Questions and issues the UN Security Council should consider during the June (2006) review of timber and diamond sanctions on Liberia

On lawlessness in Liberia's rubber industry, one of the resource sectors not under UN Sanctions, a recent UNMIL Human Rights report summarized the situation as follows ...

"In those plantations where legitimate managemen has not been able to commence operations because of the continued presence of ex-combatants, the lack of vital roads makes access through the plantations, and therefore monitoring of the human rights situa ion, very difficult. The forest canopy is impenetrable, rendering air surveillance impracticable. There are persistent reports of weapons caches. Many of the inhabitants living in the concession areas are former employees of management

1.0 Executive Summary

The Sustainable Development Institute (SDI) is a national Non Governmental Organization (NGO) working to transform decision making about natural resources in Liberia. The organization campaigned for an independent and broad-based forest concession review following two problematic attempts by the government to review the sector in 2004. The organization served on the Forest Concession Review Committee (2004/5) and is presently a member of the Forest Reform Monitoring Committee (2006). The SDI has been actively involved in the campaign for good governance of Liberia forest since the imposition of timber sanctions in 2003.

This briefing document from the SDI highlights issues and concerns regarding the current state of the natural resource sectors in Liberia. This briefing paper also provides SDI's position on sanctions and recommendations on a way forward

real possibility of going back to *business-as-usual*, which allowed the use of timber revenue for the promotion of conflict and violence in the sub-region.

- ♦ New concession allocation procedures in place? No. This is still being discussed. The proposed process will be vetted with the public in June and July (2006) and a decision on the new concession allocation procedure is not likely until August at the very earliest¹.
- ◆ Management contract for Chain-of-custody² completed? No. The post was advertised locally and internationally and bidding for this contract was formally closed on 5 April 2006. Up to the writing of this briefing paper, the management firm has not been recruited and will likely not be deployed before July 2006. Bids are now being screened and a final decision is due sometime in June.

5.	Engage the Europea trade (FLEGT) platfor Partnership Agreem	rm and begin dia	alogue about ent	ering into a Voluntary

investigations, the panel is in a unique position to assist the government and the

to maintain its sawmill at Pugbakien in Maryland County, southeastern Liberia. The company is one of the seventeen (17) companies that were named by the Forest Concession Review Committee as having aided and abetted civil instability and conflicts in Liberia and the sub-region. It is difficult to predict what these old concessionaires' actions will be when government starts to re-allocate their areas after sanctions are lifted.

4.1 Without a moratorium in place to prevent any export activities by these companies, for example TTCO, lifting timber sanction carries an inherent risk of providing them and other illegal operators access to regional and possibly international markets for illegally harvested timber and create further obstacles to re-establishing the rule of law in the sector. In a worst case scenario, the Togba Timber Company (TTCO) who completely ignored the concession review process and continued to operate throughout 2005 could immediately

corruption and weaknesses in revenue collection system. For example, of the approximately 2.5million cubic meters of logs produced between 1997 – 2001, about 732,592 cubic meters was unaccounted for in FDA reports. The meager revenue that was collected also went towards funding illegal weapons import and financing of militias that were committing atrocious human rights abuses in Liberia and the region.

It is important to remember that this increase was a direct result of weakened forest law enforcement and governance capacity within the FDA immediately after the elections in 1997. Liberia is at the same cross-road today and we are faced with the same challenges and choices; but we can not afford the same mistakes of the past.

Liberia's impoverished people, especially local populations did not benefit from this increase in timber trade. Instead, villagers were subjected to a systematic campaign of terror for close to six years. This contributed to large-scale forest degradation and presents serious challenges for nature conservation in the region. The Government of Liberia and the international community, especially the UN Security Council and donors should ensure that this must not happen again.

The UN Security Council needs to maintain its support of the government, and not allow the government to undermine its own authority and efforts, to consolidate the peace and create a stable environment for economic recovery and social renewal.