



**Liberia Extractive
Industries
Transparency Initiative**

Vol. 4, No. 2

LEITI Newsletter

April - July 2013



**LEITI PRESENTS
REPORTS TO PRESIDENT
SIRLEAF**

SPECIAL EDITION



Message from the Head of Secretariat

Liberia has taken another bold step towards improving transparency and accountability in the governance of its resources! The completion and launch of Liberia's first and EITI landmark Post Award Process Audit Report is a significant paradigm shift in the management of extractive resources – that resource transparency cannot be void of fully understanding and accounting for the processes leading up to the award of material concession/resource rights. Payment reconciliation tells only half the story. There is a direct correlation between revenues reconciled under EITI requirements and the contracts that give life to the extraction/exploitation of the resources.

The Post Award Process Report shows significant lapses in the processes leading to the award of material concession agreements in the oil, mining, agriculture, and forestry sectors between 2009 and 2011. Of sixty-eight (68) rights granted in these sectors only six (6) or 8.8% were fully compliant with applicable Liberian laws. Stakeholder participation, procurement missteps, and conflicting legislations are some of the findings in the report.

The Fourth (4th) EITI Reconciliation Report for Liberia which was approved and published at the same time of the Process Audit shows a whopping US\$117m contribution to the Liberian economy in Fiscal Year (FY) 2010/11. This amount represents a 65% increment in what was reported in the previous year (US\$71m). In retrospect, the extractive sectors continue to show a sustained growth of revenue contributions to the economy, from \$29m in 2007/2008; \$35m in 2008/2009; and \$71m in 2009/2010 to \$117m in 2010/2011. Interestingly, the 4th Report was expanded to cover four additional agencies of government, and for the first time tracked and reconciled earmarked payments within the extractive sectors. In-kind contributions

from the extractive companies was also reported, and significant progress made towards reconciling 'what ought to have been paid'.

For some, the Liberia EITI has won two trophies in a single season. Notably, our reports were also triggers to the approximately US\$12.5m direct budget support to the government from the African Development Bank.

It is exciting the varying public reactions to these reports. Some have acknowledged the reports with gratification, calling for full implementation of the recommendations made by the auditors. Others have disagreed with the findings, and yet, some Liberians have received the reports with skepticism, reluctance, and general lack of interest, regarding them as 'another report' that will make no difference.

This is natural. For me, what matters most is the bold step we have taken as a nation to go deeper in search of transparency and accountability involving our natural resources. But this search can only become meaningful if our collective conscience compels us to act on the findings and recommendations. In the words of the President, Madam Ellen Johnson-Sirleaf when the LEITI presented these reports, we now need to "fix ourselves". The MSG should consider practical solutions and mobilize concerned entities to support the reforms. The process has started. The fifth (5th) Retreat of the MSG held at the Baptist Seminary on July 5 -5 6, 2013 provided a forum for stakeholders to discuss findings and recommendations from both reports and suggest policy directions to the MSG. Participants have made their recommendations.

The LEITI Secretariat now looks to the MSG to provide policy direction, and the support to ensure Liberians maximize the benefits from their oil, mining, agriculture, and forestry resources.

Samson S. Tokpah
Head of Secretariat

LEITI Presents Reports to President Sirleaf



The Liberia Extractive Industries Transparency Initiative has presented the 4th EITI Report for Liberia and the Post Contract Award Process Audit Report to the President of Liberia, Her Excellency Ellen Johnson-Sirleaf.

The ceremony was held on July 4, 2013 at the President's Foreign Ministry's Office in Monrovia, attended by officials of government, stakeholders of the LEITI process and members of the press.

LEITI Head of Secretariat, Samson S. Tokpah, while making the presentation, said, the reports show Liberians' fortitude and determination to assess themselves and transform their destiny. "For us, we don't just look at the negatives; because we see both the challenges and opportunities in the reports. In fact, that Liberians will resolve to undertake such initiative clearly demonstrates our fortitude and determination to correct the errors and prepare for a better future", the LEITI Boss said.

Receiving the reports, President Sirleaf expressed confidence in the LEITI and pledged continued support to the process. The President said the reports are relevant. "They are meant to help us

MSG Chairman, Minister Amara Konneh (r) listens as LEITI Head of Secretariat, Samson S. Tokpah (l) presents the reports to President Sirleaf

fix ourselves. An important step in solving any problem is to know that problem". The Liberian leader also said that she is proud that Liberia continues to lead in the global EITI implementation. "I have heard a lot of good reports about Liberia's role as a leader in the EITI. I can recall in 2009, I was presented an award in Doha, honoring Liberia as the 'Best Implementing Country'. And, just recently, Vice President Boakai represented me at the Global Conference in Sydney, Australia, and he reported that throughout the discussions, Liberia was the reference point for every good thing in the EITI".

The ceremony is the second time the LEITI has presented its recent reports to top Liberian Government offices. In May 2013, the LEITI Secretariat presented both reports to the Legislature. House Speaker Hon. Alex Tyler who received the reports on behalf of the honorable body promised that the law makers will fully read them and take necessary actions to bring sanity to the way the nation's resources are being managed.

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editorial board

COMMUNICATIONS & OUTREACH

OFFICER

Samson Wonnah
swonnah@leiti.org.lr

CONTRIBUTORS

Cielo Magno

PHOTOS

Kwesi Ansah
Michael Podberezin
Samson Wonnah
Edwin Wandah

Published by the
LEITI Secretariat
Old Bureau of the Budget Building
Redemption Road,
adjacent the Executive Mansion
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Email: info@leiti.org.lr
Website: www.leiti.org.lr
Telephone: 0770259734/ 0886914601

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LEITI Head of Secretariat Samson S. Tokpah presents the reports to MSG Chair Amara Konneh during an emergency MSG Meeting on May 16, 2013

LEITI Launches two Major Reports

The Multi-stakeholders Steering Group (MSG) of the Liberia Extractive Industries Transparency Initiative (LEITI) on May 16, 2013, endorsed and launched the Fourth EITI Reconciliation Report for Liberia and the Post Award Process Audit Report.

Additionally, the report includes In-kind Contributions made by extractive companies, Revenue Tracking, and Amount Due. The report was also expanded to include payments reported by four other Government agencies including the Liberia Maritime Authority (LMA), the National Port Authority (NPA), the

The report shows that during the period under review, the extractive sector contributed US\$117m to the Liberian economy, a 65% increment in what was reported in the previous year.

The 4th EITI Report for Liberia, prepared by the Reconciler, Ernst and Young (Ghana), captures all material payments of taxes, royalties, land/surface rentals and other administrative fees paid to, and acknowledged by the Government of Liberia by all oil, mining, forestry and agricultural companies for the period July 1, 2010 to June 30, 2011.

Environmental Protection Agency (EPA) and the Liberia Civil Aviation Authority (LCAA). The report shows that during the period under review, the extractive sector contributed US\$117m to the Liberian economy, a 65% increment in what was reported in the previous year. This shows a sustained growth of contributions by the extractive sector to the

Extractive Sector Contributions

US\$29m

in 2007/2008

US\$35m

in 2008/2009

US\$71m

in 2009/2010

US\$117m

in 2010/2011

economy, from \$29m in 2007/2008; \$35m in 2008/2009; and \$71m in 2009/2010 to \$117m in 2010/2011.

The Post Award Process Audit covers 68 companies operating in the oil, mining, forestry and agricultural 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. The objective was to ascertain whether these rights and permits were awarded in line with applicable Liberian Laws. The report shows that some of these contracts and permits were awarded either in full or partial compliance with the applicable Laws of the Republic of Liberia while others failed to meet the requirements. The audit/investigation was commissioned by the LEITI MSG in July 2011 and conducted by Moore Stephens LLP (London) in Collaboration with Parker and Associates (Liberia). This audit is the first of its kind to be conducted by the LEITI.

At an emergency meeting during which the reports were endorsed, the MSG resolved to organize a special retreat at which stakeholders will review recommendations from these reports, with the aim of identifying areas for policy implementation.



The St. Teresa convent debate team receives their trophy and medals

St. Teresa Convent Wins LEITI Inter-high School Debate

The Inter-high School Debate project is part of LEITI's efforts to provide increased access to the public on the management of Liberia's extractive resources. Its primary goal is to increase the youth participation in the resource debate and ensure that national policies and decisions increasingly reflect their views and concerns.

Students of St. Teresa Convent High School in Monrovia have won this year's Inter-high School Debate organized by LEITI. The competition was held under the theme: "Talking about our Resources".

St. Teresa's Convent won the competition in which nine other schools involved in the LEITI Extractive Club (e-Club) Program participated, after defeating the Len Millar High School with 90.5 to 71.75 points in an epic final clash. Other high schools that participated in the race included Caver Mis-

sion, Isaac A. David, Haywood Mission, G.W. Gibson, William V.S. Tubman, St. Mary, Jimmy Jolocon and the B.W. Harris which was defending the title after winning the 2012 competition. The final clash involved a debate in which the St. Teresa's Convent argued in favor of calls by some Liberians that the LEITI should be involved in the process leading up to the award of concession rights in the extractive sector while the Len Millar High School challenged the proposition.

Compounding the victory, Angel Yalartai, an Eleventh Grade student of the winning side was crowned as "Most

Valuable Debater".

Speaking shortly at the end of the two-day event (June 13-14) held in the YMCA Conference Room on Crown Hill, LEITI Head of Secretariat, Samson S. Tokpah described this year's competition as a "remarkable event" and labelled everyone who participated in it as a victor. The LEITI boss said the kind of information provided and the quality of arguments raised by those high school kids show that Liberia is not only rich in natural resources, but also in human resources.

Mr. Tokpah disclosed that in addition to the trophies and medals awarded to the winning team and first runner-up, all members of the winning team will earn summer internship with entities involved in Liberia's oil, mining, agriculture, and forestry sectors. He further revealed that the "Most Valuable Debater" (MVP) will benefit from an exchange program in Trinidad and Tobago where the youths are engaged in that country's resource debate. Trinidad and Tobago is one of few countries in the global Extractive Industries Transparency Initiative (EITI) that are implementing such youth development program.

The Head of Secretariat also extended gratitude to the German Government for providing funding for the program through the German Development Corporation (GIZ). He also thanked the General Auditing Commission, Mr. Oliver Rogers of the Liberia Revenue Formation Office, Ms. Juanita Bropleh of the Ministry of Finance, Mr. Kofi Ireland of UNMIL, Public Procurement and Concession Commission (PPCC), Kula Fofona, and Mr. Rufus Berry who served as judges.

The Inter-high School Debate project is part of LEITI's efforts to provide increased access to the public on the management of Liberia's extractive resources. Its primary goal is to increase the youth participation in the resource debate and ensure that national policies and decisions increasingly reflect their views and concerns. This year's competition enabled the students to engage one another in arguments on several issues of public concerns around the extractive sectors. The final rounds of the debate were broadcast live on Fabric FM 101.1 and relayed on around the world through RadioLib.



The students posed for photo with the Vice President and MSG members after the discussion forum

Diaspora Liberians Want Involvement in the LEITI Process

Liberians in Australia, particularly students attending various Australian universities have said, they fully appreciate the LEITI process and want to be involved in its implementation.

The students expressed the desire during the EITI Global Conference in Sydney, at an extra session convened with them and Vice President Joseph Boakai by the LEITI Secretariat and the University of Sydney. The forum enabled the students to interact with Vice President Boakai and other members of the EITI Process in Liberia, discussing a wide range of issues relating to investment in Liberia and the prudent management of the country's natural resources.

"We acknowledge the immense impact the LEITI process is having on transparency and accountability in our country", the students said, "but the challenge is how we too can contribute to this initiative, given we are currently too far from home". Responding to their concerns, LEITI Head of Secretariat Samson S. Tokpah commended the students for their loyalty and said, they could contribute to the process of transforming their country wherever they are. "You can be a part of the process even right here in Australia. Remember the world is now a global village, with fast-paced communication technolo-

gies. You can contribute to discussions in Liberia through various media and can even serve as ambassadors of the process by spreading the message to the rest of the Liberian community here.

The forum was also attended by

students from other African countries, including Uganda and Zimbabwe, some of whom said they would use the lessons learned from Liberia to promote the EITI process in their respective countries.

HOS Lectures on Transparency at UL

LEITI Head of Secretariat, Samson S. Tokpah, on June 18, 2013, appeared as Guest Lecturer at the University of Liberia, addressing students on Transparency and Accountability in Public Administration.

His discourse focused on public accountability and how integrity can be a great asset in managing public resources. The lecture, which began at 5:00pm, took place in the Tubman Hall (TH-4) at the University main campus on Capitol Hill, and was attended by over 45 students of the course "Administrative Ethics" (PADM 204). Mr. Tokpah was invited by the Faculty of the Department.

Students who attended the class

continue to show appreciation for the lecture with several of them commenting about their experience on the LEITI Facebook page. About Ben Diallo, one of the students posted: "That short period of time you spent with us really broadened our minds as to what is unfolding especially with regards to concession agreements reached by GOL. Personally, your lecture came 2 me as a challenge to take this country of ours further after having seen all of the flaws to another level ensuring absolute transparency and most importantly accountability. Thank u so much 4 that precious & educative session yesterday & pls come back again. I am so grateful!"



progress of the EITI process in Liberia and other major gains the country has made in promoting revenue transparency and accountability. Liberia has regularly published and disseminated its EITI reports; encouraged public involvement in the resource debate through various means, including establishing extractive clubs in the high schools; strengthened its media engagement to ensure increased public access to information about the EITI process; and promoted and supported contract transparency and disaggregated reporting. On the eve of the EITI Global Conference, Liberia launched its 4th EITI Report and EITI landmark and Liberia's first Post Award Process Audit Report. The 4th EITI Report includes material payments of taxes and royalties as well as In-kind contributions, track the use of earmarked payments from extractive companies, reconciliation on what "ought to have been paid". The Process Audit shows major lapses in the award of concession rights in the oil, mining, agriculture, and forestry sectors.

Vice President Boakai noted that such gains represent commitment by the government and all other stakeholders.

The Sydney Conference also included a National Expo Sessions that allowed individual implementing countries to showcase activities they are undertaking to improve transparency in their countries.

The EITI Global Conference is an important international forum for the discussion of improved governance of oil, gas and mining activities. It offers an opportunity for countries to share lessons, establish networks and address future challenges. This year's conference was attended by 1,200 participants from 96 countries.

Liberia Participates in 6th EITI Global Conference

The Extractive Industries Transparency Initiative (EITI) held its 6th Global Conference in Sydney, Australia, from May 23-24, 2013, with Liberia's role as a model for EITI implementation increasingly recognized.

Liberia was represented at the global event by Vice President Joseph Boakai, Senate Pro-Tempore Gbehzongar M. Findley, Head of Secretariat of LEITI, Samson S. Tokpah as well as several other stakeholders of the Liberian EITI process. In recognition of its leadership in the EITI implementation, Liberia was mentioned in almost every discussion, with its programs and activities often referenced for replication. Early this year, EITI Board Chair, Clare Short, in an invitation letter to President Sirleaf, acknowledged that Liberia's EITI implementation record has been exemplary and is a reminder that strong commitment to transparency can translate to comprehensive efforts to increase accountability along the revenues' chain and, ultimately, contribute to good governance of the extractive sectors.

At the Conference, a new EITI standard was agreed and launched, promising a more robust EITI and focusing

on how transparency and the EITI can impact changes in the implementing countries. A new Board responsible to provide strategic direction, guide and oversee the EITI at an international level for the next three years, was also confirmed and commissioned at the Conference. Liberia and other implementing countries, including Ghana, Nigeria, Sierra Leone, Mozambique, Sao Tome, Zambia and Tanzania, categorized as "Africa Region Block 1", are represented on the Board by the Senate Pro-Tempore of the Liberian Senate, Gbehzongar M. Findley, with Ghana serving as an Alternate to Liberia.

Serving as one of several keynote speakers at the event, Vice President Boakai addressed the Conference on a number of issues, especially on the



From left to right—Pro-Tempore Findley, V.P. Boakai and LEITI Head of Secretariat Samson S. Tokpah chatting at the Exhibition Center after a Conference session

Intern Brings More Innovation to LEITI



Michael Podberezin, the Intern

The Liberia Extractive Industries Transparency has a new Intern who is contributing immensely to operations at the Secretariat.

Michael Podberezin, a student from Georgetown University, Washington, DC, started his new experience at the LEITI Secretariat on June 24, 2013, and is serving in the capacity of Sector/Industry Analyst.

Michael's skills and experience in communications and information technology has added more value to the operations at the Secretariat, making his time with the LEITI very meaningful. Collaborating with the Communications & Outreach Department, Michael is working to develop a new website for the LEITI. The new system—Weebly—is both cost effective and has several vital, easy-to-use features that would enable us to present information on the web in ways that are efficient, attractive and that can give maximum impact.

Also, as part of efforts to ensure that the LEITI's reports are presented to the public in more creative ways, Michael is working developing all sorts of info graphics. Info graphics entails painting of information and graphics on mural, and is one effective way to present complex information to people in a simple and easy-to-understand manner.

Reflecting on Michael's contribution, LEITI Finance Director, Larmine Goba commented recently: "Michael's works contradict the norms. I expected we should have given him more as an intern, but in reality, he is giving us more".

But Michael has described his time at the Secretariat equally rewarding and said he is learning a lot from the staff of the Secretariat. "I think I am having wonderful time here and getting new experiences", he told Communications and Outreach Officer, Samson Wonnah recently during a chat. "I am happy that I am involved and there are always new things to do. Some working places can be very boring", he maintained.

He also noted that one of his greatest experiences in Liberia was to meet

with President Sirleaf when the LEITI presented its reports recently to the Liberian leader.

Michael is pursuing graduate degree in Government and Foreign Service—with emphasis on International Rela-

tions—at the Georgetown University in Washington DC.

4TH REPORT FINDINGS

July 1, 2010 - June 30, 2011

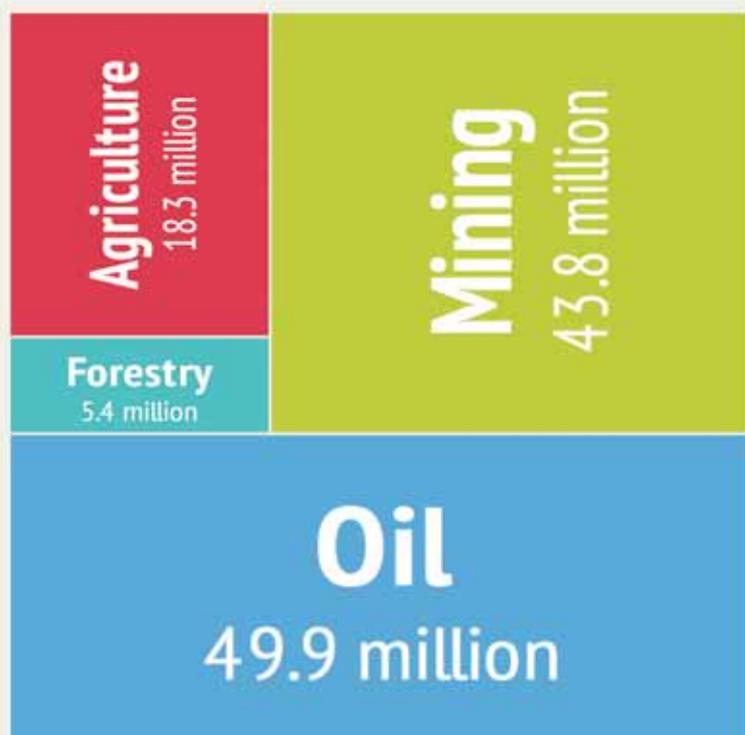
★ **US\$117.8 million**

Government income from the extractive sectors

👤 **US\$32**

Government income from the extractive sectors per Liberian

Government income from Extractive Sectors





The students are given safety gears before taken to the operation area of the port

LEITI Takes Students on Field Trip to Arcelor Mittal

As part of its Extractive Club Program being implementing in high schools, LEITI on May 19-20, 2013 took about hundred students on a field trip to Arcelor Mittal (AML) operations site Buchana, Grand Bassa County.

The trip allowed students from nine of the ten high schools participating in the e-Club Program to tour facilities at the port in Buchanan where Arcelor Mittal transfers and exports tons of unprocessed iron ore being extracted from the Nimba Mountain in northern Liberia. With tour guards from AML, the students were taken to exciting operational sites in the port including the stock piles where iron ores are tempo-

rarily kept before shipment; the harbor where the cargoes are loaded and in the control room of a computerized system that conveys ores from trains returning from the mines to the stock piles. The tour guards also explained to the students the functions of several of the machineries in the port as well as other vital information regarding the iron ore industry. High Schools participating in the trip include: Caver Mission, Isaac A. David, Haywood Mission, G.W. Gibson, William V.S. Tubman, and St. Mary. Others are Jimmy Jolocon, B.W. Harris, and Len Millar.

Students who attended the tour have since appreciated the experience, with some describing it as a worthwhile op-

portunity that will impact their future. The Principal of the Jimmy Jolocon, Mr. Moko Weah, amongst other school administrators who attended the trip, described the activity as a “real life experience”, hailing the LEITI for planning it.

Also, speaking on behalf of the AML Management at the end of the event, Hesta Baker Pearson, ArcelorMittal’s Communications Officer said, the company was grateful that the LEITI chose them for such activity. “Look, for us, this is another opportunity to contribute to the society’s development. Who knows that some of the students here today will end up working with ArcelorMittal tomorrow? So we are happy to be part of the program to impart knowledge to them”, she concluded. Madam Pearson also presented to the students several AML branded promotional items including school bags, folders and pens.

The Extractive Club Program is part of LEITI’s Outreach campaign intended to increase public awareness on the management of Liberia’s natural resources. Funding for the current phase is provided by the German Development Corporation (GIZ). Field trips to concession areas are incorporated in the program in order to provide the students first-hand experience of actual happenings in the extractive sectors.

Meanwhile, the next trip is expected to be taken to Firestone Liberia with about 112 person expected to attend.

Norwegian Ambassador Hails LEITI Progress

An official of the Royal Norwegian Consulate in Liberia has hailed the LEITI for what he called “good works done by the institution in promoting transparency in Liberia”. Counsellor Fred RASMUSSEN made the commendation when he paid a courtesy visit at the LEITI Secretariat on Friday, June 21, 2013.

“I am impressed by the work you are doing. I heard about the two reports you released. People also continue to talk many good things about the LEITI. You are doing a great

job”, Counsellor RASMUSSEN said in a discussion with LEITI Head of Secretariat Samson S. Tokpah; Deputy Head of Secretariat, Konah D. Karmo; and Communications & Outreach Officer, Samson Wonnah.

The top Norwegian Diplomat visited LEITI to assess areas of priority where the Norwegian Government could support the initiative in wake of a pending bilateral agreement to be signed by the Liberian Government and the Norwegian Government. Mr. Tokpah named those priority areas as capacity building for the staff and civil

society as well as logistics and office space for the LEITI.

Mr. Tokpah noted that while the LEITI has allocations from the National Budget, it needs additional support from international partners and donor institutions to fully implement programs required to achieve its objectives. The LEITI Boss however acknowledged ongoing support from, and extended gratitude to few friendly governments and institutions including the German Government, the World Bank, and the Africa Development Bank.



US Ambassador Debora R. Malac

US Ambassador Expresses Keen Interest in LEITI's Reports

The United States Ambassador accredited to Monrovia, Debora R. Malac has expressed interest in the 4th EITI Report for Liberia and the Post Contract Award Process Audit released by the LEITI, promising to fully read the documents.

Ambassador Malac expressed the commitment on June 27, 2013, when the LEITI Secretariat presented the two reports to the United States Government. The ceremony took place at the US Embassy in Monrovia where Ambassa-

dor Malac and LEITI Head of Secretariat, Samson S. Tokpah and Deputy Head of Secretariat, Konah D. Karmo discussed opportunities and challenges around the reports.

The US Diplomat noted that transparency is the bedrock to sustainable development in any country, and pledged her government's full support to the EITI process in Liberia.

The initiative is part of efforts by the LEITI to get the reports to public domain.



LEITI Head of Secretariat Samson S. Tokpah

LEITI Presents Reports to SRSG



SRSG Landgren

The LEITI Secretariat on Tuesday, July 2, 2013 held discussions with the Special Representative of the Secretary General (SRSG) of the United Nations on issues within the Liberia's oil, mining, agriculture, and forestry sectors.

LEITI Boss, Samson Tokpah used the occasion to present the 4th Reconciliation and Post Award Process Audit reports to the SRSG. Madam Landgren thanked the LEITI for its work and underscored the importance of prudent resource management. She also expressed in knowing the outcomes of the LEITI retreat scheduled for July 5 & 6. The retreat is being organized to review the findings and recommendations of both reports in defining a way forward.

LEITI Backs Finding from Report

The LEITI Secretariat has said, it fully stands by the Fourth (4th) EITI Reconciliation Report for Liberia approved and launched on Thursday, May 16, 2013.

The LEITI Secretariat's confirmation comes in the wake of a press statement released by the National Oil Company of Liberia (NOCAL) in May 2013, questioning certain findings in the 4th Reconciliation Report. The Secretariat said, it is especially surprised given that NOCAL is part of the LEITI process and was involved in the reconciliation, review, and endorsement processes of the report. NOCAL sits on the Multi-stakeholder Steering Group (MSG) which approved the Report. "At least two drafts of the Reconciliation Report (dated March 26 and April 23) were circulated to relevant government agencies including NOCAL, and the NOCAL did not make any such comments",

LEITI Head of Secretariat Samson Tokpah told reporters at a press conference on June 5, 2013.

The Secretariat noted that the information presented in the 4th EITI Reconciliation Report for Liberia covering June 1, 2010 through June 30, 2011, reflects, clearly the information submitted to the Reconciler/LEITI by Africa Petroleum, NOCAL, and the University of Liberia: there remains a \$230,000.00 variance between NOCAL and UL, and \$100,000.00 between Africa Petroleum and the Ministry of Finance (MoF) via NOCAL.

The Secretariat concluded that as a practice, the LEITI will shortly conduct a secondary review through an independent audit firm to resolve any discrepancies found during the reconciliation process and then encouraged concerned parties to submit additional information for that secondary review.

MSG to Formulate Policies from Reports' Recommendations

The LEITI MSG has said it will work at providing policy framework to implement recommendations from the Fourth EITI Reconciliation Report for Liberia and the Post Contract Award Process Audit.

The MSG made the announcement on Saturday, July 6, 2013, at the end of a two-day retreat where stakeholders of the EITI process in Liberia met and discussed findings and recommendations from both reports that were endorsed and launched by the MSG on May 16, 2013.

Speaking at the Baptist Seminary where the event was held, the Chairman of the MSG, Finance Minister Amara M. Konneh said, the various recommendations made by the auditors/reconcilers as well as the stakeholders attending the retreat, will be reviewed by the MSG and considered for policy formulation. Honorable Konneh also noted that the Government of Liberia is fully committed to implementing whatever policies craved from this process to ensure improvements in the way Liberia's resources are managed. "We are not taking this for joke", Minister Konneh said in his final statement to participants at the retreat.

The retreat enabled participants, including members of the MSG and heads and technical staffs of line ministries and agencies involved with the oil, mining, agriculture, and forestry sectors to discuss opportunities and challenges surrounding the two reports, raised critical issues as well as made recommendations that would enhance policy decisions by the MSG. Day One of the discussions focused on the 4th EITI Reconciliation Report for Liberia prepared by the Reconciler, Ernst and Young (Ghana), which captured all material payments of taxes, royalties, land/surface rentals and other administrative fees paid to and acknowledged by the Government of Liberia by all oil, mining, forestry and agricultural companies for the period July 1, 2010 to June 30, 2011.

The Second Day of the Retreat concentrated on the Post Award Process Audit Report which basically points to a number of procedural errors and compliance issues surrounding the award of some rights granted by the Government of Liberia to some companies operating in the oil, mining, forestry and agricultural sectors for the period July 13, 2009 up to and including December 31, 2011. The report covers 68 companies and was prepared by Moore Stephens, LLP (London).

Agencies of government participating in the retreat include the General Auditing Commission (GAC), National Bureau of Concessions (NBC), National Investment Commission (NIC), National Oil Company of Liberia (NOCAL), Ministry of Lands, Mines and Energy (MLME), Ministry of Finance (MOF), Public Procurement and Concessions Commission (PPCC), Forestry Development Authority (FDA), and the Ministry of Agriculture (MoA). The reconcilers—Moore Stephens, LLP (London) and Ernst & Young (Ghana)—were also in attendance while legal experts from Stubblefield, Ningba & Associates were also invited to provide overview of the recommendations contained in the 4th Reconciliation and Post Award Process Audit reports.

DHOS Attends EITI Communication Training



DHOS Karmo (second from left) and other participants during a training session

A seminar intended to enhance communications in EITI was held on April 23-25, 2013, in Germany, with the Deputy Head of Secretariat (DHOS) of the Liberia Extractive Industries Transparency Initiative (LEITI), Konah D. Karmo participating.

The EITI Communications Seminar, organized by the German Development Corporation (GIZ), the International Secretariat and the EITI-Multi-Donor Trust Fund, was held at the Academy for International Corporation (AIZ), Bad Honnef, Germany.

Facilitated by three media consultants (Mr. Nikita Gorshkov, Mrs. Annette Kearney, and Mrs. Brigitte Jallof), the training seminar was very intensive, focusing on providing relevant skills and tactics required to effectively communicate the EITI process to all stakeholders. Particularly, the training enabled participants to get insight on why communications matters in the EITI; strategic approaches to communicating the EITI; identifying relevant audiences and addressing them appropriately; and the effective use of various electronic and social media.

The three-day training also allowed participants to share experiences on the successes made and challenges encountered in communicating the EITI in their respective countries. Additionally, the practical component of the Training included both Radio and TV appearances at the DW Television and Radio Studios in Bonn, Germany, where participants were taught various interview techniques for both radio and TV. Also, participants were provided with resource materials in both soft and hard copies.

The seminar was attended by ten participants from ten EITI Implementing Countries, including Liberia, Nigeria, Tanzania, Afghanistan, Yemen, Azerbaijan, Ghana, Iraq, Albania, and Mozambique.

Another session of the training program



Liberia Wins Seat on EITI Board



President Pro-Tempore of the Liberian Senate, Gbehzongar Milton Findley

The President Pro-Tempore of the Liberian Senate, Honorable Gbehzongar Findley has been elected and confirmed to represent Liberia and other implementing countries on the Extractive Industries Transparency Initiative (EITI) International Board for 2013-2015. Ghana will serve as Alternate Member to Liberia on the Board.

Five (5) of the twenty (20) seats on the EITI Board are allotted to implementing countries. Liberia and other countries, including Ghana, Nigeria, Sierra Leone, Mozambique, Sao Tome,

Zambia and Tanzania, categorized as "Africa Region Block 1", are entitled to one representative and an Alternate. Following a call for nomination from the EITI Secretariat in late 2012, the Multi-stakeholders Steering Group (MSG) of LEITI nominated Senator Findley to contest the single seat with nominees from the other countries.

Announcing the victory shortly after it was confirmed, the Head of Secretariat of LEITI, Mr. Samson S. Tokpah said the race in which Honorable Findley was nominated was a tough one. "This victory did not come easy this time around. Nigeria and Ghana put up a good fight. Nigeria was represented by its EITI Board Chair Ledum Mitee, and Ghana by its Minister of Finance, Seth Terkper". He therefore hailed members of LEITI MSG, whose resolve and commonness of purpose, he said, have made this representation possible. "Members of the MSG reached out to their counterparts in other countries sometimes at their own expense to solicit support for the Liberia's nominee", Mr. Tokpah said.

LEITI Head of Secretariat said, Senator Findley's election is a victory

for the Liberian EITI. "Our voice on the Board will be pivotal in shaping the direction of the EITI at a time when the initiative is faced with many critical decisions including Contract Transparency, project-by-project reporting and incorporating new reporting requirements from Europe and the United States into EITI implementation".

The new Board was confirmed and commissioned on May 23, 2013, during the 6th EITI Global Conference in Sydney, Australia. The Board will serve for the next three years. Liberia was represented on the out-going Board by former Lands, Mines and Energy Minister, Dr. Roosevelt Jayjay, who was in April 2013, honored by the MSG for his devotion while representing Liberia on the EITI Board.

The Board of the EITI is responsible for providing strategic and policy direction and overseeing the EITI at an international level. It is made up of representatives from each constituency (including governments of supporting and implementing countries, extractive companies and investors, and civil society organizations).

Growing Public Interest in LEITI's Reports

FOF Calls for Full Implementation of Recommendations

Liberians from all sectors continue to express interest in getting in-depth knowledge on the 4th EITI Report for Liberia and the Post Contract Award Process Audit Report released by the LEITI, with some calling for the full implementation of the recommendations. The reports were launched by the LEITI on May 16, 2013.

One of such groups seeking the implementation of recommendations from the reports is the Friends of Friends (FOF) 'Ataye' Association on Carey Street, Monrovia. Ataye is an African herb that functions as stimulant, and the FOF is a social group comprised of intellectuals and professionals from all walks of life who usually converge at the center to dialogue and argue on diverse social and political

issues of national concerns, while mostly sipping the herb.

The group said, findings from the reports should be considered and the recommendations implemented to ensure that citizens benefit from their resources and the country is salvaged from poverty. They made the call when the LEITI Secretariat presented and discussed the reports with them in June 2013 as part of efforts by the Secretariat to get the documents in public domain. LEITI Head of Secretariat, Samson S. Tokpah, presenting the reports to the intellectual body said, the Secretariat regards them as people who are thirsty for knowledge. "We therefore want to share such information with you as your inputs are crucial to effecting the changes that are necessary for our country",

Tokpah said.

Also, students of the University of Liberia, through the Intellectual Discourse Committee (IDC) have requested the LEITI to discuss with them findings from the two reports. The UL students' request was contained in a letter addressed to the LEITI Secretariat in June, 2013 in which they noted that the extractive industries is an important sector of the economy, and issues concerning revenue generated thereof are very important to the students.

Meanwhile, ahead of the massive nationwide outreach and dissemination exercises that usually follow the launching of the EITI Report, the LEITI Secretariat is seeking to discuss the reports with known social groups and at population centers in Monrovia and its environs.

e-Club Students: “True Reconciliation Comes When People Benefit from their Resources”



a view of G.W. Gibson students during the LEITI Inter-high School Debate held in June 2013

In wake of the ongoing national reconciliation drive, students of the G.W. Gibson High School on Capitol Bypass have said, reconciliation is achievable only if the people of Liberia can get the benefit of their resources.

The students were discussing the “Impact of Transparent Resource Management on National Reconciliation and Peace” at a symposium held on June 27, 2013 as part of the LEITI-sponsored Extractive Club (e-Club) Program. They noted that at the center of the country woes and conflicts is the mismanagement that characterized the use of revenues from its resources over the years, and for genuine reconciliation to be realized, such issues should be settled.

“We cannot be talking about recon-

ciliation and peace when the people cannot get the value of their resources”, Student Romeo Borbor said during the discussion. “This will continue to bring discontentment, and we all know, discontentment brings about violence and war”, he continued. The students then called on the Government of Liberia to continue to support the EITI process in Liberia which they described as one effective way to ensure transparency and achieved the so much desired peace and reconciliation.

Speaking earlier during the program, LEITI Head of Secretariat Samson S. Tokpah encouraged the students to be steadfast as their efforts today will hopefully impact their future. “If someone like me can do it, then you can also

do it”, Mr. Tokpah stimulated the students as he narrated his past struggles and challenges in life.

The symposium is part of activities planned for the LEITI Extractive Club Program. It is intended to promote dialogue amongst the students and allow them to make inputs to discussions on pertinent national issues.

Recently, several of the ten schools

“WE CANNOT BE TALKING ABOUT RECONCILIATION AND PEACE WHEN THE PEOPLE CANNOT GET THE VALUE OF THEIR RESOURCES. THIS WILL CONTINUE TO BRING DISCONTENTMENT, AND WE ALL KNOW, DISCONTENTMENT BRINGS ABOUT VIOLENCE AND WAR.”

ROMEO BORBOR
STUDENT

participating in the e-Club Program have held their symposiums with each focusing on different topics. The Symposium held at the Isaac David Sr. Memorial High School on June 28, 2013 provided a forum for an expert from the National Investment Commission (NIC) to introduce the students to concessions process in Liberia while similar activity held at the St. Mary Catholic High School on Bushrod Island focused on the Merits and Demerits of the Private Use Permits in Forestry Sector.

Isaac David e-Club Discusses Basic Concession Process

Students of the Isaac A. David Memorial School in Paynesville on June 28, 2013 organized in symposium, discussing the basic concession process and role of the National Investment Commission in promoting investment in Liberia.

The discourse was delivered by Mr. Othello Z. D. Karr, Officer-in-Charge of Concession Development and Public-Private Partnership at the NIC. The

program was attended by scores of students including those from other LEITI-sponsored e-Clubs in various high schools in Monrovia.

The discourse centered on the steps involved in the concession process and the role of each party, including the NIC, the Legislature and the Presidency.

The event was also climaxed with outdoor activities, with the various clubs competing in several games.



Flashback—a view of St. Mary e-Club students during the e-Club launch in February

Moratorium is still in effect. The President's decision was based on findings and recommendations from the report issued by a Special Independent Investigating Body (SIIB) which revealed that there have been massive fraud, misrepresentations, abuses and violations of the National Forestry Reform Law in the issuance of PUPs to the extent that this inter-generational asset has been severely threatened.

But during their lengthy discussion on the subject at the symposium, the St. Mary e-Club said, instead of just the moratorium, a full review of the legal and regulatory framework governing the management of community forest and

St. Mary e-Club Discusses PUP

On Tuesday, June 11, 2013, students of the St. Mary High School e-Club convened a symposium to discuss the opportunities and challenges surrounding the operations of Private Use Permit (PUP) in the Forestry Sector.

PUP is one of three kinds of permits issued by the Government of Liberia in the Forestry Sector. It allows land owners who have forest resources to

commercialize them. The other two are the Timber Sale Contract (TSC) and Forest Management Contract (FMC) which are usually larger agreements. Recently, there have been mounting concerns on circumstances surrounding the issuance and operations of PUPs. On January 4, 2013 President Ellen Johnson-Sirleaf issued, Executive Order No. 44, placing a Temporary Moratorium on Private Use Permits (PUPs). The

A full review of the legal and regulatory framework governing the management of community forest and private user permits should be conducted, to assure intended reforms of the forestry sector, as embodied in the National Forestry Reform Law and the Community Rights Law.

MVP to Attend Youth Exchange Program in Trinidad and Tobago

The LEITI Secretariat is concluding arrangements for one of the students participating in the LEITI e-Club Program to make a trip to Trinidad and Tobago on a Youth Exchange Program.

Student Angel Yarlatai of the St. Teresa Convent High School in Monrovia was crowned as the "Most Valuable Debater" (MVP) of the Inter-high School Debate organized by the LEITI in June 2013 in which ten high schools participating in the e-Club Program competed.

Folks at the EITI Secretariat in Trinidad and Tobago are already making preparation for Angel's stay in that country. They have gotten her a place to stay; acquired her a mobile phone; and she will have a vehicle assigned to her.

Angel is expected to spend two



MVP Angel Yarlatai

weeks in the Caribbean, and will hopefully arrive during the second weekend in August.

private user permits should be conducted, to assure intended reforms of the forestry sector, as embodied in the National Forestry Reform Law and the Community Rights Law.

In a remark climaxing the event, the School Principal, Patrick Dortu said, the students recommendation is reasonable and should be considered by Government.

The event was attended by over sixty persons, including students and instructional staff from the school.

SRC Builds Science Laboratory and Library for its School System

The Management of the Salala Rubber Corporation (SRC) in Gibi District, Upper Margibi County has constructed a building to be used as science laboratory and library for schools within the District.

The SRC Management said when fully equipped, the facilities will contribute to improved learning environment for students of the company's school system.

The building that will host the laboratory and library is completed and awaiting to be furnished before being finally turned over to the school system for use by the students.

The SRC operates a School system up to senior high level with about five annexes spread out on the plantation and the factory area.

The current initiative is part of the management's efforts to ensure that students attending the SRC schools receive quality education that will get them on par with students graduating from any decent schools in Liberia.

The SRC Management has indicated that as part of corporate – social responsibility to its employees and the Liberian government and people, it will help in complimenting efforts that engenders improved and quality learning condition for future leaders

of the country.

The SRC school system currently has a total enrollment of over two thousand students comprising dependents of the company's employees as well as children of inhabitants from the nearby communities with the concession area.

The Salala Rubber Corporation further assures its employees, the government and people of Liberia of unflinching support to Liberia's bid to providing quality education for Liberian children so as increase its human resource base for a brighter future.

Supporting Education: A GVL Priority

Since 2010 Golden Veroleum Liberia has helped over 500 Liberian university students further their education by initiating agricultural scholarships.

Thanks to the GVL scholarship program, students have gone on to achieve accomplishments they otherwise would not have had the opportunity to achieve.

According to Jean Hannah-Thompson, GVLs Education and Career Programs Manager, the annual budget for the program is approximately 100,000 USD.

GVL management have also indicated that as GVLs operations increase in the country the scholarship program will increase appropriately, as they have committed the company to being major player in the development and reconstruction process.

"Liberians deserve the same chance that people have in other countries," said Hannah-Thompson. "We take pride in knowing that we are actively seeking ways to help people. It's the right thing to do."

To date GVL-sponsored scholarships by working with various institutions of higher learning in Liberia and plans also to runs a paid internship program.

"At the county level, at the end of every Semester, we hire students as interns from United Methodist University College of Agriculture, where they are trained, we may hire then after completion of all their required courses," said Eric Goll Sr. Human Resources Manager at GVL. "This academic year 34 students are presently working at two of our sites in Sinoe County."

"One must understand that development has never taken place anywhere in the world without education," according to Virgil Magee, GVL Spokesman.

While GVL runs the internship program independently, it works with the Liberian Ministry of Agriculture to implement the scholarship program.

Participating institutions include; the University of Liberia, Cuttington University, William V.S. Tubman University, Booker Washington Institute and the recently added the Sinoean local United Methodist University College of Agriculture.

While open to all students, regardless of their geographic location, GVL encourages students from the southeast to apply for the program and enter its management trainee program.

Additionally, GVL offers a much-

prized Career Development Program, which consist of a Cadet Training Program and Agronomy and General Agriculture Cadet Program. Of which apprentice-level on the job training is offered to recent civil, electrical and mechanical engineering bachelor degree graduates for the CDP. Potential participants go through a written test and oral interview to assess their skill levels. Successful applicants are hired and sent to Indonesia on a one-year apprenticeship to further their skills.

The Agronomy and General Agriculture Cadet Program is scheduled to begin October 2013. While the application process has been closed for the year, short-listing will consist of an interview process and successful candidates will begin training in Sinoe and Grand Kru Counties and continue in Indonesia for a period of 6 months.

"We believe that the best development is education and by offering training and employment opportunities to further current skills, I think we are helping to enhance enhancing local enterprise, which ultimately benefits Liberia with long-term prosperity," said Hannah-Thompson.



Côte d'Ivoire's stand at the EITI National Expo.
Photo Credit: EITI

Côte d'Ivoire accepted as 'EITI Compliant'

Board commended the country for improving the quality of their EITI reporting.

The international EITI Board designated Côte d'Ivoire a 'EITI Compliant' country at its meeting in Sydney, Australia, on 22 May 2013.

The Board congratulated the government and EITI National Council of Côte d'Ivoire for their sustained commitment and leadership of the EITI process, and for the systematic and collegial implementation of the EITI. The Board also called on the government and stakeholders to maintain this level of cooperation and commitment to ensure Côte d'Ivoire maintains its EITI Compliant status.

N'dri Koffi, the President of the EITI National Council in Côte d'Ivoire, said that while the fact his country was now EITI Compliant, his government was committed to continue improving the EITI from year to year.

Improved quality of the 2011 EITI Report

The Board particularly commended the improved quality of the country's 2011 EITI Report compared to the previous report. This was a key corrective measure which the Board had requested ahead of the country's second EITI Validation. In the 2011 EITI Report all companies have reported their payments. It shows that the government received over US\$ 393m in taxes, fees and royalties from the oil, gas and mining sectors in the fiscal year 2011. Overall discrepancies between payments amount to 1%. It establishes that the oil and gas sectors yielded 93%, and the mining sector 7% of revenues in that year. It shows that oil and gas revenue went up from US\$ 220m in 2010 to almost US\$ 300m in 2011. Mining revenue almost doubled between around US\$ 15m in 2010 and US\$ 23m in 2011. The EITI Report confirms that the extractive industries were 10% of overall fiscal revenues of Côte d'Ivoire, up from 6% in

2010.

Côte d'Ivoire underwent its first EITI Validation in November 2010 but did not reach Compliance. During the political crisis and conflict following the November 2010 presidential elections, the 2008-2009 EITI Reports could not be finished. Without this important element to measure the quality of EITI implementation, the Board had to conclude on 25 October 2011, that Côte d'Ivoire had made meaningful progress in implementing the EITI, and required a second Validation by 25 April 2013.

In accordance with the EITI Rules, Côte d'Ivoire must now undergo an EITI Validation within five years. Côte d'Ivoire is also required to produce EITI reports annually and publish a public report annually on the previous year's activities.

Implementation of EITI in Côte d'Ivoire has been supported by the EITI Multi-Donor Trust Fund, which is administered by the World Bank.



Submitted by Cielo Magno on 5 June 2013 - 3:41pm

Cielo Magno says EITI has started a healthy dialogue with civil society about mining in the country.

The extraction of resources, particularly through mining, evokes controversy in the Philippines. Mining is associated with environmental destruction, militarization and displacement of communities, conflict, loss of land and sacred sites of our indigenous communities, loss of livelihood for farmers and fisher folks, harassment and even death to some of our environmental and anti-mining activists. Some communities hosting mining activities have higher incidence of poverty than communities without mining. These are among the reasons why there are very strong anti-mining sentiments in the Philippines. It is in this context that we, as civil society, introduced Extractive Industry Transparency Initiative (EITI) in the country.

EITI evoking debate

EITI has evoked a lot of debates among CSOs in the country. Will it be an invitation to do mining in the Philippines? How will it affect communities opposed to mining? EITI as originally

What EITI means for the Philippines

conceived is narrowly focused on financial transparency and it may not solve most of the problems and concerns we have raised regarding the extractive industry. But, we also believe that EITI provides enough room for countries to be flexible and define the scope of EITI. Other countries like Timor Leste pushed the boundaries of EITI to include expenditure tracking, showing that EITI can be broadened to cover country-specific concerns. We believe it is the primary role of the CSOs to push the boundaries of EITI to be more relevant to the needs of the country.

For communities hosting mining operations, EITI can provide the opportunity for these communities to strengthen their rights to participate in the decision making process of mining activities in their communities, to monitor and assess the impact of mining operations of the companies they are hosting. They can determine whether they are getting the fair share of the natural resources extracted in their area. EITI can guarantee access to information to enable the communities to exercise these rights.

Furthermore, in a decentralized context, local governments can implement their own subnational EITI, like the subnational EITI Bantay Kita is supporting in Compostela Valley and T'boli, South Cotabato. In implementing subnational EITI, local stakeholders can monitor the process on how licenses are issued and how consultations are conducted. Community members can influence how money from extractive activities are actually spent by their local governments.

Working together

We are optimistic that EITI will be a platform in strengthening peoples' rights to be part of the decision mak-

ing process in utilizing our natural resources. We hope that EITI can serve as a venue to strengthen the process of acquiring the free prior and informed consent (FPIC) of indigenous peoples and expenditure monitoring at the national level through the creation of a sovereign wealth fund.

We acknowledge the effort of the Philippine government in implementing a package of policy reforms in managing our natural resources and the inclusion of EITI as an important component of these reforms. We engage in EITI because we do not want to see the process to be used as a rubber stamp to do business as usual in the Philippines. EITI should be a mechanism that strengthens the rights of communities and the people to engage and participate in decision making regarding the use of our natural resources. And while we have high hopes of improving governance in the industry by making governments and companies accountable, it is also clear to us that EITI is not the solution to all our problems. We continue to engage our government in identifying areas that are closed to mining and extraction. We continue to respect and support community and local government opposition to mining. But with EITI, we also express our willingness to work with the government and business sector to make the government and the extractive industry more transparent and accountable.

Cielo Magno is the National Coordinator of Bantay Kita, the coalition working for transparency and accountability in the extractive industry in the Philippines. She is a member of the Global Steering Committee of Publish What You Pay (PWYP). She represents the civil society organization in the multi-stakeholders group of the Philippines.



At the end of the presentation ceremony, staff of the LEITI Secretariat pose for photo with the President



From left to right—Pro-Tempore Fi of Secretariat Samson S. Tokpah ch after a Conference session



LEITI Head of Secretariat Samson S. Tokpah presents the reports to the President



LEITI Head of Secretariat Samson S. Tokpah at Sydney Airport as he arrives for the



Another scene of the reports presentation ceremony



Another scene of the EITI Global Co the LEITI MSG captured



ndley, V.P. Boakai and LEITI Head
tting at the Exhibition Center



Shortly before departing for the field trip in Buchanan, LEITI Head of Secretariat Samson S. Tokpah speaks with the students at the SKD Sport Complex in Monrovia



. Tokpah meets V. P. Boakai at the
e EITI Global Conference



In Buchanan, students attended safety session in preparation for tours at the operations areas



Students during the Inter-high School Debate



ference with some members of



Judges at the Inter-high School Debate

