

If we have iron ore,
gold and timber,
why are we so poor?



Media Practitioners Encouraged to Promote Transparency and Accountability



Message from the Head of Secretariat



resources and the importance of the LEITI process. Going forward, our goal is to strengthen our communications and outreach program, decentralize the LEITI process to cover the fifteen counties in Liberia and establish Extractive Clubs (e-Club) in various high schools around the country, starting with Montserrado County.

We intend to strengthen the LEITI reporting process by integrating our templates into the Integrated Financial Management Information System (IFMIS), expand the scope of our reports such that they include information on all agencies of government involved with the extractive industries, as well as shorten our report delivery time to ensure that all stakeholders have near-real-time of information on the flow and management of revenues from the extractive industries. Consistent with the LEITI Act of 2009, we will attempt to reconcile "what ought to be paid" by extractive companies to the government. Further, LEITI will, for the first time, expand its report scope to track how revenues from the mining, oil, agriculture, and forestry sectors are expended by the government.

In fulfillment of the LEITI Act, we will conduct a post award process audit of each material concession, contract, license or permit in the oil, mining, agriculture, and forestry sectors to determine whether the

process was in compliance with applicable laws of the Republic of Liberia. The Secretariat, with guidance from the African Development Bank is evaluating proposals to select a firm to carry out this assignment.

It is important to note that these goals cannot be achieved in the absence of adequate funding. We acknowledge the sharp increase (183%) in the Government of Liberia's support for this initiative from US\$300,000 in FY 2010/11 to US\$850,000 in FY 2012/2013. We also appreciate other development partners, including the African Development Bank, GIZ, and the United Nations Mission in Liberia (UNMIL) who have committed to support the approved Work Plan.

I am finally grateful to members of the Multi-stakeholder Steering Group (MSG) for their tireless efforts, commitment, and guidance in setting policy direction for the Secretariat. The cordial working relationship between the LEITI Secretariat and the MSG has made my work easier.

Samson S. Tokpah
Head of Secretariat
Liberia Extractive Industries
Transparency Initiative

It is exactly ten (10) months since we took over the affairs of the Liberia Extractive Industries Transparency Initiative (LEITI). Within this short period, LEITI has made significant strides in implementing the EITI principles in Liberia, notwithstanding the challenges.

Key amongst these achievements, we published and launched the 3rd EITI Report for Liberia and fully disseminated copies of its summary to the fifteen counties of Liberia. LEITI also launched the first EITI Incentivizing Report for complaint countries, which outlines ways in which countries can maintain and build on the momentum that led to their compliant status.

As part of a campaign aimed at increasing public awareness on Liberia's extractive resources, LEITI engaged the youth in a day-long Inter-high School debate. This outreach activity, the first of its kind in Liberia, allowed students to debate on issues relative to Liberia's extractive

PICTORIAL



Students of the G.W. Gibson present their arguments during the Inter-high school Debate



LEITI Head of Secretariat, Samson S. Tokpah (right) and other platform guests in reverence mood as the National Anthem of Liberia is being sang during the Inter-high School Debate



Ms. Satta Wahab of the B.W. Harris High School, winner of the "Most Valuable Player" award thrilled the crowd with sound arguments during the Inter-High School Debate



LEITI Deputy Head of Secretariat, Konah D. Karmo, remarks at the close of the Editors' Forum

LEITI CHEERS THE FOLLOWING STAFF WHO CELEBRATED THEIR NATAL DAYS DURING THE PERIOD



Mr. Abraham M. Vah, LEITI Driver celebrated his birthday on March 5, 2012



Mr. Emmanuel Dormeyan, Office Assistant, celebrated his birthday on September 5, 2012

LEITI Produces EITI Impact Evaluation Scheme

An evaluation scheme aimed at directing the strategic goals of the LEITI over the next 3 to 5 years has been produced by a team of consultants from International Training and Development (ITAD) and the German Development Cooperation (GIZ). The Scheme will provide EITI country institutions with the skills and capacities to efficiently monitor and evaluate their achievements against agreed

objectives and set goals. The process is closely linked to ongoing work of the international EITI Strategy Working Group (SWG), which has been established by the EITI Board to examine options and make recommendations regarding the strategic direction of the EITI for the next 3-5 years. The ambition to participate in the pilot study was jointly introduced by the LEITI Secretariat and the GIZ Office in

Liberia and approved by the MSG during the MSG Meeting held in April 2012. Liberia is the first EITI implementing country to conduct this study.

The process brought together members of the MSG in a strategic work session, and separate meetings with key government entities involved in accountability and transparency issues.

LEITI gets New Finance Director



Mr. Larmine A. Goba, LEITI Finance Director

Mr. Larmine A. Goba (MSc. – Accounting & Finance) is now the new Finance Director of the Liberia Extractive Industries Transparency Initiative (LEITI). Mr. Goba has several years of public financial management, budget and audit experience amongst others. He was recommended as the most

suitable candidate following a competitive recruitment process, which was conducted by a recruitment panel drawn from the Financial Management Training Program, the General Auditing Commission and the Ministry of Lands, Mines & Energy. Mr. Goba commenced his duties as Finance Director on August 1, 2012.

LEITI Admn. Manager Graduates with Distinction

The Liberia Extractive Industries Transparency Initiative (LEITI) congratulates its Administrative Manager, Ms. Hnede Berrian, who on Friday, August 31, 2012, graduated with distinction (Cum laude) from the Arthur Barclay Business College, Stella Maris Polytechnic. Ms. Berrian earned a 3.05 GPA, and graduated with a

Bachelors of Business Administration (BBA) Degree in Management. Initially, Ms. Berrian was employed as the Executive Secretary of the LEITI in January 2008, but was subsequently promoted to the position of Administrative Manager due to her outstanding performances and dedication.



Ms. Hnede Berrian, LEITI Administrative Manager

HOS Attends Regional EITI Meeting In Ghana

The Head of Secretariat (HOS) participated in a 2-day Regional Meeting for EITI countries in Accra, Ghana from 27 – 28 September 2012. The meeting was intended to create new avenues for enhanced collaboration amongst EITI compliant countries on the continent and was attended by representatives from Sierra Leone, Niger, Nigeria, Togo, Liberia, Tanzania, Azerbaijan, Mauritina, and Democratic Republic of Congo, amongst others.



Mr. Peter Kluczny, GIZ Outgoing Project Coordinator

LEITI Bids GIZ Project Manager Farewell

On Wednesday, September 26, 2012, the Multi-stakeholders Steering Group (MSG) and Secretariat of LEITI bided farewell to the Project Coordinator of the German Development Cooperation (GIZ), Mr. Peter Kluczny and thanked him for his enormous support to the Secretariat over the years. During Mr. Kluczny's tenure as Head of the GIZ Project in Liberia, GIZ successfully supported, for the first time, an Inter-high School Debate, and established the LEITI Resource Center where the public and student populace could conduct research on the extractive sectors. Also, under the watch of Mr. Kluczny, GIZ supported the LEITI 2012 Buchanan Retreat during which the 2-Year Strategic Work Plan was developed; the production of the LEITI Incentivizing Report and the conduct of the Impact Evaluation Assessment Study, as well as other capacity building activities.

In recognition of his dedication to the LEITI process, The MSG presented a certificate of appreciation to Mr. Kluczny while the Secretariat gowned him with a traditional African country cloth shirt.

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LEITI Organizes First Inter-High School Symposium and Debate

In partnership with the German Development Cooperation (GIZ), the LEITI Secretariat organized a one-day Inter-high School Debate on Friday, May 25, 2012 under the theme “Resource Management: A Tool to Fight Corruption and Reduce Poverty”. The debate, held at the YMCA Gymnasium in Monrovia, brought together more than two hundred students and staff from four high schools to include William V. S. Tubman, G. W. Gibson, St. Theresa Convent, and B. W. Harris Episcopal High School. The occasion was witnessed by staff from the United Nations, the Liberian Press, MSG members, and the general public. The B. W. Harris Episcopal High School was

declared Winner while G. W. Gibson High School emerged as Second Runner Up. The “Most Valuable Player” (MVP) was awarded to Ms. Satta Wahab, an 11th Grade student of the B. W. Harris Episcopal High School. With this title she earned a 3-month internship at the LEITI Secretariat with the intent of enhancing her knowledge and awareness of the activities of the LEITI.

In separate remarks during the program, Mr. Austin Sheriff of the National Investment Commission and Mr. Thomas Doe-Nah of the Center for Transparency and Accountability in Liberia, spoke on “The Expectations of

Managing Liberia's Potential Oil Wealth and “The Role of LEITI in Fighting Corruption and Poverty Alleviation”, respectively.

The debate, the first of its kind in the history of LEITI, was designed particularly to create awareness on Liberia's extractive sectors and empower high school students to make informed decisions about Liberia's non-renewable extractive resources as well as make good intellectual choices in their schools, communities and the society at large. Meanwhile, the Secretariat has decided to uphold this activity as part of the LEITI's programs.

LEITI Extends Reporting to More Entities

--Includes Revenues Generated by EPA, Maritime and others in 4th Report

In addition to reporting revenues received from companies operating under the Ministry of Finance, Ministry of Lands, Mines and Energy, Ministry of Agriculture, the National Oil Company of Liberia and the Forestry Development Authority, the LEITI plans to incorporate into its 4th Report, revenues generated by other agencies of government, including the Environmental Protection Agency (EPA), Liberia Maritime Authority (LMA), the National Port Authority (NPA) and the Liberia Civil Aviation Authority (LCAA). Consultative meetings have already begun with key focal persons at these agencies of government whose leadership have consented to participate in the LEITI 4th

reporting process. This is the first time revenues generated by these agencies of Government will be published in the LEITI Report.

LEITI's decision to include these institutions into the reporting process is based on its commitment to promote transparency and accountability, especially in the wake of reports that extractive companies are making payments to other agencies of government not currently included in the LEITI reports. Accordingly, initial contacts were made with these agencies, with approval from the LEITI MSG, to have their collections captured in the LEITI's reports. The LEITI has received overwhelming support

from these agencies which have designated lead focal persons within their entities to work with the LEITI in ensuring that their templates on payment data are submitted to form part of the 4th Reconciliation Report.

The LEITI produces an annual EITI Report that covers payments made by companies operating in the mining, oil, forestry and agriculture sector of Liberia to the Government of Liberia and revenues received by the Government on account of the exploitation of Liberia's natural resources.

LEITI MSG Establishes Permanent Committees



Hon. Amara M. Konneh, Minister of Finance and Chairman of the MSG

The Multi-stakeholders Steering Group (MSG) of the LEITI has established three (3) permanent MSG Committees to assist in enhancing its effectiveness in

policy decision making. The committees established include Governance, Membership and Ethics; Finance and Administration, all reflecting the tripartite arrangement of the EITI process. While no committee can commit the MSG, they all observe the same rules of conduct and procedures as the MSG. The membership of the committees are as follow:

Governance, Membership & Ethics Committee: Federation of Liberian Youth (FLY); Chevron Liberia Ltd.; Forestry Development Authority (FDA); Ministry of Internal Affairs; Ministry of Agriculture; Liberia EITI Board Representative; and Publish What You Pay Coalition

(PWYP)

Finance & Administration Committee: Liberia Timber Association; Gold & Diamond Miners Workers Union (GODIMWUL); Ministry of Internal Affairs; Publish What You Pay Coalition (PWYP); and the US Embassy

Reporting & Communications Committee: Ministry of Lands, Mines, Energy; BHP Billiton; Forestry Development Authority (FDA); Federation of Liberian Youth (FLY); ArcelorMittal; Liberia Publish What You Pay Coalition (PWYP); and United Nations Mission in Liberia (UNMIL)

LEITI Publishes Perception Survey Report

A survey to determine information and knowledge gaps amongst stakeholders and various interest groups on issues relating to the extractive sectors and activities of the LEITI was conducted by the Liberia Media Center (LMC).

The study covered six counties to

include Nimba, Bong, Grand Bassa, Grand Gedeh, Grand Cape Mount and Lofa. The counties selected were those in which LEITI has carried out significant communications initiatives in the past years. Respondents of the survey were people between the age group of 27-38. The report, amongst other things, recommended the appointment

of a Communications Officer and the continuation of another version of the LEITI Communications Strategy in order to ensure more sustained public awareness and outreach campaigns.

The full version of the Survey can be found on the LEITI website www.leiti.org.lr.

UNDP Boosts LEITI'S IT System

The United Nations Development Program (UNDP) has donated a Server, multi-function printer and three computers, along with additional supporting equipment to the LEITI Secretariat. Receiving the items, the LEITI Secretariat commended UNDP and assured that the equipment

will be used to enhance and support the internal operations of the Secretariat as well as enable interface with the information systems of other line ministries and agencies in order to access concessions, contracts and agreements of companies operating in the oil, mining, forestry and agriculture sectors

of Liberia.

The LEITI is also creating a comprehensive database (contacts, hard and electronic addresses) of all reporting companies, which is also expected to be hosted on its website, backed by the new server.

Ernst & Young to Prepare 4th EITI Report

Ernst and Young (Ghana) in collaboration with Mombo and Company (Liberia) has been awarded the contract to prepare the 4th EITI Report of Liberia. Ernst and Young was awarded the contract in October 2012 following several months of evaluation of four (4) firms to include PKF-Liberia, Moore Stephen/Parker & Associates-Liberia, HARTS Group/VOSCON, and Ernst & Young/Monbo & Company.

The reconciliation process began in early November 2012 and the report is expected to be

released in January 2013. This report will not only reconcile payments and receipts but also highlight what "ought to have been paid", and track revenues from the extractive sectors.

The LEITI Report is produced on an annual basis and is one of the key requirements of the EITI. Liberia has produced three reports since it joined the Extractive Industries Initiative in 2007.

The LEITI 4th Report will cover the period July 1, 2010 to June 30, 2011.

MSG APPROVALS 2012

The LEITI Multi-stakeholders Steering Group (MSG) has approved the LEITI 2012/2013 Work Plan, Materiality Threshold for the Process Audit, and the LEITI Operations Manual.

The approvals of these key LEITI documents will strengthen the Secretariat in its policy implementation endeavors.

LEITI takes Accountability & Transparency to another Dimension

--Plans to Conduct Post Audits of Concessions, Contracts, Licenses and Other Permits --

As part of its core functions, the Liberia Extractive Industries Transparency Initiative is in the process of conducting a post-award audits and/or investigations of the process by which material concessions, contracts, licenses, permits and other rights concerning the exploitation of diamond, gold, oil, timber, and agricultural resources of Liberia were awarded. The initiative is intended to ascertain whether the processes of these awards are in compliance with applicable Liberian Laws.

According to the Secretariat, the pending audits will be conducted on companies operating in the oil, mining, forestry and agriculture sectors, whose contracts, licenses and permits and rights were granted/amended by the Government of Liberia for the period July 13, 2009 up to and including December 31, 2011. Some of the companies to be considered for the review include Anadarko - Block 10, Oranto & Chevron (2nd Addendum) - Block 11, and Oranto & Chevron - Block 12. Others are Cavalla Rubber Corporation, Maryland Oil Palm, Golden Veroleum, Atlantic Resources, Euro Liberia Logging,

Geblo Inc., International Consultant Capital, and Akewa Group of Companies. Bassa Logging & Timber Corporation, Sun Yeun Corporation, Thunderbird Intl. Lib, Amlib, BHP Billiton, Putu Mining, and Western Cluster will also be reviewed. The exercise will also consider the examination of Private Use Permit (PUPs), and Class B permits for Gold and Diamond Dealers.

The audits will be conducted by Moore Stephens LLP, an internationally accredited accounting firm in collaboration with Parker and Associates.

LEITI Participates in National Coordinators and 20th EITI Board Meetings



LEITI Head of Secretariat (5th from right) along with other participants during the National Coordinators Meeting

The Liberia Extractive Industries Transparency Initiative (LEITI) along with more than thirty (30) countries including Nigeria, Ghana, Niger, Guatemala, United States, Trinidad and Tobago, Timor Leste, Cameroon, and host country Peru participated in the

20th EITI Board Meeting from June 25 - 29, 2012. The regional meeting was held under the theme "Open Government and Transparency in the Extractive Industries in Latin America and the Caribbean", with the Peruvian President receiving the Certificate of Compliance from the EITI Board Chair, Madam Clare Short on behalf of the Peruvian EITI.

LEITI was represented by its

Head of Secretariat, Mr. Samson S. Tokpah, EITI Board Representative, Hon. Roosevelt G. Jayjay, and the Deputy Minister of Finance for Expenditure and Debt Management, Hon. Angela Cassell-Bush. The 20th Board Meeting centered on redefining approaches and attributes to EITI Validation and developing Results Chain Processes to support country implementation. The meeting also served as a platform for implementing EITI institutions to share experiences and replicate best practices in their respective countries.

The EITI Board is the central policy making body for the EITI global body.



Strengthening relationship: LEITI's staff and the media practitioners stand for photos at the end of the one-day "Editors' Forum"

Media Practitioners Encouraged to Promote Transparency and Accountability

The Secretariat of the Liberia Extractive Industries Transparency has called on media practitioners to promote accountability and transparency in their reporting especially on issues in the extractive industries.

The Secretariat made the call on Friday, September 21, 2012 during a meeting held with executives of print and electronic media institutions as part of LEITI's efforts to foster a harmonious working

partnership with the media. The Secretariat noted that in its role as agenda setter of the society, the media is very pivotal in the campaign to promote transparency and accountability within the country's extractive sectors.

The meeting coined "Editors' Forum," was held in the Conference Hall of the Liberia Chamber of Commerce Building on Capitol Hill and attended by representatives from over ten (10) print and electronic media

institutions to include Managing Editors, Station Managers, and representatives from the Association of Community Radio Stations. The purpose of the one-day Editors' Forum was to partner with media institutions to enable them report stories on activities in the extractive sector. Some of the topics discussed at the Forum were the role of the Media in the LEITI process, communicating the LEITI, and using the LEITI Report to develop news stories on activities in the extractive sectors.

Zambia Declared EITI Compliant

The Liberia Extractive Industries Transparency Initiative (LEITI) congratulates Zambia EITI on

gaining its status as an EITI Compliant Country. Zambia was declared EITI compliant on September 19, 2012 by the EITI

Board Chairperson, Madam Clare Short, making it the 15th EITI Compliant Country and the first in the East African Region.

Non-compliant Reporting Companies Sanctioned

It can be recalled that during the 3rd Reconciliation Exercise covering the period July 1, 2009 to June 30, 2010, fifty companies failed to submit their reporting templates as required by the MSG Regulation of 2009. These companies were advised to submit their templates, publicly censured, and lastly sanctioned to pay US\$1,000 each to the Government's revenue

through the Ministry of Finance. While some of these companies have complied, others have not, attributing their failure to their non-existent status at time of reporting or that they should not have found part of the reconciliation in the first place. The Secretariat has reviewed the situation on a case by case basis and will shortly make further recommendations to the MSG.

Recommendations will range from waiver to legal recourse and withdrawal of licenses.

Some of the companies sanctioned include, Raff Resources, Youssef Diamond Mining Company, ADA/LAP, Akewa Group of Companies, and Eco Timber amongst others.

LEITI Completes Dissemination of 3rd Report --Gets huge support from UNMIL



Citizens of Cape Mount read and discuss the 3rd EITI Report.

In line with its mandate, the Liberia Extractive Industries Transparency Initiative (LEITI) has completed the dissemination of its Third Report to Liberia's fifteen counties, receiving huge logistical support from the United Nations Missions in Liberia (UNMIL). The report dissemination was intermingled with a nation-wide outreach exercise aimed at increasing public awareness on the LEITI process and soliciting their inputs towards its success. The outreach brought together over 250 participants in each of the fifteen (15) counties, targeting a

cross sections of citizens to include county officials, district commissioners, chiefs, traditional leaders, community leaders, civil society organizations, and woman and youth groups amongst others.

UNMIL provided its helicopters to transport the Secretariat and MSG members during the dissemination of the report to several counties that were inaccessible by vehicles, including Grand Gedeh, Grand Kru, Maryland and River Gee. LEITI Head of Secretariat, Mr. Samson Tokpah has described

the gesture as very invaluable, demonstrating the Missions' commitment to promoting good governance and sustaining the peace in Liberia.

The LEITI 3rd Report was launched on December 16, 2011 by the Vice President of the Republic of Liberia, His Excellency, Joseph N. Boakai and covers the period July 1, 2009 to June 30, 2010. The Report contained payments collected from seventy-one (71) companies and revenues collected by five (5) agencies of the Government of Liberia, namely, the Ministry of Finance, Ministry of Agriculture, Ministry of Lands, Mines & Energy, Forestry Development Authority and the National Oil Company of Liberia. A total amount of US\$69,720,697 was reported by the seventy-one companies as combined payments of taxes, royalties, land/surface rentals, and other administrative fees, while the five agencies of the Government reported total receipts of US\$71,896,113.