

# U.S. bilateral assistance to Liberia: Forestry as the cornerstone to peacebuilding

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In international peacebuilding circles, the post-conflict natural resource reforms that have taken place since Liberia's fourteen-year civil war ended in 2003 are commonly heralded as a new watershed. Natural resources—timber in particular—were central to the war. The warring factions used billions of dollars of timber revenues to purchase arms and military training. Oriental Timber Corporation, an Indonesian-owned company registered in Liberia, deposited millions of dollars into President Charles Taylor's personal bank account in exchange for tax credits. Similarly, Sergeant Samuel Doe traded the largest timber concession in West Africa for military training (Blundell 2008). In an attempt to quell the violence, and in recognition of the role that timber revenue played in the acquisition of arms, the United Nations Security Council (UNSC) issued Resolution 1478 on May 6, 2003, prohibiting member states from importing round logs originating in Liberia (UNSC 2003a).<sup>1</sup>

Once the post-war elections were held and the Ellen Johnson Sirleaf Administration was in place, ongoing commercial forestry activities were halted and a new transparent and equitable forest law established sustainable management through a framework balancing commercial, conservation, and community objectives. The UN sanctions were lifted (UNSC 2006). Under the new regime, timber revenues are beginning to flow. Other reform initiatives are addressing protected areas, artisanal mining and property rights, and land tenure.

Inside Liberia, the process does not look quite so orderly. Progress is slow. In the timber sector, for example, the pioneering 2006 National Forestry Reform

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<sup>1</sup> In 2003, sanctions were imposed for a provisional period of ten months; they were later renewed, and were finally lifted in June 2006 (UNSC 2006).

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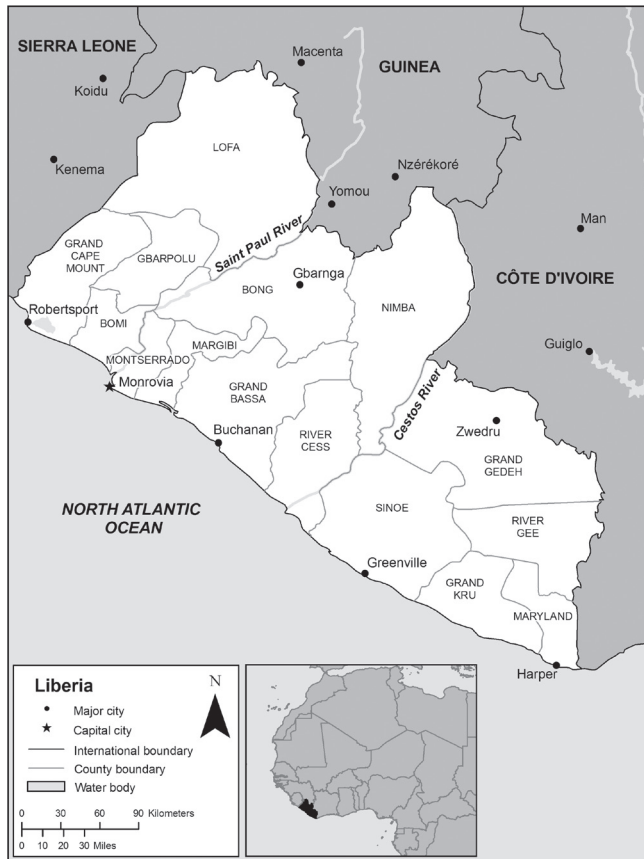
Law that has been in place for almost five years focuses almost exclusively on commercial activities. The legal framework for community forestry is just beginning to be implemented, while the legal framework for wildlife is in limbo. Moreover, implementation of the 2006 law is not meeting all expectations. For example, while expected bids and land rental fees from just three of the now seven forest management contracts were estimated at US\$2.7 million, these desperately needed revenues are not materializing within the timeframe predicted by the government (Deshmukh 2009). A critical component of the harvesting process, the chain-of-custody system, is still being implemented by a French company. And perhaps most significant, communities are not yet receiving the jobs, revenues, and other social benefits envisioned under the 2006 law.

Given both Liberia's pivotal role in regional politics and wars, and its ecologically valuable resources, many nations and international institutions have provided support for forest sector reform in particular and for peacebuilding more generally. The United States has played a particularly prominent role in these efforts through its political influence, sustained engagement, and coordination of other actors' involvement. The pivotal importance of natural resources to Liberia's society and economy, as well as their role in funding the war, made it clear that natural resource reform would be essential for building peace. This chapter examines the bilateral assistance that the United States has provided for natural resource management and peacebuilding in Liberia.

The need for post-conflict timber reform in Liberia was so critical that in 2004, while the United Nations Mission in Liberia (UNMIL) was still attempting to establish security, the U.S. Department of State convened a group of representatives from U.S. governmental agencies, international development agencies, and international and Liberian nongovernmental organizations (NGOs) to develop a forest sector reform process (McAlpine, O'Donohue, and Pierson 2006). This group became known as the Liberia Forest Initiative (LFI).<sup>2</sup> The LFI partnership was created to support the government of Liberia in establishing an approach to forest management that would address the conditions needed to lift the sanctions and ensure the appropriate use and management of forest resources. The United States led the coordination and support of the LFI until 2009. In addition to its activities with the LFI, the U.S. government has supported other natural resource-based initiatives under the economic growth component of its foreign assistance program in the energy, infrastructure, and agriculture sectors.

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<sup>2</sup> The LFI ultimately comprised fifteen partners: the Center for International Forestry Research, Conservation International, the Environmental Law Institute, the European Commission, Flora and Fauna International, the Food and Agriculture Organization, Forest Partners International, the International Monetary Fund, the International Union for Conservation and Nature, the UN Environment Programme, the U.S. Agency for International Development, the U.S. Department of State, the U.S. Forest Service, the World Agroforestry Centre, and the World Bank.



Against the backdrop of these complications, U.S. involvement in Liberia has been shifting away from operational support to Liberia's Forestry Development Authority (FDA) and towards large-scale, multi-year projects such as the Land Rights and Community Forestry Program (LRCFP). U.S. coordination of the LFI has similarly been handed over to the World Bank, although USAID still participates in LFI meetings and activities. This chapter will focus on the LFI's activities from 2004–2010, in which U.S. bilateral support played a key role.

## THE ECOLOGICAL AND POLITICAL ROLE OF FORESTS IN LIBERIA

Blanketing almost half of its territory and supporting social systems, ecology, and commercial activities, the importance of Liberia's rich tropical forests cannot be overstated. Over millennia, communities have developed customs and religious

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beliefs through their interaction with forest ecosystems. Traditions hold that forests protect the gods and spirits consulted by community members to increase rainfall, end drought, or solve love, health, and family problems (Siakor 2001). Forests also house traditional bush schools, which promote unity, teach discipline and moral standards to youth, and resolve conflicts within the community; disturbing sacred forests by cutting trees, farming, hunting, or fishing is taboo (Siakor 2001). An estimated 40 percent of Liberians still associate themselves with these forest-based traditional religions and culture (Olukoju 2006).

Liberia's forests represent more than 40 percent of the remaining Upper Guinean Forest ecosystem. This ecosystem is particularly rich, with 240 timber species, 2,000 flowering plants, 125 mammal species, 590 bird species, 74 reptiles and amphibians, and over 1,000 insect species (World Bank 2006; GOL 2004). The economic value of such forest resources have made them central to Liberia's economic development plans (GOL 2008).

In 1821, after repeated attempts, the U.S. Navy coerced local leaders to sell a stretch of land along the coastline of West Africa to the American Colonization Society. Freed American slaves began to settle, gradually gaining dominance over the indigenous communities (U.S. Department of State n.d.). These Americo-Liberians formally established the Republic of Liberia in 1847 and subsequently held tight control over the wealth and power of the nation. In 1980, riots over the price of rice allowed Sergeant Samuel Doe to seize power in a coup d'état. Doe's capricious rule and the ensuing economic collapse culminated in civil war when Charles Taylor's National Patriotic Front of Liberia militia overran much of the countryside in 1989.

While control of natural resources was not the express cause of Liberia's civil war, it was one of the many ways in which the Americo-Liberians oppressed the indigenous majority. As the political situation began to degrade in the 1980s, natural resource exploitation patterns shifted. The civil conflict reduced Liberia's gross domestic product (GDP) by 50 percent, and by the end, critical industries such as manufacturing, iron mining, rice, and rubber were almost completely gone (UNEP 2004). Amid the chaos of the war, a warlord economy developed outside of legal procedures and beyond the reach of regulatory institutions. Uncontrolled extraction of more easily exploitable high-value natural resources—diamonds and timber—filled the economic void.

First Doe and then Taylor used timber concessions to garner power, money, and patronage (Blundell 2008). Eventually, timber was traded directly for arms and financial support by all factions (UNEP 2004). From 1990 to 1994, US\$53 million in timber was exported from areas that were controlled by armed factions (Greenpeace 2007). During the six years the FDA was under the direction of Charles Taylor's brother, Bob Taylor (1997–2003), the authority abandoned procedures and recordkeeping. By 2000, forestry was the biggest industry in Liberia, responsible for 50 to 60 percent of the country's foreign exchange and 26 percent of its GDP. But without proper recordkeeping, there was no way to assure that fees were collected or used appropriately (UNEP 2004). The final

2005 report of the Liberia Forest Concession Review Committee showed that the authority was owed US\$64 million by the end of the war and that there was significant overlap in the land leased by existing contracts (FCRC 2005b). Contractors built roads at their convenience and employed armed militias in actions against both the local population and the forest guards. Between 1990 and 2005, pillaging—for both commercial and subsistence needs—led to the loss of approximately 33,000 hectares of forest per year (Bayol 2009).

As chaos and destruction spread from Liberia, the international community began to respond. In March 2001, the UN issued a resolution prohibiting the sale of arms and weapons training to Liberia as well as imports of rough diamonds from Liberia. This resolution also created a panel of experts to investigate arms trading, the diamond industry, and the links between natural resource exploitation and the financing of conflict in the region (UNSC 2001b). The panel of experts found that the value of round logs exported in the first six months of 2001 was between approximately US\$7 and US\$18 million. Only US\$4.6 million was officially reported and taxed (UNSC 2001a). By this time, logging was the primary source of government revenue.

The panel also began to unearth the details of President Taylor's timber activities (UNSC 2002). Taylor's steps towards consolidating concessions had led to a run on timber harvesting, and logs were hastily being exported in violation of legal requirements. In 2000, Taylor had passed a new forestry law authorizing the FDA to unilaterally rescind permits, and requiring presidential approval for new permits (UNSC 2001a). The panel also documented the trade of timber for arms (UNSC 2001a).

For the first time since he had been elected in 1997, President Taylor responded to international pressure by issuing a plan in August 2001 to use timber revenue for development aid in Liberian counties with significant timber activity (UNSC 2002). In January 2002, he further agreed to establish a protected-areas system comprising 30 percent of the remaining forest area of Liberia (UN 2002). These small steps, however, were not enough. Within Liberia and abroad, NGOs and others were calling for an embargo on round logs exported from Liberia or even a complete timber ban until the logging could be reined in and properly regulated (UNSC 2002).

As the war drew to a close, the Liberian population desperately needed forest resources to meet their basic needs—up to 99 percent of the population depended on charcoal and fuelwood for daily cooking and heating (UNEP 2004). Forests were sources of construction materials as well as non-timber forest products such as meat, fish, medicines, and resins, which support local livelihoods (Peal 2000; *VoAnews.com* 2009). Demand for forest resources came both from within Liberia and the wider region.

On June 17, 2003, the three warring Liberian factions signed a cease-fire agreement at peace talks convened in Accra, Ghana, by the Economic Community of West African States. One week later, President Taylor resigned (UNMIL n.d.). The transitional government was established by the "Comprehensive Peace

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Agreement Between the Government of Liberia and the Liberians United for Reconciliation and Democracy (LURD) and the Movement for Democracy in Liberia (MODEL) and Political Parties,” which was signed on August 18, 2003 (UNMIL n.d.).

Two months prior to the successful peace talks, the UN had taken an unprecedented and critical move that determined the direction of the reform process—namely, imposing sanctions on Liberian timber. On May 6, 2003, the UNSC issued Resolution 1478, prohibiting member states from importing Liberian timber products (UNSC 2003a). This move firmly established natural resource reforms as essential to Liberia’s transition to peace. The UN Mission in Liberia (UNMIL) was installed in September 2003 with an initial mandate to provide humanitarian assistance, stabilize and improve security, and prepare the country to hold elections in 2005 (UNSC 2003b). Subsequently, as the need to help facilitate proper administration of natural resources became clear, the UN also assigned UNMIL this responsibility (UNSC 2003b). In addition, the transitional government implemented the Kimberley Process to verify the legitimacy of diamond exports, and it created the East Nimba Nature Reserve to expand Liberia’s protected areas (UNIS 2004; GOL 2003).

### U.S. ASSISTANCE FOR NATURAL RESOURCE REFORM IN POST-CONFLICT LIBERIA

#### Designing U.S. involvement in post-conflict Liberia

The historical connection between the United States and Liberia has led to close diplomatic, economic, and military ties. Since the signing of the peace agreement, the United States has contributed US\$1.4 billion in bilateral assistance to Liberia and US\$1.2 billion in assessed contributions to UNMIL, marking the United States as the largest bilateral donor to Liberia (Cook 2010).

Just four months after the peace agreement was signed, the U.S. State Department convened a meeting at the U.S. Embassy in Monrovia in December 2003 to assist the transitional government in mapping out a plan for forest sector reform. After reaching consensus on a broad plan, a tension emerged between those who wanted to focus exclusively on removing the sanctions and those who took a more comprehensive view of the reform process. The U.S. government and others viewed the sanctions as an opportunity to design a reform process that would result in broad, sustainable improvement in the timber sector (McAlpine, O’Donohue, and Pierson 2006). As such, U.S. assistance focused initially on technical support for commercial forestry before shifting to community forestry a few years after passage of the forestry reform law and lifting of the sanctions.

In 2004, the U.S. Congress, at the request of President George W. Bush, allocated over US\$200 million in aid for Liberia (McAlpine, O’Donohue,

and Pierson 2006).<sup>3</sup> After discussions with the State Department, USAID, and the U.S. Department of Agriculture's Forest Service, Congress designated US\$4 million for forest sector reform, including the LFI.

The U.S. Forest Service (USFS) was selected to lead the implementation of commercial sector reforms with about US\$2 million from the State Department, under the guidance of its Bureau of Oceans and International Environmental and Scientific Affairs. In addition, US\$1 million was allocated to Conservation International for protected areas and conservation activities. USAID passed an additional US\$900,000 to USFS for overall LFI implementation and US\$200,000 to the Center for International Forestry Research and the World Agroforestry Centre for research and analysis on the potential for community forestry in Liberia (McAlpine, O'Donohue, and Pierson 2006). To expand the base of support for the reforms, the United States held a side event at the UN Liberia donors' conference in February 2004, where Liberians presented their proposal for forest sector reform. The United States further supported this effort by establishing an LFI coordinator position within the U.S. Forest Service, and by hiring a former head of the Liberian FDA to coordinate reform efforts in Monrovia.

Starting in April 2004, even before UNMIL was able to establish security, the U.S. State Department supported two field missions to Liberia by Conservation International, the Environmental Law Institute (ELI), the European Commission, the Food and Agriculture Organization, the International Union for Conservation of Nature, the U.S. Forest Service, and the World Bank. These missions were used to prepare an action plan for coordinating forest sector reform through the LFI (LFI 2004a, 2004b).<sup>4</sup>

The LFI was established to "promote and assist reforms in the Liberian forestry sector that will allow for transparent management of forest resources and to ensure that these resources are used for the benefit of all the Liberian people" (LFI 2011). The various organizations within the partnership focused on the range of issues associated with forestry and the timber industry in Liberia, including governance, community forestry, conservation, financial management, and commercial forestry. The initiative coordinated the contributions of donors and partners to achieve shared aims but retained a flexible structure. This approach was intended to avert wasteful overlap of effort while simultaneously allowing donors and partners to focus their work on those aspects of the forestry sector that were most relevant to them.

<sup>3</sup> The United States also contributed an additional US\$245 million to establish the UN peacekeeping mission in Liberia, UNMIL.

<sup>4</sup> The partners synchronized their missions to Liberia to create a more collaborative environment and to prevent the rivalries among agencies and donor nations that had occurred in other post-conflict situations (Lowe 2009). Open and continuing dialogue, through regular in-person meetings and video conferences, further facilitated coordination (McAlpine, O'Donohue, and Pierson 2006).



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During the two field missions in 2004, the partners identified five essential areas for the LFI to focus on for the coming year (LFI 2004b):

- Financial and institutional reform of the FDA.
- Transparent, substantive review of all forest concessions.
- Control of forest resources.
- Development of a training plan for FDA staff.
- Enforcement of the rule of law in protected areas.

In September 2004, the U.S. government further demonstrated its commitment to forest sector reform in Liberia by establishing a position for a full-time U.S. Forest Service Officer to lead the commercial aspects of reform on the ground in Monrovia (McAlpine, O'Donohue, and Pierson 2006).

### The LFI and forest sector reform in Liberia

The activities of the LFI were designed around four priorities (commercial, conservation, and communities—the “three Cs”—in addition to financial management and transparency) as well as four framework issues (governance and the rule of law, institutional capacity, information management, and security) (LFI 2004a).

### ***Assessing FDA management, the legislative framework, and existing concessions***

As the first step to implement the action plan, the LFI undertook a series of assessments. To reestablish control of forest resources as soon as possible, the LFI assigned priority to (1) evaluating the institutional and financial management of the FDA and (2) reviewing the pre-2003 forest management system. Two parallel evaluations of the FDA were conducted: one by the European Commission and another by the U.S. Treasury Department, working in collaboration with the USFS and the World Bank (Myers 2011). These assessments found critical gaps in the accounting process for invoicing logging, which had prevented the FDA's accounting division from verifying the fees charged for exported products. Lack of verification, in turn, had enabled companies to evade both taxes and fees. By misrepresenting their production rates, they were able to export larger quantities of timber than they were reporting to the government. A subsequent audit of the FDA accounting division revealed that the government had grossly mismanaged timber revenues (Myers 2011).

The LFI's assessment of the legislative structure for the timber sector was designed to determine whether Liberia had the basic legal tools for effective forest management. It showed that the previous abuses could not be blamed on an antiquated legal system. During the 1970s and 1980s, the FDA had succeeded, under the existing legislation, in managing timber concessions so as to contribute



to government revenues. The assessment also revealed that the existing legislation adequately addressed conservation and community objectives.<sup>5</sup>

The most critical assessment was a comprehensive review of the seventy existing timber concessions. Although the FDA had conducted two previous reviews after UN sanctions had been imposed, neither had been accepted by Liberian NGOs or by the general public (Rochow 2008). As such, the NGOs had continued to insist that a comprehensive review was essential. In July 2004, the transitional government established the Forest Concession Review Committee with Liberian government officials, civil society representatives, UNMIL staff, and LFI partners to conduct a third concession review (Rochow 2009).<sup>6</sup>

The review committee established a three-step process for evaluating the seventy concession claims and the companies that held them. For each concession, the review committee first determined whether the firm met the minimum four legal requirements for operating under a timber license (FCRC 2005b).

Not one of the companies holding the seventy claims met all four initial operating criteria (Blundell 2008; Rochow 2012). When the review committee investigated the companies' histories, they found that overharvesting was rampant and that twelve of the companies had openly participated in the conflict, traded timber for arms, or aided and abetted civil instability (Woods, Blundell, and Simpson 2008).<sup>7</sup> Most dramatically, the review committee discovered that the government had given different companies the right to harvest the same trees: although the total amount of forest in Liberia is less than 4.5 million hectares, approximately 10 million hectares had been allocated to concessionaires (Woods 2007; Cheng and Zaum 2012). The review committee concluded that all existing timber concessions should be declared null and void (Blundell 2008).

### ***Design and enactment of the reforms***

Following the assessment stage and in light of the findings of the concession review, the Forest Concession Review Committee designed a set of reforms

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<sup>5</sup> For example, the 1953 Act for the Conservation of the Forests of Liberia had provided for the creation of communal forests and for native authority over forest reserves. Likewise, both the 1956 Liberia Code of Law and the 1976 law that established the FDA contained forest-related provisions that supported conservation, management, and consideration of community benefits and needs (McAlpine, O'Donohue, and Pierson 2006).

<sup>6</sup> The review committee was supported by a technical secretariat that paired Liberian technical and legal experts with international counterparts. The combination of Liberian and international experts on the secretariat was key to the success of the review committee.

<sup>7</sup> These companies were BIN Liberia Inc., Forestry and Agricultural Products Corporation, Inland Logging Corporation, Jasus Liberian Logging Corporation, Liberia Forest Development Corporation, Lofa Logging Company, Maryland Wood Processing Industry, Mohammed Group of Companies, Oriental Timber Corporation, Royal Timber Corporation, Togba Timber Corporation, and United Logging Corporation.

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intended to improve transparency in financial management, introduce democratic decision making into contracting procedures, and ensure the traceability of forest resources. In a May 2005 report, the committee recommended that the transitional government freeze concessions until it could implement adequate reforms, establish a monitoring committee, and enact legislation that would address the gaps that had been identified in the assessments (FCRC 2005a; McAlpine, O'Donohue, and Pierson 2006). The transitional government did not respond to the committee's recommendations.

The LFI pressed ahead with proposed management reforms by developing the *FDA Reform Manual* to provide technical guidance on commercial forestry in Liberia (McAlpine, O'Donohue, and Pierson 2006). The LFI legal team began developing legislative reforms to implement the changes recommended by the review committee.<sup>8</sup> The reforms completely reconceived the system under which the Liberian government would agree to commercial timber harvesting. Previous contractual arrangements granted timber companies ownership of the trees. Under the new law, companies had no ownership rights; instead, they would be permitted to sustainably harvest trees on the condition that they met applicable legal requirements (Myers 2009b).

When President Ellen Johnson Sirleaf took office in January 2006, one of her first executive actions was to adopt the recommendations of the Forest Concession Review Committee. The president's first executive order canceled all existing timber concessions, placed a moratorium on all timber exports and new timber concessions until new legislation could be promulgated, and established the Forestry Reform Monitoring Committee to carry out recommendations and oversee legal reforms. The monitoring committee was installed within the FDA and led by the LFI.

In June 2006, in response to the president's strong reform stance, the UNSC lifted the ban on Liberian timber exports (UNSC 2006). President Johnson Sirleaf's cancellation of logging concessions and the creation of the monitoring committee were specifically cited as key steps in getting the sanctions lifted. Although the lifting of sanctions represented international commendation of the reforms that the Liberian Government had undertaken so far, the UNSC warned that sanctions would be reinstated if the government did not adopt the LFI's proposed forest legislation (UNSC 2006).

In the course of the legal drafting process, the LFI legal team had identified ten regulations that would be necessary to restart commercial logging and fully implement the reformed law. These addressed, among other things, public participation, conservation of biodiversity, sustainable forest management, reporting

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<sup>8</sup> The legislative reforms were designed to 1) incorporate sound forestry and environmental principles; 2) strengthen financial transparency and improve community access to benefits from forest resources; 3) develop environmental impact regulations; and 4) revise the concession allocation process (ELI 2005).

requirements, and forestry fees. Once the National Forestry Reform Law (NFRL) of 2006 had been signed into law (GOL 2006), the legal team, the monitoring committee, and the FDA revised the preliminary drafts of the regulations to send them out for public comment.<sup>9</sup>

The LFI legal team continued the participatory approach through activities ranging from the public vetting of work plans to a formal notice-and-comment period for the ten initial regulations under the new law. The notice-and-comment rulemaking process, implemented by ELI, the USFS, and two Liberian NGOs (Green Advocates and the Sustainable Development Institute) was the first of its kind ever to take place in Liberia. The team first held a public launch in Monrovia and advertised on the radio and through a variety of other mediums (Myers 2008). Next, the FDA, the Liberia Media Centre, and the Press Union of Liberia carried out a public awareness campaign and collected feedback at twenty-one public meetings in twelve of Liberia's fifteen counties (Myers 2008). The FDA received hundreds of written and oral comments from forest-dependent communities, representatives of NGOs and industry, legal and forestry experts, Liberian government officials, and others interested in forest issues in Liberia (Myers 2008). Comments were incorporated into the revised regulations, which were approved by the FDA Board on September 11, 2007 (Myers 2008).

The NFRL and accompanying regulations have been called the most progressive forest management legislation in Africa (Pichet 2009). The NFRL established a framework for managing the Liberian timber sector based on the three Cs (commercial, conservation, and community) agreed upon by the LFI in 2004; it also created a chain-of-custody system and mandated the FDA to draft a community rights law and a wildlife conservation law.<sup>10</sup>

## **Fiscal and institutional reform**

The development of the NFRL and the Ten Core Regulations was only one aspect of the forest sector reform supported by the United States. The reform effort also sought to restructure the FDA and ensure that its fiscal administration was in line with its new institutional objectives. Because the transitional government had been unwilling to take steps necessary to improve financial transparency, leading members of the international donor community pressured the transitional government to institute GEMAP, the Governance and Economic Management Assistance Program.<sup>11</sup> Established by Liberia's major international donors, led

<sup>9</sup> The first ten regulations under the NFRL covered public participation; forest land-use planning; bidder qualifications; tender, award, and administration of contracts and permits; major pre-felling operations; benefit sharing; certain forest fees; establishing a chain-of-custody system; penalties; and the rights of private landowners.

<sup>10</sup> The Community Rights Law was passed in November 2009; as of August 2011, the Draft National Wildlife Conservation and Protected Area Law was still under development.

<sup>11</sup> For more information on GEMAP, see [www.gemap-liberia.org/about\\_gemap/index.html](http://www.gemap-liberia.org/about_gemap/index.html).

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by the World Bank, GEMAP was formed to review and improve the way the Liberian government administered its finances (Rochow 2011).

The United States took on a leadership role in implementing GEMAP in Liberia. The U.S. ambassador co-chaired the Economic Governance Steering Committee with the Liberian president, while USAID co-chaired the Technical Team along with the Liberian Ministry of Planning and Economic Affairs (USAID 2010a). Under GEMAP, each of the six major state-owned enterprises, including the FDA, was overseen by an outside, independent financial and management controller, while international advisors worked with key government agencies to establish financial management systems, train Liberian staff, and report to the public on progress. USAID supported several of the internationally recruited financial controllers (IRFCs), deployed additional technical advisors, organized training programs, and funded infrastructure development (USAID 2010a). As part of the program, all Liberian agencies are required to submit monthly financial statements, including accounting records and account reconciliations, to the Ministry of Finance.

The IRFCs, working with the FDA, completed key reforms in the accounting and auditing departments, and the FDA became the first participating government entity to graduate from GEMAP and take complete ownership of its financial systems (USAID 2010a). At a press conference in Monrovia in August 2009, the mission director of USAID noted that the FDA had instituted modern systems to improve efficiency and deter corruption (Sonpon 2009). The authority now uses a computerized accounting system, and clearly defined procedures and guidelines for public disclosure are in place.

In addition to improving fiscal administration, the LFI also reformed the institutional structure of the FDA. The USFS and USAID took the lead, improving the FDA's personnel policies and procedures, undertaking capacity building, and bringing the size of the staff to the appropriate level. Like other Liberian government agencies, the FDA was overstaffed,<sup>12</sup> and severe political interference had undermined staff motivation and competence (UNDP 2007). To reduce staffing by almost 40 percent, the FDA offered retirement packages to qualified employees; nearly 200 staff members accepted. To complete the restructuring, new departments were created within the FDA to fill institutional gaps. These included law enforcement, legal support, research and development, and strategic planning.

### Implementation and new focus of U.S. assistance

Once the new law and the accompanying regulations were in place, the LFI and FDA identified the steps that were necessary to resume commercial logging and build technical expertise within the FDA. As mandated by the new law, FDA

<sup>12</sup> When President Johnson Sirleaf came into office, approximately 69,000 people—in a country of approximately 3.3 million—were employed in the Liberian civil service (WHO 2006; IRIN 2006).

and the LFI developed forest management procedures, including field manuals on contract preparation, harvesting practices, forest management, chain of custody, contract administration, and social agreements between concessionaires and affected communities.

The LFI, aware that international funding would not continue indefinitely, and mindful that the new system would succeed only if Liberians took ownership of it, conducted training for FDA staff on strategically chosen topics, including forest inventory techniques, forest economics, contract administration, low-impact logging, and the new legal framework. In July 2007, to improve the FDA's institutional capacity, ELI, FDA, Flora and Fauna International, Green Advocates, the USFS, and other LFI partners conducted two days of introductory training on the NFRL and the Ten Core Regulations for Monrovia-based FDA staff. The workshops introduced nearly 50 percent of the staff to the history, framework, and implications of the new forestry law and engaged them in a careful study of the law's language. To carry the process forward, a small group of FDA staff—eventually named the Trainers of Trainees—worked with ELI to become the first trained and designated capacity-building team within the FDA. The Trainers of Trainees then trained the rest of the Monrovia-based FDA staff. In April 2008, ELI and the Trainers of Trainees conducted a training course for FDA field staff. This was the last of the activities directly funded by the U.S. government to support implementation of commercial forest reforms.

On February 29, 2008, after four years of aggressive reform efforts and a three-year moratorium on timber exports, the FDA opened bids for six timber sales contracts (TSCs)—short-term licenses for concessions smaller than 5,000 hectares and lasting less than three years (FDA 2008). Eight companies were prequalified, but only three offered bids on four contracts. By early 2010, the first four TSCs were operational and proceeding through the chain-of-custody system. The next step was to put three forest management contracts (FMCs) up for bid; FMCs are long-term licenses for the management of 50,000 to 400,000 hectares for up to twenty-five years. Three agreements were reached, and the companies proceeded with pre-felling requirements. Four more FMCs were tendered for bid in February 2009 and ratified in September 2009. Three were held up when timber companies alleged improper conduct in the tendering process, but as of November 2009, all seven FMCs were engaged in pre-felling operations (FDA 2009a). Overall, from February 2008 through the end of 2009, the Liberian government allocated 1,037,266 hectares, or approximately one-fourth of Liberia's forests, for commercial timber extraction (SDI 2010).

At this point, the focus of U.S. natural resource assistance to Liberia shifted. In September 2009, U.S. government funding for the LFI ended and a World Bank forest advisor was nominated to coordinate the LFI and serve as a liaison to the FDA's Strategic Planning Unit. At the same time, the Strategic Planning Unit was requested to take on greater responsibility for coordinating forest policy work in Liberia (LFI 2009). However, since that time, quarterly LFI meetings seem to have dropped off significantly.

### ***Community forestry***

Although the commercial forestry reforms are in the early stages of implementation, progress on conservation and community issues is even less developed. Legislation and regulations that will affect the forest sector are still being drafted and have yet to be implemented. In November 2009, after more than two years of intermittent discussion and consultation, the Community Rights Law (GOL 2009a)<sup>13</sup> was passed by the legislature and signed into law by the president. The law recognizes the right of forest communities to own, manage, use, and benefit from forest resources in Liberia and delineates communities' rights and responsibilities with respect to forest lands, including the authority to award concessions for harvesting timber and forest products on community forest lands.

The approval of the Community Rights Law resulted in part from USAID's community forestry initiative (USAID 2008a). In 2008, USAID, through its contractor Associates for Rural Development (ARD), spearheaded the Land Rights and Community Forestry Program (LRCFP) as part of the LFI's third objective: the development of community-based forest management.

The LRCFP remains under the umbrella of the LFI, formulating its program in consultation with LFI partners, and has coordinated its efforts with both government authorities (including the FDA and the Land Commission, formed in 2009) and other LFI partner organizations implementing community forestry initiatives in the country (USAID 2008b). In designing the LRCFP, USAID sought to experiment with approaches to community forestry management, initiating programs in two counties, Nimba and Sinoe, to try to establish effective procedures and programs for replication at the national level (USAID 2008a).

The good of the LRCFP is to "advance the policy and practice of community-based land and forest management in Liberia through adaptive management and learning-based approaches" (USAID 2011). The project seeks to establish a community forestry approach to shift some of the forest management responsibilities from the state to the people and to provide an incentive for sustainable forestry management (USAID 2008b). The LRCFP integrates community forestry into a broader framework of land tenure, encouraging Liberians to claim property rights over forests and other resources. Overall, the program is designed to boost the integrity of Liberia's forest sector by assisting Liberians to manage their own natural resources, thus bringing about participatory economic development. In addition to contributing to the passage of the 2009 Community Rights Law, the program has also been successful in establishing Forest and Land Management Committees in four pilot communities in Nimba and Sinoe (USAID 2011).

### ***USAID/USFS international program's Mano River assistance***

USAID has also coordinated efforts to develop a sustainable forest management program among members of the Mano River Union (Liberia, Guinea, Côte d'Ivoire,

<sup>13</sup> The Community Rights Regulation was finalized in July 2011.



and Sierra Leone). Most notably, USAID and USFS have addressed regional forest governance objectives through the Sustainable and Thriving Environments for West African Regional Development (STEWARD) Program. STEWARD was created in 2007 to foster regional policy harmonization, conservation, and natural resource management. Since its establishment, STEWARD has sponsored fact-finding missions and workshops to investigate and discuss prospects for coordinating efforts across member countries (Sidibe and Brady 2010).

In-country USAID offices have also contributed to these efforts. In 2007, USAID Guinea hosted a workshop on natural resource governance within the union, and in 2008, USAID Liberia hosted the Mano River Region Transboundary Forest Management Workshop.

### ***Artisanal diamond mining***

The U.S. government has also invested in other post-conflict natural resource management projects in Liberia. In 2010, USAID initiated the two-year Property Rights and Artisanal Diamond Development (PRADD) program. The PRADD program aims to empower miners to secure land rights; improve the monitoring of the artisanal mining sector; and help the government comply with the Kimberley Process Certification Scheme.

When PRADD was first created in 2007 as a joint initiative of USAID and the U.S. Department of State, it launched two pilot programs in the Central African Republic and Guinea, although the Guinean project was shut down following the 2009 coup. After successfully validating over 1,000 property claims, mapping mining sites, and developing numerous community development plans in the Central African Republic,<sup>14</sup> USAID sought to expand the project, ultimately selecting Liberia in May 2010 in order to address diamond smuggling in the Mano River basin. In 2009, USAID allocated an additional US\$2.7 million to the program's budget in order to fund the new project, bringing PRADD's total funding up to US\$8.1 million (USAID 2010b, 2010c).

Since initiating operations, PRADD's Liberia program has worked with the Ministry of Lands, Mines, and Energy to implement four programs in Nimba, Sinoe, Grand Cape Mount, and Gbarpolu counties. Efforts revolve around testing methods to formalize mining communities' traditional claims to mineral resources in order to improve the economic well-being of Liberian miners (Charles 2010). The project is based on an eight-step process for tenure rights formalization that was developed in the pilot program in the Central African Republic (USAID 2010c). PRADD Liberia has also financed seminars bringing together government officials, civil society, and representatives of the diamond industry in Liberia,

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<sup>14</sup> The pilot project in the Central African Republic has made major progress towards its goal of protecting the property rights of artisanal miners. As of December 2010, it had validated 1,328 property claims, geo-referenced 1,866 mining sites, and created 58 community development groups focused on income-generating activities (USAID 2010b).



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along with Mali, Sierra Leone, and Côte d'Ivoire, to discuss the challenges and potential solutions to the diamond smuggling problem (Moshelian 2010).

### ***Sustainable Tree Crop Program***

USAID's Tree Crop Program also focuses on community development. This program, which began in 2006, focuses on improving the livelihoods of rural rubber, palm oil, and cocoa farmers in Nimba, Lofa, and Bong counties. USAID has implemented training programs on planting and sustainable crop management, in addition to assisting farmers to form cooperatives that boost their market leverage (USAID 2010d).

### ***Land Rights and Access Threshold Program***

Finally, the United States has recently made a greater effort to focus on Liberia's insecure land tenure through its Millennium Challenge Corporation's Land Rights and Access Threshold Program. This program, which was signed by the Liberian government in July 2010, will invest US\$7.1 million in strengthening land tenure over a three-year period (USAID and MCC 2011). It seeks to enhance the capacity of the Liberian government to carry out reforms in land policy, particularly by harmonizing customary and statutory land laws. The program's overall objective is to promote equal access to land and to increase land security in order to enable Liberians to feel secure investing in and developing their land (MCC 2010).

## **IMPLICATIONS FOR BILATERAL ASSISTANCE ON NATURAL RESOURCES AND PEACEBUILDING**

Several factors made Liberia's post-war situation unique. It was the epicenter of regional upheaval, which elevated international concern and paved the way for UN sanctions on the timber exports that were funding the war. The close ties between the United States and Liberia also contributed to the extensive U.S. involvement in post-conflict Liberia. Nevertheless, the resulting experiences provide lessons for peacebuilders working in countries where natural resources play a similarly prominent role.

### **Timing and sequencing of interventions**

In retrospect, it is clear that timber constituted the economic and political fulcrum of the Liberian conflict, which had spilled over into the neighboring countries of Côte d'Ivoire and Sierra Leone. Liberian NGOs had long been seeking international attention for the abuses in the country's forest sector. But the peace agreement did not touch on natural resources, and there were a host of competing challenges that could have been the focus for peacebuilding in Liberia. The U.S.

government and its LFI partners identified the central role of timber as a priority—particularly the commercial aspects of the timber sector—and invested the time, money, personnel, and political power to design and support radical reform in the sector.

While UN sanctions on the timber industry played a critical role in creating the political space needed to carry out the reforms, the technical approach taken by the United States ensured that needs were thoroughly identified and analyzed in order to best structure the reform process. U.S.-supported efforts were based on information gleaned through a series of targeted financial, commercial, and legal assessments, described above. By conducting these assessments transparently, the United States ensured that the results and responses were granted legitimacy by Liberians. The U.S.-led LFI only came to the conclusion that a reformed forestry law was needed after identifying the full scope of the technical changes required to create a sufficient legal framework. By the time the NFRL and the Ten Core Regulations came before the Liberian Legislature for approval, the need for reforms had been clearly established and was largely supported by Liberian civil society.

Efforts to draft the new law were carried out in the face of enormous pressure to restart the economic engine of commercial timber harvesting. This pressure meant that, although the legal framework and most of the commercial requirements were in place by the time the first contracts were offered for bid, critical elements had yet to be determined, and the capacity of forest stakeholders was still limited. Moreover, shortly after commercial activities resumed, the U.S. government decided to shift its support from commercial forestry activities to the related sectors of community forestry and artisanal mining.

While initial U.S. support for forest sector reform was funded by the U.S. Department of State and implemented by the USFS, U.S. development assistance in Liberia is now primarily implemented by USAID, whose mission in Liberia is the second-largest in Africa. The agency's program assistance is divided among Economic Growth, Health, Education, and Democracy and Governance, in addition to cross-cutting issues including water, climate change, gender, youth, information and communication technology, and anticorruption efforts. The Economic Growth program in turn includes sub-programs in Forestry, Infrastructure and Energy, Agriculture and Security, Food for Peace, and Workforce and Micro-enterprise Development. The Forestry sub-program includes the LRCFP, LFI, and related initiatives.

USAID's forestry projects in Liberia have made significant progress in continuing the forest sector reform process. Yet the decision to shift U.S. government support away from institutional support to the FDA just as it began implementing the new forestry legal framework has left a gap. While the FDA has continued to develop, targeted and coordinated support would have improved the implementation of critical components of the 2006 NFRL, such as the requirement that timber companies negotiate Social Agreements with affected communities.

### Unsettled ground: Land tenure policy reform in Liberia

The unsettled state of Liberian land tenure policy has further complicated timber sector reform. Significant questions remain regarding the ownership of land, including forestland. The confusion surrounding land tenure has fueled widespread tenure insecurity, leading to short-term extractive activities and further resource degradation. Uncertainty of ownership over natural resources such as timber raises questions about the authority to grant concessions, and who should receive payment (Unruh 2009). The 2006 NFRL did establish that all forest resources “are held in trust by the Republic of Liberia for the benefit of the People” (GOL 2006, sec. 2.1). Exceptions are made for forest resources located in communal forests and those that have been developed on private or deeded land through artificial regeneration. The law defines communal forests as areas “set aside by statute or regulation for the sustainable use of Forest Products by local communities or tribes on a non-commercial basis” (GOL 2006, sec. 1.3). This does not, however, resolve the underlying land rights issues.

Broader questions about ownership rights and overall land tenure policy are being addressed by Liberia’s Land Commission, which was established in 2009 to hear claims and to develop a land tenure policy (GOL 2009b). Liberians have submitted claims to approximately 3.2 million hectares of land, some of which overlap (FDA 2007).

### Importance of local ownership of pivotal decisions

Local participation and ownership of the reform process were critical to peacebuilding reforms in Liberia, given the country’s bloody history and the role of natural resource and land rights issues in perpetuating corruption and social inequities. Indeed, the sustained work of knowledgeable and engaged civil society groups was critical to bringing about reform of the timber sector in the first place. From the start, Liberian civil society rejected Taylor’s calculated response to pressure to end the abuse of forest resources. Later, dissatisfied with the results of the first two concession reviews, civil society groups mounted intense pressure for the government to undertake a third concession review process through the LFI, thereby establishing the LFI as central to reform.

During the early days of the reform efforts, Liberian and international NGOs facilitated community involvement in the LFI and helped build the capacity of local communities to participate in reform efforts. Liberian NGOs led the effort to present the LFI’s objectives to communities, seek community input and ensure community participation, and incorporate stronger benefit-sharing mechanisms for communities into the NFRL and its accompanying regulations. These efforts ensured that the public would be included in reform initiatives and placed significant pressure on the transitional government to adopt the recommendations of the Forest Concession Review Committee (McAlpine, O’Donohue, and Pierson 2006).

True public ownership of a reform process, however, means ceding a certain amount of control over policy decisions and ultimate outcomes. One of the goals in updating Liberia's forest sector legislation was to eliminate opportunities for corruption. With the memory of autocratic control exerted by the executive branch over the timber sector during the war still fresh, Liberian civil society groups insisted on adding a structural check on such authority, in the form of legislative ratification of timber contracts following approval by the president (Myers 2009a). While it may have been intended to limit presidential power, this requirement has also created opportunities for corruption: the fact that legislators have requested bribes from concessionaires to guarantee ratification of contracts is a topic of open discussion in the media and among the general public.

### **Public participation**

As a direct effort to break with past resource use patterns, all U.S.-funded efforts in post-conflict Liberia have emphasized public participation. As described above, the LFI conducted an extensive public outreach campaign, covering the timber concession review and development of a new forest sector legal framework, during the reform process. In order to enable local ownership of this process, outreach was conducted with—and in many cases led by—Liberian NGOs.

Public participation has also been a crucial component of the LRCFP, PRADD, and Tree Crop initiatives, all of which carry out public outreach campaigns, community capacity-building exercises, and training seminars designed to strengthen Liberians' understanding of their rights and responsibilities in the area of natural resource management. U.S.-funded programs have also continued to support new legislative and regulatory development. For example, limited government resources prevented the Liberian government from conducting a notice-and-comment process for the draft regulations to the 2009 Community Rights Law. Because the substance of this law is so central to the USAID-funded LRCFP's activities, LRCFP funding was used to organize community meetings in key counties to give forest communities the opportunity to learn about and comment on the draft.

Public involvement in Liberia's suite of natural resource reform activities has played a number of critical and overlapping roles. It has empowered communities who were consulted for the first time about decisions regarding the lands and resources upon which they live and depend (SDI 2006). Communities are now more informed about their new rights and responsibilities. The act of participating has strengthened their capacity to engage further in forest sector reform, resulting in more appropriate and sustainable decisions about new policies.

### **Coordination within and beyond U.S. assistance programs**

U.S. bilateral natural resource assistance to post-conflict Liberia has relied on both external coordination through mechanisms such as the LFI and internal coordination between U.S. programs and initiatives.

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In many ways, the LFI represents a model approach for how national and international organizations can successfully cooperate to transform a sector and a governance structure in the aftermath of conflict. Indeed, the LFI presented the donor community with a unique opportunity to harmonize approaches and prevent the overlapping efforts that are often seen in post-conflict situations. From the first assessments conducted in the early post-conflict period, the U.S. government identified the need for a strong, coordinating role in forest reform in Liberia to allow for sustainable forest management and prevent a return to violence. Using the US\$4 million that Congress had appropriated for forest sector reform in Liberia, the LFI leveraged U.S. political support to gain additional attention and funding from partners such as the World Bank and European Commission.

Drawing from experiences in other countries, key members of the LFI focused their efforts on partnership and coordination to avoid conflict or replication of efforts. From the outset, the LFI members conducted planning through synchronized joint missions (Lowe 2009). Coordination among partners continued through open and continuing dialogue; regular steering committee meetings used video conferences to include partners from around the world (McAlpine, O'Donohue, and Pierson 2006). In the FDA office, partners arranged work spaces to facilitate physical proximity, thus ensuring that steering group decisions were carried out through coordinated action. The LFI's partnership approach allowed it to leverage both funding and technical support, while retaining flexibility so that partners could choose the components of the initiative in which to actively participate.

Coordination through the LFI allowed funding and technical support to achieve shared aims, without dictating how partners should contribute. The initiative provided a sense of critical mass, enabled members to support each other's institutional missions, and helped donors coordinate their efforts and better identify and address gaps (Lowe 2009).

### **Prioritization of commercial, community, and conservation forestry**

The involvement of multiple agencies and intra-agency offices could result in disparate programmatic objectives. For example, USAID's natural resource programs in Liberia are organized and funded through its economic growth objective, which focuses on "market revitalization." This is distinct from USAID's peace and security objective, which addresses critical post-conflict issues including internally displaced persons, demobilization of combatants, and security sector reform. Placing forestry assistance under the umbrella of economic growth could also create a tension between the policy goals of sustainable commercial forestry and forest conservation to protect biodiversity.

While U.S. assistance to the Liberian forest sector was comprehensively designed to consider ecological, social, and commercial factors, the pressure to lift sanctions meant there was a greater emphasis on commercial forestry at the expense of the other two sectors. Attention has now turned to the community

and conservation sides of the forest equation, though U.S. assistance on conservation has been quite limited. It is not yet clear how the balance between commercial, conservation, and community use—the three Cs of Liberian forest management—will play out. Although the commercial forestry reforms are now being implemented, laws and regulations for conservation are still being drafted, while those for community forestry have yet to be implemented.

### **Balancing power and responsibility: Calibrating reforms to reasonable expectations**

While the need for timber sanctions in Liberia was clear, the conditions imposed by the international community for lifting the sanctions raise questions about the process of deciding to develop a framework forestry law. Viewed from one perspective, the United States and other international actors may have used their leverage over timber sanctions to impose a forestry regime that was too rigorous for Liberian institutions still struggling to recover from the widespread mismanagement of the war years. While the forestry law is an extensive, comprehensive piece of legislation, there has been a significant gap between what the law requires and what the FDA is capable of doing by way of implementation. The good news is that FDA's capacity has strengthened considerably since the end of the conflict, with its personnel becoming more skilled and knowledgeable each year. At the same time, gaps in institutional capacity remain, and the FDA has faced difficult challenges in implementing the forest law. Moreover, as mentioned earlier, U.S. foreign assistance on forestry has shifted from core operational support to the FDA (in the form of a USFS staff person located at the FDA office) to larger funded projects such as USAID's Land Rights and Community Forestry Project. This has left the FDA unable to easily draw on outside help as it struggles to implement a complex and demanding law. Those planning foreign assistance efforts in other post-conflict countries might wish to consider how to develop the legal framework in light of existing capacity, and how much technical assistance may be needed to keep pace with legal and policy development.

Natural resources, particularly timber, remain central to Liberia economically, socially, and politically. Management of such resources and allocation of their revenues are critical government functions. But less than a decade after the devastation of the fourteen-year civil war, technical capacity within Liberia is still weak, and corruption is rampant. Although U.S. government support did initially focus on capacity, by funding a USFS staff person at the FDA's office for five years and supporting training workshops for FDA headquarters and regional staff, this assistance tapered off just as FDA began bidding out contracts and awarding concessions. The shift in U.S. assistance towards large funded projects at a time when the FDA is struggling to interpret and implement the forestry law may not have been ideally timed, particularly since the timber industry has challenged some aspects of the law and its implementation.

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### Change takes time

In the years when timber harvesting was unregulated, players in the forestry sector became accustomed to an atmosphere of lawlessness. This culture has not yet been reversed. Commercial forestry activities are proceeding substantially in accordance with the new legal framework and the FDA has successfully completed an enforcement action in at least one case.<sup>15</sup> On the other hand, allegations of corrupt practices—such as leasing to companies of dubious financial capacity and illegally leasing community forests—have surfaced amid the rush to get the sector up and running (NGO Coalition of Liberia 2008).

Developments in international forest markets have created a new opportunity for corruption, and new legal tools may be necessary to meet this challenge. As the costs of reducing greenhouse gas emissions continue to increase and the prospect of payments for failing to meet emissions reduction targets draws near, developed nations are expressing a growing interest in compensating forested countries to preserve carbon-sequestering forests at a lower cost for the same carbon-mitigating result. While the United Nations Framework Convention on Climate Change is negotiating an international regime known as REDD+,<sup>16</sup> speculators are already attempting to secure agreements. Other actors are seeking to influence Liberia's decisions regarding carbon storage. Norway has offered Liberia substantial assistance in exchange for setting aside its forests for carbon mitigation (Global Witness 2010).<sup>17</sup>

A separate offer created a high-profile corruption scandal that rocked Liberia in 2010. Several Liberian officials were accused of accepting bribes from the London-based Carbon Harvesting Company to ensure the success of its REDD contract bid. The company, which had no prior experience in carbon trading, sought to harvest credits yielded through the preservation of 500,000 hectares of Liberian rainforest during a two-year contract with the government. Investigation by a Special Presidential Investigative Committee revealed that the company had plagiarized its cost-benefit analysis and displayed a complete lack of understanding of carbon trading. High-level FDA officials were accused of moving forward with the contract after being bribed by Carbon Harvesting Company officials. The committee report accused one senator of soliciting bribes, including spare car parts, money for his wife's medical treatment, and the chartering of a boat,

<sup>15</sup> The enforcement action was taken against a timber company that began felling trees and cutting roads before pre-felling requirements were complete.

<sup>16</sup> REDD+ is an emissions reduction approach that allows developed countries to pay developing countries to conserve their forests. REDD means Reducing Emissions from Deforestation and Forest Degradation; REDD+ adds on considerations of conservation, sustainable management of forests, and enhancement of forest carbon stocks (UN-REDD 2011).

<sup>17</sup> In August 2010, President Johnson Sirleaf pledged to submit a REDD+ Readiness-Preparedness Proposal to Norway by October 2010 (Kwanue 2010); the proposal had not been submitted as of March 2011.



amounting to payments of more than US\$2,000 (*Daily Observer* 2010). As this incident shows, Liberia has still not achieved corruption-free implementation of its laws and policies.

### **Coordination versus conflicting objectives**

The Liberia experience also demonstrates that coordination between groups is not always sufficient, or even entirely possible. U.S. reform efforts have sometimes come into conflict with the actions of environmental NGOs, including Global Witness, FERN, and Greenpeace – even though all actors are dedicated to improving transparency and empowering forest communities. For example, through the LFI, the United States supported Liberia's efforts to resume logging following the UN's 2006 decision that sufficient mechanisms had been put in place to track timber revenues. By contrast, several NGOs staunchly opposed the resumption of logging activities until a community rights law had been passed (NGO Coalition of Liberia 2008; Global Witness et al. 2008). This added political pressure to the already-sensitive development of the community rights law. In another example, some NGOs pressured the Liberian government to accept Norway's offer to pay Liberia to set aside all of its forests for carbon sequestration, without acknowledging the significant investment that has gone into establishing a new legal framework governing commercial forestry, or Liberia's autonomy to make its own decision concerning the offer.

### **CONCLUSIONS**

The ultimate outcome of U.S. bilateral assistance to post-conflict Liberia between 2004 and 2010 will only be fully understood in the years ahead. Though at the time of this writing, it is clear that substantial progress has been made. Addressing forest management early in the post-conflict period was a critical step, although a compelling case could have been made to disentangle the underlying jumble of land tenure issues first. As a practical matter, however, it would have been difficult to postpone steps to revive the economic engine of timber. Following the repeal of UN sanctions, the LFI devised a longer-term strategy to implement comprehensive reforms. The LFI was able to marshal the substantial investments needed to undertake this transformation during the vulnerable post-conflict period because Liberians, the relief and development communities, and the environmental and natural resource community all agreed on the need to take quick action.

Unfortunately the coordinated partnership approach and efforts to include the public in decision-making did not insulate the government from unreasonable expectations for getting the industry up and running pursuant to the reform measures. In light of Liberia's eagerness to deliver revenue, some within the forestry sector are questioning whether the standards established for commercial forestry practices, which originated from more developed countries, are appropriate

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for Liberia's developing economy. Seven years into post-conflict forest reform, and five years since the lifting of sanctions, the shipments of logs under the new chain-of-custody system are a long way from providing the expected revenue streams.<sup>18</sup> This fact may reflect the critical lesson of the LFI experience: that in planning for reform in a developing, post-conflict country, those leading the effort must strive to ensure that sufficient attention is paid to implementation, and that expectations regarding the timeline and economic outputs of the reform process are reasonable.

The LFI took the time to follow international standards for reform procedures and balanced competing considerations about which approach to take, despite extensive pressure to reopen the timber industry as quickly as possible. Working collaboratively within the initiative and consultatively with Liberian society more broadly, the LFI determined that a revised framework law and new regulations would be necessary to transcend the problems that had plagued Liberia's forest sector. Developing a progressive and rigorous revised law and new regulations has meant years of waiting as the commercial timber sector becomes fully operational. Nevertheless, this tradeoff has created a legacy with the potential to support a sustainable and equitable forest economy for Liberia that can contribute to meaningful development now and in the future.

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