global Witness interviews with environmental and human rights NGOs, April 2006.
- <sup>51</sup> United Nations Security Council, "Tenth progress report of the Secretary- General on the United Nations Mission in Liberia," S/2006/159, 14 March 2006, Page 8, No32.
- <sup>52</sup> Letter from Jacques Klein to Chairman Bryant; 26 October 2004.
- <sup>53</sup> The News, "Turn Plantation over to Govt, Ellen Nudges to Ex-combatants," 27 February 2006, The Analyst, "President Sirleaf wants ex-fighters leave SRC!"; 27 February 2006.
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