

## **PRESIDENT JOHNSON-SIRLEAF'S EITI LAUNCH SPEECH**

We are deeply grateful to our many partners for coming together today to celebrate this important milestone in our history.

In Liberia, we face a paradox: our land is rich, and yet our people live in poverty. Across our country, in every direction, our abundant natural resources promise vast riches. Diamonds, iron ore, gold, and other minerals are among the many buried treasures that fill Liberia's earth. Above the soil, millions of hectares of valuable forests cover our landscape. And beneath the sea, our offshore continental shelf may well be home to future discoveries of oil and gas.

It is from the blessings of these natural riches that all Liberians should benefit. Mining and forestry alone will generate many millions of dollars in earnings and foreign exchange in the coming years. If managed properly, these earnings should translate into very large increases in government revenues. This should create the money that the Government can use to improve the lives of all Liberians. To build health centers. To hire more teachers. To construct roads. To lift our people out of poverty and bring about a better future for our children.

And yet for decades, far from fighting poverty, the wealth from Liberia's natural resources has been plundered. The corruption of the past has meant that just a few pockets have grown full, while the vast majority of Liberians have been deprived of the fruits of the country's resources. Tragically, the revenues from our extractive industries were also used to fuel conflict. Thus instead of moving our country forward, the exploitation of our natural resources has set us back even further.

Today we face a historic opportunity to turn this natural resource "curse" into a blessing. The United Nations has recently lifted its ban on the export of Liberia's diamonds, which followed the removal of the ban against timber last year. The opening of these crucial sectors will provide a boost to our economy. Thousands of our people will gain employment opportunities and have the chance to learn valuable skills. Many millions of dollars of greatly needed investments will flow into the country. It does take some time but this is on the way; this will happen.

As this happens, it is imperative that the re-opening of these extractive industries is rooted in transparency and accountability. Only then can we ensure that the future revenues are used for the benefit all people, and that they contribute to broad economic growth.

From the Government's perspective, we are firmly committed to breaking with the corruption of the past. Since our assumption of office 18 months ago, we have placed public accountability and improved governance at the very top of our priorities. People tend to forget but we have taken several strong positive steps in keeping with this commitment. Let me recall some of these:

- Early on in my administration, key government officials were required to declare their assets;
- Cancellation of 87 forestry concessions and review of all concession contracts concluded during the NGTL to ensure that the national interest was protected;
- The ratification of the AU and United Nations Conventions against corruption;

- Formulation, adoption and publication of anticorruption policy and strategy;
- Appointment of a new Auditor General under a new law that enables him to maintain his independence by reporting the National Legislature rather than to the Executive;
- The Asset Freeze Legislation that has been submitted to the National Legislature;
- Dismissal of government officials for whom circumstantial evidence exists on their violation of the public trust;
- Ongoing case against former officials of the previous governments is currently going through the legal process resulting from evidence provided in the ECOWAS Audit Report;
- And several other things are now being discussed, including preparation by the GRC of the draft legislation of the code of conduct for public servants and the establishment of an Anti-Corruption Commission.

To enhance national efforts in this regard, we authorized the full implementation of GEMAP as a tool for improving governance. We have also made progress in improving financial management and our monthly fiscal reporting is contributing to a more transparent management of the budget. Our goal of ensuring transparency in the extractive industries sector is thus part and parcel of our broader agenda of good governance and development. We still have a lot to do and the inherited challenges are daunting, but give the Government credit for important and meaningful first steps in this direction.

Today, the Government of Liberia declares its full support for the implementation of the Extractive Industries Transparency Initiative. In this effort, we follow the example of more than twenty countries around the world that have voluntarily pledged their support for a more open, equitable and responsible management of extractive resources. Liberia's participation in this Initiative builds on the Government's additional efforts to bring about transparency in the mining and forestry sectors, including our ongoing involvement in the Kimberly Process and our steps towards Certification, as well as the chain of custody under our new forestry law. The landmark Forestry Law that was passed last year provides for the sustainable and beneficial use of Liberia's forest resources. It helps ensure that local communities play an active role in the approval and monitoring of timber concessions, and that the communities themselves benefit from the revenues. Like the EITI initiative, the forestry law helps lay the foundation of accountability, transparency and empowerment in one of our most important sectors.

In this important effort, the Government cannot work alone. We are deeply grateful for the participation of our many partners here today. Moving forward, we will collaborate closely with our partners from civil society, including in particular the Publish What You Pay Liberia Coalition. Likewise, the active engagement of our partners in the private sector is absolutely critical to the success of the initiative. We also look to our donor partners to provide essential technical and financial support to the EITI process as we strive to attain our goals.

Today, in concert with our many partners, we affirm our commitment to the EITI process and to the responsible stewardship of revenue streams and public expenditure. The past misuse of Liberia's bounty has thwarted our progress as a nation. Today we look to these natural resources as a source of great opportunity: an opportunity for our land to fuel development and poverty reduction, instead of destruction. We are confident that the EITI process will help us light the

way to a new chapter in Liberia's history. A chapter in which transparency and accountability triumph over corruption, and in which all Liberians are enriched by the splendors of our land and natural bounty.

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## **MINISTER SAYEH'S EITI LAUNCH SPEECH**

Her Excellency Mme. President, Honorable Members of the Legislature, Fellow Ministers, Development Partners and Members of the Diplomatic Corps, Traditional Leaders, Representatives of Civil Society and the Private Sector, Members of the Public, Distinguished Ladies & Gentlemen,

Thank you for joining us here today.

It is my honor to speak to you today as the lead representative of the LEITI multi-stakeholder steering group. This steering group is important not only for what it can accomplish but also for what it represents. Partners from civil society, the private sector, development partners, and the government are coming together to ensure that the management of resource extraction is transparent, and that revenues generated by these industries are used for the benefit of all Liberians.

LEITI will work to ensure that mineral, oil, gas, and forestry contracts are awarded in a transparent way, to maximize benefits to the nation. By regularly publishing all payments made by mining, petroleum, and forestry companies to all levels of government, as well as all revenues government receives from those industries, LEITI will ensure that all of Liberia – indeed, all of the world – is aware of how much money is being generated by extractive industry and where that money is going. When LEITI is fully underway, an independent administrator will reconcile revenue and payments data, and data will be subject to a credible, independent audit.

For six months we have been working towards this launch, culminating in the promulgation of the LEITI policy note endorsed by representatives of civil society, the private sector, the government, and development partners, and the appointment by Her Excellency Madam President of members to the multi-stakeholders' steering group.

This is just the beginning; there is still much to be done. Following this launch, the steering group will come together to debate, agree, and publish our LEITI work program as well as finalize the 2007-2008 LEITI budget. An LEITI secretariat will be fully established in the ministry of finance, with staff dedicated to the monitoring of Liberia's extractive industries and supporting the work of the steering group. Through this steering group, all stakeholders – civil society, private sector, government, and development partners – will have input into the LEITI process, a process that will be the stronger for it.

Late yesterday the President received a communication from Peter Eigen, chairman of EITI's international board. He writes:

“On behalf of the Extractive Industries Transparency Initiative's International Board I wish to congratulate you on this important occasion. The launch of the LEITI is a fitting illustration of the positive dawn for Liberia. It shows your Government's commitment to good governance and transparency practices. It demonstrates a willingness to working together with civil society....

We welcome the launch of the Liberian EITI and we look forward to seeing how it will become a national and unique Liberian process. Political leadership has repeatedly shown to be the single most important factor for the successful implementation of the EITI. We are hugely encouraged by the leadership of your government. The Government and people of Liberia should know that the international community stands ready to support their efforts in whatever way we can.”

We thank Chairman Eigen for his letter, and are humbled by the support – domestic and international – which is helping to ensure that Liberia’s experience with extractive industries can begin a new, transparent chapter in our history.

As part of this transparency, it is my honor to be able to introduce a website for LEITI, [WWW.EITILIBERIA.ORG](http://WWW.EITILIBERIA.ORG).

As LEITI strives to ensure transparency, so LEITI itself will be transparent. All LEITI documents – work plans, progress reports, audits, revenue figures by firm and industry, payments to government – will be placed on this site, where anyone with an internet connection will be able to see them. Regular paper reports containing this data will also be published so all Liberians will be able to access this information. As LEITI grows, so the web site and paper archive will grow – and it is my hope that, decades from now, we will be able to see the growth of natural resource revenues via the records contained therein.

The LEITI Steering Group is ready for the challenges that lie before it, and excited at the opportunity for collaboration that LEITI provides. Thank you for sharing this important beginning with us.