



LIBERIA WINS EITI IMPLEMENTING COUNTRY AWARD

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LIBERIA WINS EITI IMPLEMENTING COUNTRY AWARD



President Sirleaf making remarks after receiving Liberia EITI award, Doha, Qatar

Liberia has become the first EITI implementing country in the world to win the Extractive Industries Transparency Initiative (EITI) Implementing Country Award. The Award recognizes countries that have demonstrated the best overall performance in terms of EITI implementation during a given year.

In presenting the Award, the Chairman of the EITI International Board, Peter Eigen said Liberia was the unanimous choice of the Award Committee based on the country's rapid progress and pace-setting achievement in EITI implementation during the relative short period since it became an EITI candidate country in September 2007. Chairman Eigen made reference to the tremendous political support for EITI in Liberia and the remarkable commitment and engagement of all LEITI stakeholders, which together made possible the historic decision of Liberia to be the first EITI country to include forestry in its program.

Liberian President Ellen Johnson-Sirleaf received the Award on behalf of the country. In her remarks, the President thanked the EITI Board for its recognition of Liberia. President Sirleaf said the Award represented a challenge for Liberia to deepen its EITI implementation and make the LEITI truly beneficial for the Liberian people.

The Award was presented in Doha, Qatar, during the Fourth EITI Conference which was held between Feb. 16-18, 2009. Many representatives of EITI implementing countries agreed that the award is a deserving testament to the significant progress the LEITI has made in a relatively short time since Liberia became an EITI candidate country in September 2007. Liberia is one of 26 countries in Africa, Asia and Europe that are implementing the EITI.

Meanwhile, two LEITI stakeholders in persons of Mr.

Alfred L. Brownell and Counsellor T. Negbalee Warner who were also part of the Liberian delegation to the Doha Conference were elected to the EITI International Board as Member (representing civil society) and alternate member (representing implementing countries), respectively. Other members of the Liberian Delegation attending the Doha Conference included Hon. Augustine K. Ngafuan, Minister of Finance and Chairperson of the LEITI and Hon. Eugene Shannon, Minister of Lands, Mines & Energy and Co-Chairperson of the LEITI Multi-stakeholders Steering Group.



President Sirleaf and the Head of LEITI Secretariat, T. Negbalee Warner, after receiving the EITI award, Doha, Qatar

PRESIDENT SIRLEAF LAUNCHES LIBERIA'S 1ST EITI REPORT



President Sirleaf and LEITI Steering Group at the launch of Liberia's 1st EITI Report

The President of Liberia, H.E Ellen Johnson-Sirleaf has launched Liberia's first Reconciliation Report of payments and revenues connected with the forestry, mining and oil sectors of Liberia. The Report was launched at a colorful ceremony held on 10 February 2009 at the Cecil Dennis Auditorium of the Ministry of Foreign Affairs in Monrovia, Liberia.

In her launching remarks, President Sirleaf asserted that the decision of her Government to implement the EITI and related reforms is based on a firm belief "that a prudently managed and transparent extractive sector can and will make significant contribution to our national reconstruction and development efforts to benefit all

Liberia." She added that it "is for this reason that implementation of the EITI has been made an integral part of the National Anti-Corruption Strategy and a key component of the Poverty Reduction Strategy of Liberia."

The first EITI Report of Liberia was prepared by a group of chartered accountants named Crane, White & Associates based in Australia. The Report covers the period July 1, 2007 to June 30, 2008, and included payment details reported by thirty (30) mining, logging and oil exploration companies, and revenues reported received by four agencies of Government. The full text of the Report can be obtained at the LEITI website: www.leiti.org.lr or at the offices of the LEITI Secretariat on the 4th Floor of the Ministry of Finance Building, Broad Street, Monrovia, Liberia.

President Sirleaf said she was particularly pleased to formally launch the first EITI Report, adding "This [Report] will provide a useful opportunity for all Liberians to review, question and comment on mineral and forest revenues reported, and also generate governance conversation."

The launching program was attended by LEITI stakeholders as well as other dignitaries, including U.S. Ambassador Linda Thomas-Greenfield, Francis Kaikai, Chief of UNMIL Civil Affairs, and Laurence K. Bropleh, Minister of Information, Culture & Tourism.

The LEITI is a body responsible to lead and coordinate implementation of EITI in Liberia. The Liberia Extractive Industries Transparency Initiative (LEITI) is part of a global Initiative called Extractive Industries Transparency Initiative (EITI). The goal of the EITI initiative is to promote transparency over revenues generated from the mineral sector by regularly disclosing, verifying, and publishing all material payments made to a country's government by extractive companies.

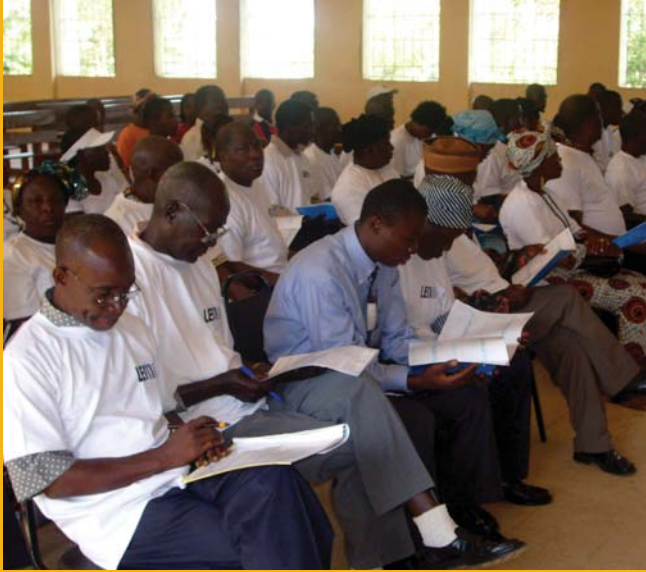


President Sirleaf with staff of LEITI Secretariat and Christopher White and Desmond Crane of Crane White & Associates

Liberia Extractive Industries Transp



Bassa



Bong



Grand Gedeh



Lofa

Agency Initiative Outreach Program



Grand Cape Mount



Margibi



River Gee



LEITI HOLDS SECOND STAKEHOLDERS RETREAT



Stakeholders at the 2nd EITI Retreat

As part of continuing efforts to build the capacity of LEITI stakeholders and in order to critically review the findings, conclusions and recommendations of the first LEITI Report, the LEITI held its second Stakeholders Retreat on March 20 and 21, 2009. The Retreat was attended by over sixty LEITI Stakeholders representing logging, mining and oil companies as well as the Government of Liberia, Civil society and Liberia Development partners.

At the end of the Retreat, the LEITI stakeholders committed themselves to expeditiously resolving all discrepancies contained in the recently published first EITI Report of Liberia, and working to ensure that timber and mineral revenues of Liberia are properly accounted for and equitably used for the benefits of all Liberians.

Earlier during the Retreat, the LEITI Stakeholders discussed major unresolved discrepancies of payments and revenues data contained in the LEITI first Report. Some of the unresolved discrepancies involved the amount of US\$160,000.00 that Amlib United Minerals (which recently signed a Mineral Development Agreement with the Government) reported paid to the Ministry of Finance, but which the Ministry of Finance said it never received. Also discussed were several other major differences in figures of payments and receipts, including what ArcelorMittal reported as paid to the Government and what the Government reported as received from ArcelorMittal.

Given the significance of the discrepancies, and as a necessary measure to further the credibility of the LEITI process, the Government of Liberia along with other LEITI stakeholders at the Retreat agreed that all discrepancies contained in the LEITI First Report be expeditiously resolved within one month as of the Retreat.

Also during the Retreat, the LEITI MSG approved a summary of the first LEITI Report, and authorized the LEITI Secretariat to implement wide dissemination of the summary LEITI Report in conjunction with other appropriate public outreach activities. The LEITI stake-

holders said that it was important that Liberians get adequately informed of the aims and immense benefits of the LEITI initiative.

Meanwhile, the over sixty LEITI Stakeholders attending the Thinkers Village Retreat called on the Liberia Legislature to use their good offices to pass the Draft LEITI Act before them, saying that the benefits of transparency and good governance offered by the LEITI are very clear and indisputable.

The Liberia Extractive Industries Transparency Initiative (LEITI) is part of a global Initiative called Extractive Industries Transparency Initiative (EITI), which is implemented in 26 countries in Africa, Asia, and Europe. The objective of the EITI and the LEITI is the same: to promote transparency over mineral revenues by requiring the regular disclosure, verification and publication of (1) all material payments made to a country's government by extractive companies; and (2) the revenues the Government received from the extractive Companies. The schedule of both payments and revenues data are regularly published in an EITI Report. Liberia First EITI Report was published in February this year, and may be found at www.leiti.org.lr or collected from the offices of the LEITI on the 4th Floor of the Ministry of Finance.



HOUSE OF REPRESENTATIVES PASSES LEITI ACT, INCLUDES AGRICULTURE IN THE SCOPE OF LEITI

The Honorable House of Representatives of the Republic of Liberia has passed the Act to establish the Liberia Extractive Industries Transparency Initiative (LEITI), and has also included Agriculture in the scope of LEITI.

The Act was recently submitted to the Honorable House by President Ellen Johnson-Sirleaf under cover of a letter dated February 14, 2009. In her letter, the President called on the Lawmaker to pass the LEITI Act asserting that the LEITI Act will have “meaningful beneficial impact on the national economy and governance of the nation”

Following its passage by the House of Representatives, the LEITI Act has been sent to the Honorable Senate for its concurrence.

According to the Act, the objectives of the LEITI include assisting “in ensuring that all benefits due the Government and people of Liberia on account of the exploitation and/or extraction of the country’s minerals and other resources are (1) verifiably paid or provided; (2) duly accounted for; (3) prudently utilized for the

benefits of all Liberians and on the basis of equity and sustainability.” The full text of the Act can be found at www.leiti.org.lr.



The House of Legislature

LEITI DISSEMINATES FIRST RECONCILIATION REPORT

The LEITI is presently engaged in the process of disseminating its first Reconciliation Report of payments made to government by forestry, mining, and oil companies, and the corresponding revenues received by government from the Companies. The Reconciliation Report, which were prepared by Crane, White & Associates, detailed, on a disaggregated basis, payments and revenues from the oil, mining and forestry sectors of Liberia for the period July 1, 2007 up to and including June 30, 2008.

Following the launch of the 66-page Report, a concise summary of its contents (especially the payments and revenues figures) was prepared. The on-going dissemination campaign therefore covers both the full text of the Report and the Summary of the Report.

Thus far, the LEITI Report has been distributed to all agencies of Government, the general Auditing Commission, the Liberia Anti-Corruption Commission; the Liberia Legislature; all colleges and universities, diplomatic missions, as well as, of course, all mining, oil and forestry companies. Also, the Report is being distributed all over the country to every county, district and major town as well as the schools and churches within them.

The Dissemination campaign entails distributing copies of the Report, and sitting in town hall meetings to explain and discuss the full content of the Report. The dissemination of the Report also emphasizes how the Report should be used as a handy governance instrument.

To date, the LEITI has visited Ten (10) of the fifteen (15) counties of Liberia. The LEITI has met and held meeting with at least three hundred (300) persons in each of the counties. These 300 persons represent county officials, District Commissioners and other officials of districts, chiefs, traditional leaders, community leaders, Civil Society Organizations, Women Groups, Youth Groups, and Leaders of Student Council Government of various high schools and other community residents of the counties.

The LEITI Communications and Outreach activities are mandated by the LEITI MSSG to comply with the EITI requirement relating to comprehensive and comprehensible dissemination of a national

EITI report. The dissemination/outreach exercise is also being used as one means of making the objectives, activities and benefits of the LEITI widely known and to foster public support for the initiative.



JOINT EITI/WORLD BANK/AFRICAN DEVELOPMENT BANK VISITS LIBERIA

A joint mission from the EITI international Secretariat in Oslo, Norway and the Head Offices of the World Bank and the African Development Bank recently visited with the LEITI at which time the met and held meetings with LEITI stakeholders and senior officials of the Liberian Government on how to deepen and sustain the work of the LEITI.

Members of the visiting EITI/World bank/African Development Bank Mission included Eddie Rich, Deputy Secretary of the EITI International Secretariat, Mr. Dorain Vasse, of the Oil, gas, and Mining Policy and

Operations Unit of the World Bank; Mr. Andre Ufer also of the World Bank, and Tove Strauss who is the Principal Financial Governance Expert, OSGE Department, African Development Bank.

During the Mission's visit, they held separate meetings with the Vice President of Liberia, Dr. Joseph Boakai; the leadership of the Liberian Senate; and other Government officials as well as representatives of Companies and civil society. The Mission also attended the 23rd meeting of the LEITI Steering Group held on Thursday, April 23, 2009.



Joint EITI mission and LEITI validators with the leadership of the Liberian Senate (left) and the Vice President of Liberia, Dr. Joseph Boakai (right)

LEITI STARTS VALIDATION

In furtherance of its rapid progress in EITI implementation, Liberia has emerged as the second EITI country to begin validation. The first EITI country to have undertaken validation is Azerbaijan.

Liberia's validation process started on March 23, 2009. The validation is being carried out by a UK-based firm, Oxford Policy Management Group. The validation team led by Dr. Magnus Macfarlane and including David Abjola Wilf Herderson and Dr. Wallor Topor was in country for about two weeks during late March and early April.

The team met with the LEITI Chairperson and the Co-Chairperson as well as many other LEITI Stakeholders. The team also attended the 23rd meeting of the MSG (along with the joint EITI/World bank and AFDB Mission) held on April 23, 2009 at which time they briefed the LEITI Multi-stakeholders Steering Group on the validation process.

The validation process is a quality assurance mechanism that the EITI Board uses to determine a country's

compliant status. Presently, there are 26 countries including Liberia that are implementing EITI and are considered EITI candidate Country. An EITI candidate country will become EITI Complaint country if (1) it undertakes validation; and (2) the validation process establishes that the country is indeed implementing EITI in accordance with the agreed international criteria. More development on the LEITI Validation process in our next issue.

Dr. Macfarlane, Head of the Validation Team making remarks



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