



global witness

# Logging Off

How the Liberian Timber Industry  
Fuels Liberia's Humanitarian Disaster  
and Threatens Sierra Leone



## I Recommendations

*The UN Security Council should:*

- Immediately impose a total embargo on the exportation and transportation of Liberian timber, and its importation into other countries. Such an embargo should remain in place until it can be demonstrated that the trade does not contribute to any armed groups, including former Revolutionary United Front (RUF) combatants and logging company militias.
- Mandate any further panel of experts on Liberia to conduct detailed investigations into the role of the Liberian logging industry in fuelling national and regional destabilisation, to enable the United Nations Security Council (UNSC) and other members of the international community to gain a comprehensive understanding of the role of this industry. The UNSC should ensure that a panel member with extensive knowledge of the logging industry be employed to partake in investigations.
- Mandate any further panel of experts on Liberia to conduct detailed investigations into any other Liberian industries that may contribute to violence and human rights violations in West Africa.
- Recognise the significant role that timber plays in funding conflicts, and agree on a definition of conflict timber and how conflict timber is exploited as a war commodity, just as diamonds and oil. The trade in conflict timber should be prohibited under international law. (See Global Witness definition page 3.)

*The UN Secretary-General should:*

- Ensure that a new study on possible humanitarian effects of timber sanctions be carried out. Such a study should incorporate the negative consequences of the timber industry upon the Liberian population. The Secretary-General should ensure that the information is independently verifiable and from non-biased sources.

*The International Community should:*

- Increase humanitarian aid to Liberia, channelled through UN agencies and Non-Government Organizations (NGOs). The donor community should ensure that citizens of Liberia are aided until their country returns to stability and peace.
- Ensure that all arms-trading countries refrain from selling weapons to the Mano River Union and from providing any support to armed rebel groups, including the Liberians United for Reconciliation and Democracy (LURD), in Guinea, Liberia and Sierra Leone.

*The Governments of France and China should:*

- Put aside any possible political and economic vested interests in order to be impartial participants in UNSC deliberations on timber sanctions in Liberia.

*The Government of Liberia should:*

- Ensure that logging companies operating in Liberia, particularly the Oriental Timber Company (OTC), Royal Timber Company (RTC), and Maryland Wood Processing Industries (MWPI), immediately halt illicit arms importation to, and transportation within, Liberia.
- The Government of Liberia should ensure that logging companies operating in the country do so according to the law, that they do not employ armed militias, and that they immediately halt all human rights abuses committed upon the Liberian population.
- Ensure that the country's timber industry is run according to the best international standards of sustainable forest management, and that all timber revenues due to the state are directed to the Central Bank of Liberia, and not to the extra-budgetary expenditures of the Executive Mansion.

*The Logging Companies operating in Liberia should:*

- "Publish what they pay". Logging companies should disclose aggregate information about taxes, royalties, fees and other transactions with the Liberian government and/or public sector entities, in order to create transparency, thereby allowing the Liberian population to question public spending levels.

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Imports of ILC logs as seen in Sete, France, 05 October 2001. Greenpeace

## Conflict Timber

**Conflict timber** is timber that has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers or by a civilian administration involved in armed conflict – either to perpetuate conflict or take advantage of conflict situations for personal gain. (Global Witness definition)



## Acronyms

<b>AFL</b>	Armed Forces of Liberia
<b>ATU</b>	Anti-Terrorist Unit
<b>BIN</b>	Bureaux Ivorian Ngorian
<b>FDA</b>	Forestry Development Authority
<b>ILC</b>	Inland Logging Company
<b>LISCR</b>	Liberian International Ship and Corporate Registry
<b>LURD</b>	Liberians United for Reconciliation and Democracy
<b>MGC</b>	Mohammed Group of Companies
<b>MWPI</b>	Maryland Wood Processing Industries
<b>NPFL</b>	National Patriotic Front of Liberia
<b>OCHA</b>	Office for the Co-ordination of Humanitarian Affairs
<b>OTC</b>	Oriental Timber Company
<b>RSALF</b>	Royal Sierra Leonean Armed Forces
<b>RTC</b>	Royal Timber Company
<b>RUF</b>	Revolutionary United Front
<b>ULC</b>	United Logging Company
<b>UNAMSIL</b>	United Nations Mission in Sierra Leone
<b>UNSC</b>	United Nations Security Council



## 2 Executive Summary

**T**his report documents the character of the Liberian logging industry. It demonstrates how timber has replaced diamonds as the new source of funding for conflict in Liberia, and how that conflict is destabilising the region. This report addresses the role of many logging companies in illicit arms importation and transportation as well as in actively partaking in Liberia's conflict, while committing grave human rights abuses against the Liberian population. This report also highlights the actions of importing companies and countries, particularly in regards to France and China, and illustrates how it is impossible to buy conflict-free timber from Liberia.

When Global Witness originally recommended a total embargo on timber sanctions at the beginning of 2001<sup>1</sup>, there existed sufficient data for the international community to recognise the role played by the timber industry. In May 2001, the Government of Liberia was sanctioned under the *United Nations Security Council Resolution 1343 (2001) on Liberia* for its central role in fuelling Sierra Leone's civil war. Any action on Liberia's timber industry was omitted. The situation in Liberia, due in large part to the role of the logging industry, has continued to deteriorate whilst the international community has chosen to turn away from decisive action. United Nations Expert Panels on Liberia are not mandated to look into the Liberian logging industry, and research carried out to assess possible humanitarian consequences of sanctions was, according to one person who carried out research for the report compiled by the Secretary-General's office and the UN Office for the Co-ordination of Humanitarian Assistance (OCHA)<sup>2</sup>, highly inaccurate. Global Witness maintains that a total embargo on Liberian timber is needed in order for both Liberia and Sierra Leone to achieve long-lasting peace. The logging industry is a direct player in bringing Liberia closer to a humanitarian disaster while being a constant threat to the fragile peace existing in Sierra Leone.

Information contained in this report is the result of extensive research conducted both in Liberia and internationally.

- The Government of Liberia is actively purchasing arms and related material in contravention of *Security Council Resolution 1408 (2002) on Liberia*, mainly through the timber industry. The practice of importing illegal weaponry has been aided by Libya, Chad, Burkina Faso, Niger, Gambia, Côte d'Ivoire and possibly Hong Kong (see *The Logging Industry and Arms Imports in 2001 - 2002*, page 7).
- Many of Liberia's logging companies and their militias are perpetrating human rights abuses with impunity and direction from the Government of Liberia.
- The UN Secretary-General/OCHA Report released after investigation into the situation in Liberia was inaccurate. Data did not stand up to scrutiny and a member of the research team admitted that the statistics on the timber industry were highly inaccurate.
- France and China continue to maintain that there is not enough evidence linking the arms trade with Liberia's timber industry to justify sanctioning Liberian timber. Both France and China are Liberia's main importers of timber and both hold veto power in the UNSC (see *The Importers of Liberia's Logs of War*, page 11).



MWPI logging truck near Harper Port. August 2002.



Theodore Nagel imports of Forum-Liberia logs as seen in Sete, France 05 October 2001. Greenpeace.



Koindu village in 'Parrot's Beak' of Sierra Leone, near Guinean and Liberian borders. The result of RUF-led civil war. August 2002.



MSF pharmacy and clinic at Gendema, located in Sierra Leone across the Mano River from Liberia. August 2002.

### 3 Introduction

In May 2001, the Government of Liberia was sanctioned under the UNSC Resolution 1343 (2001) for its central role in fuelling Sierra Leone's notorious civil war; a war so brutal that it left the country's average life expectancy at 25.9 years<sup>3</sup>. Less than one year later, on 18 January 2002, Sierra Leone's president declared the country's ten-year civil war officially over. However, the peace declared by President Kabbah will be fleeting unless the international community changes its approach to the sub-region; specifically, its lack of an holistic plan by which to deal with the internal problems and external threat of Liberia.

Liberia is the major source of volatility in the Mano River Union region, encompassing Liberia, Sierra Leone and Guinea, as well as in neighbouring Côte d'Ivoire. Beyond its historical support of the brutal Revolutionary United Front (RUF), which destroyed Sierra Leone and sent thousands of refugees scattering across the region, the Government of Liberia is currently pursuing domestic policies that have already adversely affected the domestic and regional spheres, and which will have disastrous international consequences if left un-addressed. While the role of LURD in adding to the instability cannot be discounted, it is the domestic policies of the Liberian government that have led to flagrant violation of UN sanctions, gross human rights abuses and the remilitarisation of an entire region. These are the largest threats to regional peace and security in West Africa.

A major driving force behind this threat is the Liberian logging industry. Whereas diamonds used to be the main source of funds for conflict in the region, UN sanctions on the export and trade of rough diamonds have forced Taylor to look towards Liberian timber revenues for hard currency. Far from being an unwilling participant, numerous logging companies also facilitate arms deals and imports, and engage in armed conflict in conjunction with the government through their private militias. In doing so, the Liberian logging industry has become involved with various malign forces, including the reputed head of the Ukrainian mafia, Leonid Minin, and arms-smuggler Sanjivan Ruprah<sup>4</sup>. As documented in numerous texts<sup>5</sup>, weapons are brought into Liberia on logging vessels to ports managed by logging companies, specifically Buchanan Port operated by OTC, and Harper Port, operated by MWPI.

The *Report of the Panel of Experts appointed pursuant to UN Security Council Resolution 1306 (2000)* first documented how various elements of the logging industry were involved in arms trafficking and fuelling Sierra Leone's civil war. Further evidence of this involvement was presented in the *Report of the Panel of Experts pursuant to Security Council Resolution 1343 (2001) paragraph 19, concerning Liberia*. Despite these reports and despite evidence presented by Global Witness, the Security Council has continuously avoided targeted sanctions on the timber industry. The problems of weapons proliferation in Liberia, and lack of sustainable peace in Sierra Leone and in Liberia will not be resolved until the Security Council addresses the main conduit for arms: the timber industry.

France and China, who hold veto power in the Security Council, have been the principal objectors to timber sanctions on Liberia while also being the two largest importers of Liberian timber. When clarification was requested with regard to their



**Refugee camps and destroyed homes, the result of ten years of Liberian-supported RUF fighting in Sierra Leone. April 2002.**

positions, both France and China expressed concern over possible humanitarian consequences of additional sanctions, while France also declared that there was a lack of evidence linking the illicit arms trade to the Liberian logging industry<sup>6</sup>. At the time those statements were made, Global Witness and the UNSC<sup>7</sup> had already presented undeniable linkages between the two industries, and demonstrated how the logging industry itself was creating, not preventing, a humanitarian disaster.

Shortly thereafter, staff of OCHA were tasked with writing the *Report of the Secretary-General in pursuance of paragraph 13 (a) of resolution 1343 (2001) concerning Liberia (S/2001/939)*. The report's stated purpose was "a preliminary assessment of the potential economic, humanitarian and social impacts on the Liberian population of a possible follow-up action by the Security Council..." with a focus on the timber industry, the rubber industry and the Liberian ship register<sup>8</sup>.

Unfortunately, the Secretary-General/OCHA report was full of very serious errors in empirical evidence and analysis. One individual who worked on the report stated, under condition of anonymity, that timber industry employment and benefit figures were greatly overstated. Moreover, the report never once mentioned previous Expert Panel and Security Council documents describing the destructive nature of the Liberian timber industry, the industry's prominent role in sanctions-busting in Sierra Leone, or the human rights abuses committed by many logging company militias. Instead, the report extolled the virtues of the most egregious violator of all, OTC, stating inaccurate data regarding employment figures,



wages, and benefits afforded to the local population.

In response, Global Witness presented to the UNSC verifiable information regarding the true, destructive nature of the timber industry in Liberia (see *The Price of Avoiding Timber Sanctions*, page 10). However, the UNSC subsequently opted against measures on the timber industry. Again, France and China were the main objectors. Of greater concern was that, when a new Expert Panel on Liberia was appointed, it was not mandated to look into the involvement of the timber industry whatsoever.

Since Global Witness' last report on Liberia, *Taylor-made: The Pivotal Role of Liberia's Forests and Flag of Convenience in Regional Conflict* (September 2001), the importance of the timber industry to the Liberian government's war machine has increased. However, while Global Witness, other major international NGOs, and the UN's own Expert Panel on Liberia have offered additional information regarding logging industry arms imports and human rights violations, the international community has failed to address the problem in any meaningful way. The Security Council may have renewed the pre-existing Liberian sanctions regime on 06 May 2002<sup>9</sup>, extending them for another twelve months, but this is merely a first, cursory step towards tackling the deeper problems of security and destabilisation in Liberia and the region.

Global Witness maintains that sanctions on the timber industry are necessary to deprive the Government of Liberia of the funds needed to purchase weaponry, oppress its citizens, and threaten peace in Sierra Leone and the region. Sanctions on the industry and its revenue would not have disastrous effects upon the Liberian people, as detractors of timber sanctions claim. The industry does not provide much regular or skilled employment for Liberians, fails to provide minimum acceptable levels of worker job security and working conditions, and is operating in such an unsustainable fashion that the country's concessionable forest, which could serve as a renewable revenue source for years if managed properly, may be completely commercially logged out within the decade<sup>10</sup>. Moreover, the Liberian timber industry as it currently functions serves as a primary source of revenue for corruption, purchasing illicit weapons, and paying the state and parastatal militia forces that fuel Liberia's war machine. If the international community fails to tackle the abuse of revenue and unlawful practices of the Liberian logging industry, it will fail to address one of the major sources of conflict in Liberia and of destabilisation in the entire region.

### 3.1 Infringements against UNSC Resolutions 1408 (2002) and 1343 (2001)

On 06 May 2002, the UNSC adopted Resolution 1408 (2002) on Liberia, which stipulates that the same measures contained in UNSC Resolution 1343 (2001), Paragraphs 5 to 7, will continue for at least an additional twelve months. These measures outline international action to prevent arms exports to Liberia, halt the trade in Liberian rough diamonds, and impose a travel ban on those declared by the Security Council to be most involved in the destabilisation of the Mano River Union region.

The following is a list of sanctions violations committed by the Government of Liberia. It should be noted that the Government of Liberia has also committed grave human rights violations, which have been documented by Human Rights Watch and Amnesty International<sup>11, 12</sup>. Many logging companies have also perpetrated human rights abuses. (See *Human Rights Abuses Committed by the Logging*

*Industry*, page 9.)

#### According to Paragraph 5 of UNSC Resolution 1343 (2001):

"All States shall take necessary measures to prevent the sale or supply to Liberia, by their nationals or from their territories or using their flag vessels or aircraft, of arms and related materiel of all types; including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts for the aforementioned, whether or not originating in their territories".

- Global Witness has recorded and detailed five separate incidences when weaponry entered Liberia on logging vessels. (See *The Logging Industry and Arms Imports in 2001-2002*, page 7.)
- In the *Report of the Panel of Experts appointed pursuant to Security Council resolution 1395 (2002), paragraph 4, in relation to Liberia* submitted to the Security Council on 19 April 2002, the Expert Panel detailed the mysterious circumstances surrounding the flights of two Moldovan-registered Antonov 12 aircraft destined for Monrovia. The first, ER-ADL, chartered by the Government of Chad, crashed on 15 February 2002, just short of the Roberts International airport runway enroute from N'Djamena, Chad. The resulting explosions are suspected to have been caused by illegal arms carried onboard. The Liberian Government systematically obstructed the Expert Panel's attempts to investigate the crash<sup>13</sup>.
- A second suspicious flight, ER-ACZ, again chartered by the Government of Chad, is known to have landed at Roberts International airport on 25 February 2002. The Liberian government denies any knowledge of the flight<sup>14</sup>.
- Global Witness investigations have determined that an additional arms shipment arrived at Roberts International airport on or around 16 July 2002<sup>15</sup>.

#### According to Paragraph 6 of UNSC Resolution 1343 (2001):

"All States shall take the necessary measures to prevent the direct or indirect import of all rough diamonds from Liberia, whether or not such diamonds originated in Liberia."

- While trade in Liberian rough diamonds is illegal, the UN Expert Panel Report of 19 April 2002 (S/2002/470) states that a significant amount of rough diamonds are smuggled out of Liberia to Sierra Leone, Guinea, Côte d'Ivoire and the Gambia to be rebranded as legitimate. Numerous Liberian diamond brokers have opened offices in Sierra Leone, Guinea and Côte d'Ivoire for this purpose<sup>16</sup>. (See Annex 3, *Exploitable Resources of the Mano River Union*).
- However, the trade in diamond smuggling is multi-directional. In May 2002, Global Witness investigations along the border of Sierra Leone and Liberia revealed allegations that diamonds were being exported from Sierra Leone to Liberia via Zimmi, to Borborhun in Liberia, and then picked up by a helicopter dispatched by the Executive Mansion.

#### According to Paragraph 7 of UNSC Resolution 1343 (2001):



Site of alleged illegal cross-border diamond trade, near Dar-Es-Salaam, Sierra Leone. April 2002.

"All States shall take necessary measures to prevent the entry into or transit through their territories of senior members of the Government of Liberia and its armed forces and their spouses and any other individuals providing financial and military support to armed rebel groups in countries neighbouring Liberia, in particular the RUF in Sierra Leone"

**The following information comes from the UN Expert Panel Report of May 2002 (S/2002/470):**

- Gus Kouwenhoven, head of logging companies OTC and RTC has repeatedly boasted of his foreign travels. He has been issued a Liberian diplomatic passport and may be travelling under an assumed name<sup>17</sup>.
- Sanjivan Ruprah, the known arms dealer, was issued with, and has travelled on, multiple Liberian government diplomatic passports, each containing different names. When engaged in sanctions-busting travel, Ruprah carried two different passports claiming he was Deputy Commissioner of the Bureau of Maritime Affairs; the Commissioner of Maritime Affairs said that Mr. Ruprah had nothing to do with the Bureau<sup>18</sup>. Ruprah was arrested in Belgium on 07 February 2002<sup>19</sup> on charges of criminal association and possessing a false passport<sup>20</sup>. Ruprah was released on bail and subsequently fled the country. He was re-arrested in Italy in August 2002 for travelling on a false Belgian passport<sup>21</sup>.
- Mohammed Salamé, the Liberian Ambassador-at-Large based in Côte d'Ivoire and owner of Mohammed Group of Companies (MGC) and

Bureaux Ivorian Ngorian (BIN) logging company, was issued a second, diplomatic passport under the identity of Ameri Al Jawad issued soon after the UN travel ban entered into effect. The UN has evidence that Salamé has used this false passport while travelling<sup>22</sup>.

- Moussa Cisse, a Guinean-born businessman who plays a key role in the sale of diamonds and arms, was also issued a second civilian passport under the name Mamadee Kamara<sup>23</sup>.
- The infamous RUF leader Sam "Maskita" Bockarie has travelled under the false name Sam Johnson. It is not clear whether a government-issued passport was used<sup>24</sup>.

There are also those who abuse legitimate reasons to travel, specifically Information Minister Reginald Goodridge, who, while in the United States for 'medical treatment' in early June 2002, began lobbying in an official capacity and tried to arrange interviews with major media outlets; he was promptly asked to leave the country<sup>25</sup>.

## 4 How the Liberian Timber Industry Continues to Fuel the Liberian War Machine

Liberia is the primary source of destabilisation in West Africa, and the Liberian timber industry is a major source of funding for the government's extra-budgetary activities; these activities include the procurement of arms and ammunition for Liberian government and militia forces. Many Liberian timber companies are actively involved in the import of illicit arms to Liberia, with their militias increasingly engaged in warfare against LURD and committing horrific human rights abuses. Failure to address the role of the logging industry will leave Liberia with a deteriorating humanitarian situation while its fragile neighbour, Sierra Leone, will face the near impossible task of achieving lasting peace.

### 4.1 The Logging Industry and Arms Imports in 2001 - 2002

The Liberian logging industry remains the single most important conduit for illicit arms into Liberia. UN Expert Panel reports<sup>26</sup>, Global Witness documents<sup>27</sup> and media reports<sup>28</sup> have illustrated the strong ties between the timber and arms industries. Because this role has been largely disregarded, weapons continue to flow into Liberia unchecked and un-addressed by the international community. There are no restrictions on the timber or shipping industries, making vessel-based arms and ammunition smuggling the most obvious choice for the Liberian government. The logging industry is also involved in the delivery of weapons by air. An OTC airstrip, constructed in the forest between River Cess and Grand Bassa Counties, has been pinpointed as a location for the covert delivery and trafficking of weapons to Liberia's president, Charles Taylor<sup>29</sup>.

OTC leadership and OTC-chartered ships have been the chief importers of illegal arms for the Government of Liberia. At the beginning of this year, the MV Rubin and MV Dimitrios Nanios arrived at Buchanan Port on

## Who's Who in Liberia's Timber Industry

### Charles Taylor, Sr.

As President, and acting under the constitutionally dubious Strategic Commodities Act of 2000, Taylor has assumed sole control over the assignment and management of all natural resource concessions in Liberia. Specifically regarding timber, he manipulates concessions for personal and political gain, to earn the foreign currency necessary to fund extra-budgetary expenditures and keep himself in power. The OTC operations, by far the largest logging operation and most active arms importer in Liberia, is known as Taylor's special "pepperbush"<sup>a</sup>. (See *Old Friends: President Charles Taylor and OTC's Gus Kouwenhoven* page 17.)

### Gus Kouwenhoven

As manager of Oriental Timber Company (OTC) and Royal Timber Company (RTC) operations in Liberia, Kouwenhoven heads the largest timber operation in Liberia and facilitates arms imports for Taylor in contravention of UN Security Council resolutions. Kouwenhoven is on the UN's travel ban list due to his previous arms and diamond dealings for Taylor with the RUF<sup>b</sup>, and also sits on the Board of the Forestry Development Authority (FDA), the highest environmental decision-making body in Liberia. (See Annex 4.)

### Oscar and Maurice Cooper

The Cooper brothers are long-term associates of President Taylor, with Oscar having served as an artillery commander for Charles Taylor's old rebel group, the National Patriotic Front of Liberia. The Coopers own and operate the Inland Logging Company (ILC), based in Sinoe County, as well as the ILC's private militia<sup>c</sup>, known as one of the most brutal in Liberia. Maurice Cooper is currently on the UN's travel ban list<sup>d</sup>.

### Roland Duo

Chief of Security for the National Ports Authority and Chief of Security for the OTC.

### General Cocoa Dennis

Executive of the Salami Molawi Incorporated Logging Company (part of the Mohammed Group of Companies), he also heads a large militia that has incorporated several of the logging company militias<sup>e</sup>.

### Mohammed Salamé

Salamé heads the Mohammed Group of Companies (MGC), long associated with facilitating illegal arms transfers for President Charles Taylor, and for the gross human rights abuses committed by its militia. Salamé also owns Bureaux Ivorian Ngorian (BIN) and Salami Molawi Incorporated (SMI), and serves as Liberia's Ambassador-at-Large in Abidjan, Côte d'Ivoire<sup>f</sup>.

### Hussein, Nasser and Abbas Fawaz

The Fawaz brothers are closely associated with Charles Taylor, with Abbas Fawaz the declared president and chief shareholder of Maryland Wood Processing Industries (MWPI) and Harper Port<sup>g</sup>, which serves as an entry point and storage facility for illicit arms. Brother Hussein Fawaz is believed to be the operator of United Logging Company (ULC). Additionally, Abbas Fawaz is alleged to be part owner of Lorlah Shipping, the stevedoring service that provides support for shipments coming into and leaving Harper Port<sup>h</sup>: some of these shipments are alleged to have been illegal arms transfers.

### Charles "Chuckie" Taylor, Jr

Son of President Charles Taylor and Chairman of United Logging Company, owned by Hussein Fawaz. He also heads the Anti-Terrorist Unit (ATU), the parastatal pro-government force implicated in numerous grievous human rights abuses, including summary execution, rape, and torture<sup>i</sup>.

### Demetrius B. Taylor

Managing Director and Secretary of the Forestry Development Authority<sup>k</sup>, and brother of President Charles Taylor.

Citations for Who's Who:

<sup>a</sup> S/2001/1015

<sup>b</sup> See UN's "Revised List of Persons Subject to Travel Restrictions Pursuant to Resolution 1343 (2001) on Liberia", as updated 05 September 2002

<sup>c</sup> S/2001/1015

<sup>d</sup> See UN's "Revised List of Persons Subject to Travel Restrictions Pursuant to Resolution 1343 (2001) on Liberia", as updated 05 September 2002

<sup>e</sup> "Back to the Brink: War Crimes by Liberian Government and Rebels", Human Rights Watch, May 2002

<sup>f</sup> S/2001/1015

<sup>g</sup> See Abbas Fawaz letter to the UN Secretary-General, December 2001

<sup>h</sup> Global Witness investigations, 2002

<sup>i</sup> "Liberia", Amnesty International Report 2002, as found at [www.amnesty.org](http://www.amnesty.org)

<sup>j</sup> Human Rights Watch, 2002

<sup>k</sup> Forestry Development Authority Annual Report, 2001

15 and 28 January 2002, respectively, loaded with weapons destined for OTC militias and President Charles Taylor's forces<sup>30</sup>. Further sources allege that a minimum of two further arms shipments arrived at Buchanan in May 2002, forming part of a much more regular arms import schedule. According to an investigative report by the Washington Post, OTC-chartered ships delivered weapons to Taylor at Buchanan on 28 September, 28 October and 16 November 2001. The shipments contained 7,000 boxes of ammunition for AK-47 assault rifles, 5,000 rocket-propelled grenades, 300 howitzer shells and other equipment<sup>31</sup>. The names of many of the arms ships in question are not known. However, those vessels for which Global Witness does have information are listed on page 9. Please note that this list is far from exhaustive.

Logging companies also host training camps for their militias and for government forces. OTC is host to a government militia training camp just behind its offices in Buchanan, where OTC militia members and government soldiers are training a new elite force called the 'Bush Marines'<sup>32</sup>. Global Witness research has also indicated the high likelihood that arms, and possibly communications equipment, have been taken from Sierra Leone and are stored at logging concessions just across the border in Liberia for safekeeping on behalf of the government<sup>33</sup>.

### 4.2 Liberia's Comrades in Arms

Despite international restrictions on Liberian arms dealing, Liberia has still managed to find allies with which to engage in the illicit arms trade. Countries



implicated in the facilitation of weapons imports are Côte d'Ivoire, Niger and Burkina Faso (through false end-user certificates) and the smuggling of weapons through the Gambia and Chad<sup>34</sup>.

Those involved in the logging industry who have also been found to be involved in supplying weapons to Liberia include the reputed head of the Ukrainian mafia, Leonid Minin<sup>35</sup>, arrested in Italy in 2000, and arms-smuggler Sanjivan Ruprah<sup>36</sup>. The Panel of Experts on Liberia cited a transfer of US\$ 500,000 by OTC's parent company in Singapore, Borneo Jaya Pte Ltd. The transfer was made to San Air, an arms-trafficking company owned by Sanjivan Ruprah who was known as Liberia's Deputy Commissioner for Maritime Affairs. After Ruprah's arrest in February 2002, he was said to be providing information on notorious arms smuggler Victor Bout, whom Ruprah alleged was providing arms to the international terrorist network, Al Qaeda<sup>37</sup>. Moreover, in November 2001, an article was published highlighting possible links between President Charles Taylor's government and Al Qaeda<sup>38</sup>.

The information below is from Global Witness investigations and UNSC Expert Panel reports.

### **The Logging Industry's Active Involvement in War and Human Rights Abuses**

The illicit arms trade cannot be solved while ignoring the role of the timber industry, and the dire situation faced by Liberians cannot be solved without addressing the role played by logging company militias in perpetrating severe human rights abuses.

#### **4.3 Logging Company Militias**

While President Charles Taylor is still managing to import arms and ammunition<sup>39</sup>, he is also finding it difficult to pay some of his security forces<sup>40</sup>. Under-fed and under-paid, they have frequently been given free reign to loot as compensation for lack of pay. In his quest for recruits, Charles Taylor continues to employ ex-RUF forces into the Anti-Terrorist Unit (ATU) and private militias. Moreover, former RUF commanders continue to hold significant power over armed forces in Liberia.

Because of their close financial ties to the timber industry, logging company militias, which are largely self-contained, have played a significant role in policing Liberia and have become vital to the Liberian government's military strategy. The thin line that had existed between the government's security forces and the logging company militias is virtually non-existent at present.

#### **4.4 Human Rights Abuses Committed by the Logging Industry**

##### **Arbitrary arrest, detention without charge**

Over the past two years there have been several cases of people being held without charge in prisons and/or barracks operated by logging companies, mainly OTC and ILC<sup>41, 42</sup>.

##### **Torture, public humiliation**

Logging companies have been cited as having carried out public floggings and beatings and other forms of humiliation and torture, as means of retribution and intimidation<sup>43</sup>.

##### **Sexual exploitation**

In areas close to OTC bush camps where brothels have been established, prostitutes mix with local girls as young as 12 and encourage them to leave their homes and schooling and enter into prostitution. Some are then traded off to OTC expatriate employees, with

### *Suspected Arms Ships, 2002*

Date	Name of Ship	Flag	Connection Point in Liberia
9 January 2002	Panormos Pride	Bahamas	OTC, Buchanan Port
15 January 2002	MV Rubin	Cyprus	OTC, Buchanan Port
16 January 2002	Sea Liberty	Malta	OTC, Buchanan Port
28 January 2002	MV Dimitrios Nanios	Cyprus	OTC, Buchanan Port
8 May 2002	Arktis Fighter	Bahamas	MWPI, Harper Port

Source: Global Witness research and investigations



**Abou I, suspected arms ship mentioned in Taylor-made. Taken at Harper Port, July 2002.**

many only returning home when pregnant. Still more girls end up contracting sexually transmitted diseases including gonorrhea and syphilis<sup>44</sup>.

The ILC has been reported as using rape as a tool to intimidate those who criticize the logging companies, including the rape of schoolgirls by an officer of ILC's private militia. At least one of his victims will never be able to have children due to the severity of her injuries sustained during the rape<sup>45</sup>.

##### **Exposure to disease**

Creeks and streams that local communities depend on for clean drinking water, bathing and washing are being used by logging company employees as latrines<sup>46</sup> leading to a marked increase in disease, including cholera, amongst local people. This is because logging companies fail to set up proper sanitation facilities in their bush camps. The spread of disease is exacerbated at OTC bush camps by the exclusion of workers' families, leading to the creation of makeshift camps, also without sanitation, set up around the periphery of the worker camps. The ability of local people to treat themselves with traditional medicinal plants has also been compromised by the loss of the forests<sup>47</sup>.

##### **Hazardous work environment**

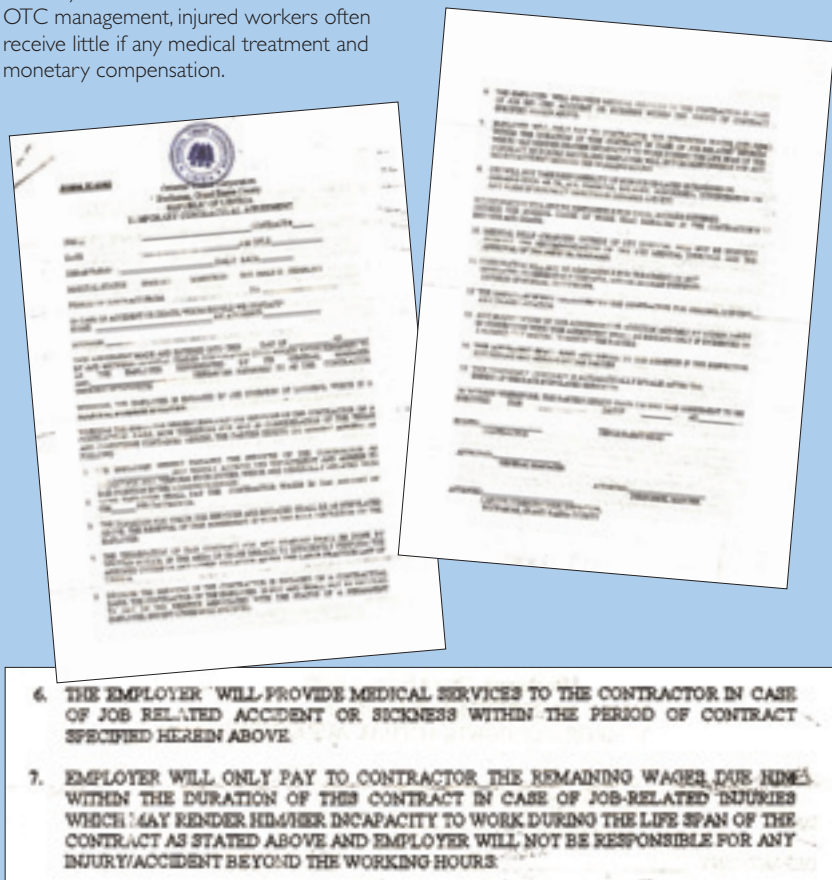
Global Witness has received reports of Liberian workers without adequate training being given high-



**MWPI Head Office and alleged arms storage. August 2002.**

## OTC Temporary Contractual Agreement

This is a copy of an official OTC temporary worker's contract, as obtained by Global Witness. Of greatest concern are clauses 6 and 7, relating to worker medical care and compensation. Together they indicate that, if an employee is injured on the job, even during the course of his/her normal duties, no medical support or monetary compensation will be paid beyond the duration of his/her contract. As contracts are often short-term, not renewed in writing and only maintained at the discretion of OTC management, injured workers often receive little if any medical treatment and monetary compensation.



complained that the OTC had “destroyed their farms, cemetery graves, legacies and their traditional settings without compensation nor redress”<sup>54</sup>.

### Labour restrictions

OTC and ILC are known to use forced labour, by preventing local people from farming their own land while logging company employees and their families are allowed to do so. Thus it is only possible to work the land if you also work for the logging companies. For one man, challenging this resulted in his village being burnt to the ground by a militia<sup>55</sup>.

### Intimidation

BIN is reported to have intimidated locals objecting to their planned location of a sawmill, using their connections to obtain a Presidential decree to force their plan through. On another occasion, workers striking for equal pay with their Ivorian counterparts were threatened by military personnel that the company flew in to the area – no strikes have taken place since. In Maryland County, it is reported that most senior local government

risk jobs. There have been numerous accounts of accidents including amputation and decapitation that could have been avoided with the provision of basic training<sup>48</sup>.

### Illegal dismissals

Residents of Grand Bassa County have complained of illegal dismissal ‘in violation of the Labour Laws and Practices’. They also stated that OTC ‘does not give benefits to the Liberian workers most especially in the case of injury or death’<sup>49</sup>.

In May 2002, nine OTC workers from Grand Bassa County filed a lawsuit alleging ‘illegal dismissal’, as managers orally terminated their contracts for refusing to eat ‘over-stayed food’<sup>50</sup>.

### Separation of families

Families of OTC employees are not permitted in the camps where the workers stay. Because the salaries are too low to provide or maintain adequate living conditions for their families in their place of origin, families are often relocated to improvised and temporary camps<sup>51</sup>. Employees are granted only three days per month to visit their families<sup>52</sup>, typically using up two of those days to travel back and forth. Those who overstay are dismissed without warning<sup>53</sup>.

### Destruction of private property

In late April 2002, residents of Grand Bassa County

officials are in the pay of the MWPI, resulting in a lack of impartiality over disputes between locals and the logging company. Even in cases where local government officials support local people, OTC’s response to complaints is that they should be submitted to the President<sup>56</sup>.

## 4.5 The Price of Avoiding Timber Sanctions

In October 2001, the UN Secretary-General and OCHA were tasked with researching and presenting the possible humanitarian consequences of sanctions on Liberia. Unfortunately, the result, *Report of the Secretary-General in pursuance of paragraph 13(a) of resolution 1343 (2001) concerning Liberia*, is not only filled with very serious empirical and analytical errors, but in its flawed state has been abused by many as a UN-endorsed excuse for not imposing sanctions on Liberian timber.

Global Witness presented the following statistical corrections to the Security Council in November 2001 and has widely distributed the information publicly since. However, because the contents of that report are still used as an argument against imposing timber sanctions, it is important to note again the discrepancies between the UN Secretary-General/OCHA report and the more accurate statistical information revealed by Global Witness investigations. Please note that the information below was correct as of November

2001, although new clarifications have been made where necessary.

The problems with the Secretary-General/OCHA report are many. The report never once mentions prior UN Expert Panel and Security Council documents describing how the Liberian timber industry and its leadership were intimately involved in sanctions-busting in Sierra Leone, nor does the report mention the human rights abuses committed by the logging companies, especially OTC. The report instead reads as a public relations piece for the most flagrant resolution violator of all, OTC, putting forth inaccurate data as described below. One individual who worked on the report stated, under condition of anonymity, that timber industry numbers in the report overstated industry employment by 50% and exaggerated industry benefits to the general Liberian population. The UN has yet to take any actions to ensure that an accurate and independently verifiable study is produced.

Section 3, paragraph 16, states that “Twenty-six timber companies now employ an estimated 10,000 people”.

- At the time that the Secretary-General/OCHA report was released, based on information coming from people working within the timber companies, the timber industry employed 6,150 people of whom 1,197 were expatriates, leaving 4,953 Liberians. This figure has dramatically decreased. The timber industry, as of May 2002, employed 3,726 Liberians. This number is made up of mainly unmarried ex-combatants who have little job security and are routinely dismissed during the rainy season with no guarantee of future employment.

In Section 3, paragraph 16, it is written that “Liberia’s timber exports earned about US\$ 50 million during 2000”.

- Global Witness figures show that the industry was worth a total of US\$ 186 million in 2000, of which only an estimated US\$ 6.6 million went to the national budget<sup>37</sup>.

In Section 3, paragraph 16, it is written that “The Oriental Timber Company (OTC), has invested US\$ 100 million in its activities in Liberia since 1999”.

- This is the company’s stated investment for 1999. Their partly constructed plywood mill, which was due to be operational in 2000, still had no equipment in it as of August of 2001. The mill has since come online in January 2002, but only at 30% capacity. There is no evidence that OTC has invested US\$ 100 million.

Section 3, paragraph 16, states that “OTC currently employs 2,500 Liberians”.

- At the time of the Secretary-General/OCHA report’s release, OTC personnel department figures showed that it employed 1,733 Liberians. 75% are laid off from late June to late September with no salaries or benefits paid or guarantee of employment. A shocking 95% of those who work for OTC do not have contracts.

Section A, paragraph 35, states that “The timber industry provides an estimated US\$ 10 million in salaries annually”.

- Most of the workers are not paid for four months of the year. Given that the industry provides 6,150 jobs in Liberia, at an approximate salary US\$ 100 per month, this gives approximately US\$ 5 million per year.

In Section A, paragraph 36, it is written that “According to the 2000 Economic Review of the United Nations Development Programme, the Liberian timber industry overall provided US\$ 7.7

million in fees, taxes and royalties to the Government of Liberia during 2000”.

- Only US\$ 6.6 million was declared by the Ministry of Finance for 2000<sup>38</sup>.

Section A, paragraph 37, declares that “The Liberian government announced in August 2001 that US\$ 7.5 million in government timber revenues would be designated for rural development in local counties”.

- This was in response to local protest. There is no sign of such money having yet been spent.

Section A, paragraph 39, states that “Timber companies provide health and education services to their employees, their families and the local communities in which they operate.”

- The OTC hospital is more expensive than the government hospital and in addition has attracted most of the staff from the local public hospital, therefore effectively reducing affordable medical services to the local population.

In Section A, paragraph 40, it is written that “Timber firms also construct and maintain most roads in remote areas of Liberia”.

- These are the same roads that the UN Expert Panel on Sierra Leone highlighted as being used for arms supply to the RUF.
- Villagers are constantly complaining about the effects of logging roads – roads are sometimes built straight through villages and also through their crops.
- Global Witness also has several reports from villagers where logging companies have not fulfilled promises made, and left barren land behind when potential roads were abandoned.

## 5 Taking Responsibility: Importers and Exporters

It is with the direct knowledge and intimate involvement of many Liberian timber companies that human rights abuses and illegal arms imports are carried out in Liberia. Importing companies in Europe, Asia and elsewhere that maintain and create the demand for conflict timber are also morally implicated, as they turn a blind eye to evidence and continue importing conflict timber from Liberia. Moreover, it is the governments of importing countries, specifically France and China, who allow the importation of conflict timber to continue unabated. This section details some of the most important Liberian timber companies and foreign importers, shedding some light on what have been deliberate attempts to obscure the company identities and origins of their timber. It documents the companies involved, their ownership structures, illicit activities, and the role that certain foreign governments play in keeping them actively engaged in the conflict.

### 5.1 The Importers of Liberia’s Logs of War

It is currently impossible for Liberian timber importers to claim that timber purchased from Liberia is conflict-free. All timber coming from Liberia is currently conflict timber. Tellingly, ever since the destructive effects of Liberia’s logging industry hit the international media, importing companies have gone



to great lengths to obscure the origin of timber imported from Liberia. (See Logging Companies Operating in Liberia, below.) Still, as long as importing countries continue to procure Liberian timber, they must also bear partial responsibility for the negative effects caused by the Liberian timber industry.

#### **DLH-Nordisk, Denmark**

Danish-owned DLH-Nordisk is the hardwoods division of DLH, one of the world's largest international timber traders, with major markets in United States and France, with Europe as a whole making up two-thirds of DLH sales. DLH-Nordisk is a major buyer of logs from OTC/RTC, often under OTC's alternative export name Evergreen Trading Company. DLH is also known to have bought from other Liberian logging companies, including Forestry and Agricultural Products Corporation (FAPCO), Xoanon and Liberian Wood Management Corporation (LWMC).

DLH has stated many times its intent to import only from responsible and sustainable timber providers<sup>84</sup>, but despite the information they have received on the human rights abuses and unsustainable logging practices of Liberian timber industry from groups such as Greenpeace and Global Witness, DLH-Nordisk has continued to purchase conflict or otherwise unsustainable timber from Liberia and elsewhere, specifically Cameroon, where one of its suppliers, Hazim, has been levied a US\$ 21 million fine by the Cameroonian Ministry of Forest and Environment for illegal logging<sup>85</sup>. Most disturbing is that DLH is now comfortable with OTC's business practices and sees no reason not to import their product<sup>86</sup>. This is incongruous with the most recent UN and other independent reports that outline categorically that the resources acquired from logging operations are used to aid illegal arms trafficking to the region.

While Global Witness is heartened to hear that DLH has officially ceased imports from ILC and MGC due to their violation of the UN arms embargo on Liberia, as mentioned above further clarification is needed as to the provenance of DLH logs stamped with "MCG/2", as seen in a log yard in Nantes, France on 18 February 2002<sup>87</sup>. (See Logging Company Attempts to Obscure Origin of Conflict Timber page 16.). In light of this lack of clarification, and DLH's refusal to recognise OTC's continued illegal and unethical business practices, it is with great scepticism that Global Witness approaches DLH's newly launched 'good supplier project'<sup>88</sup>.

#### **Wijma, Netherlands**

Wijma is a large tropical hardwood importer and a prominent member of the Interafrican Forest Industries Association (IFIA) and European Federation of Tropical Timber Importers (UCBD). In Autumn 2001 Wijma representatives denied importing OTC timber at all, but after Greenpeace pressure reluctantly admitted that they were indeed buying from OTC<sup>89</sup>. RTC timber was also seen at Wijma's Kampen logyard in Autumn 2001<sup>90</sup>. While the Managing Director of its British Operations claims that, owing to UNSC information in Autumn 2001, Wijma has 'modified' its buying policies<sup>91</sup>, investigations by Greenpeace in April 2002 uncovered further evidence that Wijma was still importing conflict timber from Liberia, this time from the ILC<sup>92</sup>.

The aforementioned countries and companies, by continuing to condone importation of conflict timber from Liberia, are helping perpetuate the conflict in Liberia and destabilisation of the entire West Africa

## *France*

### **Liberian Exports to France May Be Understated<sup>i</sup>**

France has a long history of political and economic involvement in Western Africa and has been involved with the Liberian timber trade, importing conflict timber as far back as 1991 when the NPLF was in the process of occupying nearly all of the country. That year, France imported approximately US\$ 19 million of Liberian timber<sup>59</sup>. Given France's developed tropical hardwood manufacturing industry, it imports significant amounts of timber, with Liberia currently ranking as France's secondary source of tropical logs, after Gabon<sup>60</sup>.

According to official Liberian Forestry Development Authority (FDA) statistics from 2001, France imported 98,700m<sup>3</sup> of Liberian logs for the whole of 2001, with an FOB value of US\$ 13.2 million<sup>61</sup> (13% of total Liberia's log exports by volume). This FDA 2001 figure contrasts with the 125,000m<sup>3</sup> of logs that the World Trade Atlas states France imported in 2001; a discrepancy already of 26,300m<sup>3</sup>. Accordingly, the World Atlas states a for a much higher overall CIF value of US\$ 26 million on France's total 2001 imports; again, significantly different from the Liberian government's FOB value of \$13.2 million. The difference between FOB<sup>ii</sup> and CIF<sup>iii</sup> unit prices which these figures show is rather larger than what one might expect, and therefore may be indicative of "transfer pricing", a procedure whereby importing companies hide profits by understating volume and value at Liberian ports, and then claim much larger amounts upon import. For business taxes and other purposes, this makes the company appear to have paid much more for the timber than they actually did, thereby reducing any taxes it may face on corporate profit in France. This procedure would also allow timber exporters in Liberia to obscure the amount of money received by importers, as official export numbers are understated.

### **French Actions do not live up to Promises**

In an attempt to present a façade of concern in regards to African timber, President Chirac, during the April 2002 Conference on the Convention on Biological Diversity, held in The Hague, Netherlands, stated that France would take a leading role in preventing the destruction of ancient forests<sup>64</sup>. While an admirable principle, the slogans have not been translated into action. Far from ending outright the importation of conflict timber from Liberia, since Chirac's statement at The Hague, France continues to fuel the conflict in Liberia and the Mano River region through its purchase of Liberian logs.

France's ties to the Liberian timber industry, and conflict timber in general, also reach the upper echelons of French business and politics. François Pinault, the French billionaire and owner of luxury brands LVMH and auction house Christie's<sup>65, 66</sup>, started his empire with a timber company inherited from his father<sup>67</sup>. Pinault has grown the family timber company into the large timber import and transport company, Pinault Bois et Matériaux<sup>68</sup>, which is historically a large importer of Liberian conflict timber. Pinault's depot in Nantes contained logs from RTC and ILC when Global Witness investigated in March and April 2001<sup>69</sup>; this despite assertions from a lead buyer that it had never heard of RTC<sup>70</sup>.

Pinault is also a close ally of the French government, and a personal friend of French President Jacques Chirac, the two having called upon the other's money or influence for assistance in the past. Pinault received significant backing by various administrations through the state-owned bank Credit Lyonnais in the late 1980s and early 1990s<sup>71</sup>, and was awarded particular assistance from the Prime Minister Chirac when, in the mid 1980s, Pinault bought a state-owned lumber business for FFr1<sup>72</sup>. In an agreement based on political influence as opposed to money, President Chirac called upon Pinault in 1997 to buy and "shelter" Le Point, a centre-right news publication that was at risk of takeover by the political left<sup>73</sup>.

## China

China is by far the largest importer of Liberian timber, followed by France. Chinese interests in Liberian timber are multi-faceted. Since 1998, the Chinese government has sought to implement bans on logging in natural forests in 18 provinces<sup>74</sup>, forcing the nation to look elsewhere to feed its appetite for wood products and to supply its rapidly expanding export-oriented timber processing industry. Liberia is an attractive source for imported timber, as prices for round logs are cheaper than in other countries due to the fact that Liberian timber companies spend very little on payroll, health care, and living conditions for their workers, and their unselective felling practices mean less time and money is spent on environmental controls.

China is also linked to Liberia through the infamous Ukrainian mafia member and arms dealer, Leonid Minin. Minin was arrested in Italy in June 2000 on charges of cocaine possession, but further investigation into the documents found in his possession led him to be charged, in June 2001, with illegal arms trafficking. Minin ran the Liberia-based Exotic Tropical Timber Enterprise (ETTE). ETTE was mentioned, along with OTC and Forum Liberia, in the 2000 UNSC Expert Panel on Sierra Leone as funnelling large amounts of 'unrecorded extra-budgetary income' to President Taylor<sup>75</sup>. Minin also ran a Swiss-based company, Limad AG, which brokered a US\$ 2,500,000 (15,000m<sup>3</sup>) timber deal between the LLC, owned by Maurice and Oscar Cooper, and the Chinese state firm China National Aero-Technology Import and Export Corporation (CATIC)<sup>76</sup>, which deals in various types of armaments from aviation engines to infrared-guided missiles<sup>77</sup>. The reason for a Chinese national aerospace corporation importing timber is unclear, but it is known that Limad was also involved with a different state-run company, China Aerospace Science and Technology Corporation (CASC), regarding the sale of Russian intercontinental ballistic missiles to China<sup>78</sup>.

The special administrative region of Hong Kong is also closely linked to Liberia, as Global Star (Asia) Trading Limited, the sole importer of Liberian timber to the Asian market, is registered there. Global Star (Asia) Trading Limited is not only the sole importer, but it and its fellow Global Star (Asia) subsidiaries also operate many of the ships that transport the



OTC logs in Shanghai Port. September 2001. Greenpeace.

timber to the Chinese ports of Chiwan and Penglai, including those ships implicated in illegal arms imports<sup>79</sup>.

Hong Kong is suspected of serving as an arms transshipment point to Liberia and elsewhere, as its status as a free port allows shippers to obscure the origins of their exports. The Hong Kong port has been the site of numerous illegal arms shipments since 1996, including howitzer and field gun components, missile components, armoured vehicles and machine guns<sup>80</sup>. Companies export their products with Hong Kong listed as the final destination, only to re-export them immediately upon arrival in Hong Kong, thus avoiding direct shipment to questionable regimes or war-torn countries. This ability to disguise the contents and origins of shipments is enhanced by the use of shipping management companies, who act as middlemen between shippers and consignees and whose team operations are not under the supervision of local government. Global Star (Asia) Trading Limited has sister companies, Global Star (Asia) Shipping Limited, Global Star (Asia) Ship Management Limited and Global Star (Asia) Logistics Management Limited, which perform such functions<sup>81</sup>.

Whatever its economic or political motivations, China is a massive importer of Liberian hardwoods. According to Liberian FDA official statistics, in 2000 Liberia exported to China imported 303,000m<sup>3</sup> of round logs, with an FOB value of US\$ 28 million; a total of 48% of log exports. Corresponding FDA figures for 2001 were 452,000m<sup>3</sup> with an FOB value of US\$ 42 million<sup>82</sup>. That is 58% of Liberia's total exports, and an almost 50% increase over 2000 total imports. During the first seven months of 2002, according to the World Trade Atlas, China imported 482,000m<sup>3</sup>, an increase of more than 80% when compared to the same period in 2001<sup>83</sup>.

<sup>74</sup>Please note that statistical figures have been rounded for reading clarity

<sup>75</sup>Freight On Board (FOB) values do not include shipping and insurance costs.

<sup>76</sup>Cost + Insurance + Freight (CIF) values include the total costs of buying the timber, including insurance and shipping costs.

region. Putting aside economic interests, to allow free and unbiased debate on the subject of timber sanctions and the industry as a whole, would be a marked step forward in helping resolve the current crisis.

### 5.2 Logging Companies Operating in Liberia

#### **Oriental Timber Company (OTC)**

*Grand Bassa, Grand Gedeh, Sinoe and Rivercess Counties*

The Oriental Timber Company (OTC) is the largest and most infamous of the logging companies operating in Liberia. Run by Dutch national Gus Kouwenhoven, a close associate of President Taylor, OTC has, over time, established itself as the principal logging company in Liberia.

In Liberia, OTC acts with complete impunity. In all

counties where OTC operates, charges of dangerous working conditions, unfair dismissals, exposure to disease, pollution of local drinking water by using creeks and rivers as worker latrines, wasting logs to build temporary bridges, and failure to follow through on promises to provide schools, clinics and other infrastructure for local people are common. The company, its loggers and its militia members have also been accused of more serious abuses including assault, unlawful arrest and detention without charge, sexual violence, looting, destruction of private property and forced displacement of entire villages (see Human Rights Abuses Committed by the Logging Industry, page 9). When victims wanting redress approach OTC staff, they are told to take their complaints to the President of Liberia.

Contrary to information stated in the UN/OCHA

## The Special Relationship between OTC & Global Star

As mentioned earlier in this section, OTC has tried numerous identity shifts to conceal the true origins of its timber to foreign buyers. Its relationship with Global Star (Asia) Trading Limited, the sole importer of OTC/RTC timber into the Asian market and owner of many of the logging transport ships, is an interesting case study in attempts to blur the lines of ownership and control through name changes and cross board employment.

Global Star (Asia) Trading Limited is registered in Hong Kong, with the director listed as Ho Kui Hing. Following recent negative publicity regarding its role in importing OTC timber, Global Star was apparently taken over by two companies registered in the British Virgin Islands. While an attempt was made to disguise the identity and control of the new company, the result was that the core members of Global Star continued their business under the new name of Sky Success Shipping Limited. However, OTC/RTC shipments still list Global Star (Asia) Trading Ltd as the buyer.

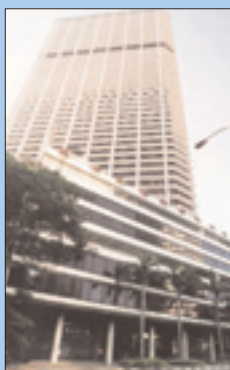
Interestingly, Mr. Ho, besides acting as Director of Global Star, is the representative of a company called Extra Mile Investments Limited, which is also registered in the British Virgin Islands. Extra Miles is the single shareholder of Singapore-registered Natura Holdings PTE Ltd, which is the company to which customers of OTC are asked to pay their invoices. Therefore, Mr. Ho is both director of the sole Asian importer of OTC timber, as well as the representative of OTC itself in Singapore.

Sources:

Kwok-fung Tsang and Ryan Law, "Discovering the Hong Kong Ammunition Smuggler", *The Eastweek* (Hong Kong), Issue #304 *Taylor-made: The Pivotal Role of Liberia's Forests and Flag of Convenience in Regional Conflict*, Global Witness, September 2001



**Ho Kui Hing, Director of Global Star (Asia) Shipping Ltd. July 2002. *The Eastweek*.**



**Offices of Sky Success Shipping Ltd., Singapore. July 2002. *The Eastweek*.**



**Offices of Sky Success Shipping Ltd., Singapore. July 2002. *The Eastweek*.**

## Logs of War in Britain

In an embarrassing turn for the British Government, which has officially taken the lead amongst G8 nations in the campaign against conflict resources, part of a £30 million grant from the National Lottery to revitalise and restore the historic Avon Canal has been used to purchase conflict timber from West Africa, possibly including hardwood from the Oriental Timber Company.

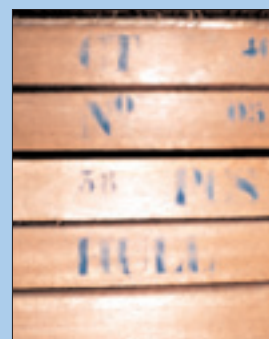
British Waterways, the government agency in question, granted a supply contract to Wijma, the large Dutch importer that has imported from OTC/RTC in the past, and, according to Greenpeace investigations, during the time in which Wijma was constructing lock gates for the Avon Canal. When questioned as to whether or not Wijma had used OTC timber on the Avon canal locks, Brian Passmore, managing director of Wijma's British operations, at first said the company was unable to confirm the origins of the tropical azobe wood used and admitted that it was indeed possible the wood for the gates had come from Liberia.

Later, the company stated that after internal investigations it was determined no Liberian timber had been used on the British Waterways project, but at the same time failing to deny that Wijma does not import OTC conflict timber. British Waterways has since removed Wijma from its approved supplier list.

Logs from another Liberian conflict timber producer, MWPI, have also been found in the UK, in the logyard of Glenmere Timber. Despite the linkages between MWPI and illegal arms shipments as explained in UN Expert Panel reports and Global Witness publications, Glenmere issued a written statement supporting MWPI's business practices.

Sources:

'Bloody logs of war linked to English idyll', *The Observer*, 14 April 2002.  
'UK plays key role in illegal logging', *The Guardian*, 19 April 2002.  
Greenpeace, 2002  
Andrew Brackenbury, "Liberian logs fuel war", *Geographical*, August 2002



**Bundles of Sipo sawn timber at Harper Port packed for Hull, UK. August 2002.**

report on the effects of timber sanctions, the industry as a whole – and OTC especially – neither employs the number of Liberians its public relations would suggest, nor does it treat them with the basic standards expected. (See *The Price of Avoiding Timber Sanctions*, page 10.)

The poor state of employer/employee relations came to a head on 10 June 2002, when eight workers at OTC 'Kilometer 85' camp in Rivercess County held OTC's legal and labour consultants hostage at the local labour office for one hour in a dispute over alleged illegal dismissals. The workers had earlier complained to the local labour commissioner about the unfair dismissals, but their demands had yet to meet any redress. Upon being taken hostage, the two OTC workers agreed to settle the workers' demands<sup>94</sup>. Similar riots or attempted strike action by workers can be seen in numerous other logging companies.

### **Royal Timber Company (RTC)**

*Grand Cape Mount, Grand Gedde and Lofa Counties*

Also managed by Kouwenhoven, RTC is a sister company to OTC and Natura. In addition to OTC's alleged new concessions near, or possibly within, the Sapo National Park boundaries, RTC has reportedly received a new concession in Grand Gedde County<sup>95</sup>.



## Major Importing Companies and Their Suppliers

Note: Chart includes shipments from suppliers during 2001 and 2002. It is not suggested that all buyers listed are aware that their suppliers may have been implicated in human rights abuses or illegal arms shipments. Many of these companies have stopped purchasing conflict timber.

Country	Buyer	Supplier	Log Supplier Arms Links?
Belgium	Decolvenaere NV	MGC (via Gerard Decoux, GD)	Y
Denmark	DLH-Nordisk Skagensgade 66 DK-2630 Tastrup	OTC RTC Xoanon FAPCO LWMC ILC (has officially halted imports) MGC (has officially halted imports)	Y
France	Francois Jammes (FJ)	MWPI	Y
	Gerard Decoux (GD)	MGC	Y
	Interwood	FHC	
	Pinault Aquitaine Import 350 Boulevard Alfred Daney BP 220 Bordeaux	RTC ILC	Y
	Societe Calvet et Fils 3 Rue Louis Juttet 69410 Champagne au Mont d'Or	OTC	Y
	Timber Overseas Provider 3 Rue Louis Juttet 69410 Champagne au Mont d'Or	OTC	Y
Germany	Buerich, Willi Otto (WOB)	ILFC OTC	Y
	Danzer-Group Danzer Furnierwerke GmbH Storlachstrasse 1 D-72760 Reutlingen	ILC Through its subsidiary IHC-Interholco	
	HBT	OTC Natura ULC	Y
	Feldmeyer GmbH & Co KG Rotenburger Str 14 27386 Hemsbünde	RTC ILFC Bought via Feldmeyer's subsidiary Swiss group "tt"	Y
	Offerman Preussisch Oldembors (one of the largest sawmills in Germany. Estimated 10% of logs are Liberian)	MGC OTC RTC Natura LWMC3/TUTEX ILFC	Y

### Bureaux Ivorian Ngorian (BIN) Liberia, Incorporated Grand Gedeh County

BIN is headed by Mohammed Salamé, a known arms importer and subject of the UN travel ban who has served as the Liberian Ambassador-at-Large based in Côte d'Ivoire. Mohammed Salamé also owns Salami Molawi Incorporated and the Mohammed Group of Companies (MGC). BIN operates officially within Liberia, although its processing factory is located in Côte d'Ivoire and authorities on both sides cooperate with this arrangement. There is no general access to the area as it is a high security post. BIN is registered as a Liberian company, despite 95% of its employees being Ivorian, and those Liberians it does employ are paid at lower wage rates than their Ivorian counterparts. In early 2002, a

Country	Buyer	Supplier	Log Supplier Arms Links?
Germany	Theodor Nagel GmbH & Co. Billstrasse 118 2000 Hamburg 26 (International hard wood supplier to the musical instrument industry)	OTC	Y
	Treeemex	OTC	Y
Greece	Shelman Swiss-Hellenic Wood Products Manufacturers SA 10671 Athens	MGC ULC OTC	Y
Hong Kong	Global Star (Asia) Trading Limited	OTC Natura	Y
Italy	Andrighetti Legnami SPA (AL) Sant'Angelo di Piove di Sacco 35020 – Z Ind Zona Industriale 5	OTC	Y
	Cora (major wood importer)	MWPI (though agreed to stop as of 16/07/02) TTC	Y
	Diamante	OTC	Y
	Gestarma SRL Via Dante 2/150 Genoa	OTC	Y
	Tecnoalp Railway sleeper-maker with ties to FFSS (a 'private' railway that uses public capital).	OTC	Y
	TTS	OTC	Y
Liberia	Monrovia Bulk Trading Import/ Export Incorporate (MBT)	OTC RTC Buys from OTC and RTC and acts as re-export agency, to cover origin of wood product.	Y
Liechtenstein	Holz Product Co. AG Postfach 229 9490 Mauren	OTC	Y
Netherlands	Wijma	OTC RTC ILC	Y
Spain	Agenfor	MGC MWPI BIN	Y
Switzerland	Interholco AG Schutzengelstr. 36, Postfach 24 61 CH-6342 Baar/Schweiz (a subsidiary of Danzer-Group)	ILC	Y
United Kingdom	NHG Timber 4 Eagle House Cranleigh Close Sanderstead Croydon Surrey CR2 9LH	MWPI	Y
	Glenmere Timber Co. Ltd Hoptons Sawmills Gores Lane Market Harborough Leicestershire LE 16 8AJ	MWPI	Y

## Logging Company Attempts to Obscure Origin of Conflict Timber

Identifying ownership of timber companies and tracking their exports and revenues is not a straightforward endeavour. Companies underreport exports to the government and, specifically in the case of OTC, create affiliated companies to obscure the true identity of the logs being exported abroad. Moreover, in an additional effort to disguise the source of conflict timber, some Liberian logging companies have begun using a secret code of coloured dots and shapes to mark shipments to buyers, rather than paint on the easily identifiable company initials or logos that are customarily used.

OTC, given its notorious reputation for human rights abuses and arms importation, has created sister companies RTC and Natura under which it also exports. When OTC exports to European buyers, who face mounting pressure by environmental and human rights groups not to buy OTC logs, it refers to itself on export documentation as Evergreen Trading Corporation, a thinly veiled attempt to disguise the origins of conflict timber. When exporting to China, where its buyer Global Star (Asia) Trading Limited faces no such environmental lobby pressure, OTC does not bother to employ the Evergreen alias. It is also rumoured that OTC has created an additional pseudonym, the Sovereign Timber Company (STC), under which it may attempt to conceal its exports.

MGC may also be attempting a similar move to obscure the origins of its timber for European importers. In February, the environmental group Robin des Bois found logs stamped with both DLH and "MGC/2" at a log yard in Nantes, France. When Robin des Bois raised the issue, DLH responded, stating that the logs were from an old MGC concession that had been taken over by a new Ivorian company, WAS, and were not, in fact, bought from MGC. To Global Witness' knowledge, DLH has yet to respond to Robin des Bois' requests for further information on WAS shareholders and potential business links with MGC<sup>93</sup>.



"MGC/2" logs, as seen in Sete, France on 18 February 2002. Greenpeace.

strike was being organised by the company's Liberian workers to rally for equal pay, but the government was made aware of the impending action and the ATU was flown in to break up any possible strike.

### **Inland Logging Company (ILC)**

#### *Sinoe County*

The ILC is owned by Maurice and Oscar Cooper, both long-term associates of Charles Taylor, and based in Sinoe County. Oscar Cooper is a former artillery commander of Charles Taylor's NPFL, and has built up ILC's private militia into one of the most brutal. Maurice Cooper is currently on the UNSC travel ban list<sup>96</sup>. ILC also operates Greenville port.

### **Maryland Wood Processing Industries (MWPI)**

#### *Grand Gedeh and River Gee Counties*

MWPI is owned by Fawaz family members, who are closely aligned with President Charles Taylor. MWPI also operates Harper Port, through which illegal weapons enter Liberia on logging ships. It is also alleged that MWPI maintains an arms storage facility in the basement below their company offices. Brother Abbas Fawaz is president and chief shareholder of MWPI, and is

rumoured to be part owner of the shipping and stevedoring company, Loralah, which does much work with shipments coming into and leaving Harper Port, including shipments alleged to contain arms<sup>97</sup>. MWPI also employs a large number of Ivorians.



MWPI Head Office and alleged arms storage. August 2002.

### **United Logging Company (ULC)**

#### *Lofa, Maryland and River Gee Counties*

ULC is owned by Fawaz family members, who also own and operate MWPI<sup>98</sup>. President Taylor's son, Charles "Chuckie" Taylor Jr. serves as Chairman, in addition to his duties as head of the ruthless ATU military force. While government documents list ULC as operating only in Lofa County, the company has in fact pulled out of Lofa due to the increased fighting and is currently operating in both Maryland and River Gee counties. In 2001, MWPI and ULC combined exported 13% of Liberia's timber<sup>99</sup>.

### **Sing-Monrovia/Phoenix Logging Company**

On 12 June 2002, 55 workers took the company personnel manager, his secretary, and legal counsel hostage in a dispute over alleged salary arrears. Workers reportedly blocked the front entrance of the labour office and took control of a company vehicle. The police were called in and the hostages released, and two workers were arrested for interrogation but later released after the local Catholic Justice and Peace Commissioner and other officials became involved.

At issue was that workers complained that, after their January-March 2002 contract expired and were paid off, management arranged a further contract from 05 April to 05 July 2002, without written documentation, and then dismissed them in June without any payment for work completed in April and May. The management reportedly confirmed the workers' claims and agreed to pay 50% of the April and May arrears by 30 June 2002, with additional lunch benefits to be paid on 18 June 2002. The company also reportedly promised to rehire the 55 workers as soon as operations recommenced<sup>100</sup>.

## Old Friends: President Charles Taylor and OTC's Gus Kouwenhoven

Gus Kouwenhoven's logging history in Liberia stretches back to the Liberian civil war during which he ran his TIMCO logging company behind the lines of Charles Taylor's National Patriotic Front of Liberia (NPFL) forces<sup>1b,c</sup>. Even then, Kouwenhoven aided Taylor in securing military hardware and, upon entering office, Charles Taylor made sure that special deference was shown to Kouwenhoven and his business interests. OTC was founded originally as the Liberian Forest Development Company (LFDC) on 28 July 1999. The soon-to-be OTC began its operations having signed the largest concession agreement in Liberian history, totalling 1.24 million hectares<sup>d</sup>. Though the deal was technically unconstitutional, as all such concessions should have been ratified by the Liberian Congress, operations commenced without government interference. This technicality of Congressional approval was later overcome by the equally constitutionally-dubious passage of the Strategic Commodities Act in 2000, which gave Taylor sole control over the dissemination and maintenance of concessions agreements across all natural resources<sup>e</sup>.

The original OTC concession was expanded, following complaints by Kouwenhoven that the concession did not hold sufficient high grade timber; and further sections of the Grand Gedeh forest were seized to bring its total



**OTC's Gus Kouwenhoven.  
Buchanan 1999.**

concession to approximately 1.6 million hectares, or 42% of Liberia's total concessionable forest<sup>f</sup>. Despite denials, Kouwenhoven is believed to have paid President Taylor personally upwards of US\$ 3-5 million for OTC's massive concessions. One reliable source stated that between August and October 1999, the Ministry of Finance received a letter from Charles Taylor ordering them to sign a paper confirming receipt of US\$ 3 million from OTC, even though the Ministry had not itself received any of the funds; the money was presumed to have gone directly to Taylor and the Executive Mansion<sup>g</sup>.

Sources:

<sup>1a</sup> "Interview with Mr. Gus Kouwenhoven", with World Investment News, as found at [www.winne.com/Liberia/OTC.htm](http://www.winne.com/Liberia/OTC.htm)

<sup>1b</sup> Ian Smillie, "Diamonds, Timber and West African Wars", 2002, as found at [http://www.iisd.org/pdf/2002/envsec\\_diamonds\\_timber.pdf](http://www.iisd.org/pdf/2002/envsec_diamonds_timber.pdf)

<sup>c</sup> S/2001/1015

<sup>d</sup> S/2001/1015

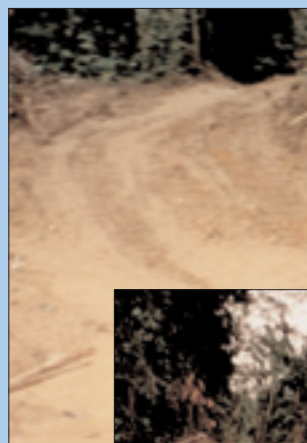
<sup>e</sup> An Act Adopting the New National Forestry Law, Approved April 6, 2000

<sup>f</sup> S/2001/1015

<sup>g</sup> Taylor-made – The Pivotal Role of Liberia's Forests and Flag of Convenience in Regional Conflict, Global Witness (London), September 2001

## OTC, Sapo National Park and Past Infringements on "Protected Territories"

On 6 June 2002, a high ranking FDA official publicly and officially exposed the encroachment by logging and mining companies upon the boundaries of the protected Sapo National Park that began in March 2002. Saying that Sapo Park was under extreme threat and 'is dying slowly', The official admitted that there were illegal mining activities going on, while an ongoing road construction by a logging company (unnamed, but corroborated as belonging to the OTC) was also damaging the park. Moreover, he lamented the FDA's inability to do anything due to lack of logistical capability and, it would seem, political will from higher up in government.



**OTC roads  
into  
Sapo Park  
(left) and near  
park entrance  
(below). July  
2002.**



This encroachment upon protected or otherwise off limit areas is a historical trend of OTC. OTC has invaded neighbouring concessions without permission or compensation, including those of LAC/Forum Africa and Rivercrest Logging Company/Inland Logging Company, as well as logged illegally within the boundaries of land set aside for the University of Liberia.

But a lack of political will to enforce the boundaries of the park could be related to the more desperate situation President Taylor had found himself in at the time, given a drop in revenue from logging in Lofa County due to the war and his inability to pay the military forces which keep him in power. Desperate for hard currency with which to pay his elite soldiers and procure the weapons necessary to sustain the war, it has been alleged that President Charles Taylor made a deal with OTC, for an undisclosed amount, to log one of West Africa's last remaining and important woodland reserves. Beyond its effect on the region's ecosystem and biodiversity, if the trend holds true, there is little chance of any proceeds from the logging being passed on to improve local living conditions.

Sources:

"Sapo (sic) National Park Threatened", *The Inquirer* (Monrovia), 06 June 2002

Douglas Farah, "Liberian Leader Again Finds Means to Hang on", *Washington Post*, 04 June 2002

Global Witness Investigations 2002



## Timber Companies Active in 2001 or beginning of 2002:

Source: Liberian Forestry Development Annual Report 2001, and Global Witness investigations 2002

Akkari Timber Incorporated (ATI)	Grand Kru and Sinoe Counties
American Wood Processing Corporation (AWPC)	Grand Bassa County
Bureau Ivorian Ngorian (Liberia) Incorporated (BIN)	Grand Gedeh County
Cavalla Timber Company (CTC)	Grand Gedeh and Sinoe Counties
Cestos Timber Company (CTC)	Sinoe County
Daba Logging and Wood Processing Incorporated (DABA)	Sinoe County
Forestry and Agricultural Products Corporation (FAPCO)	Lofa County
Forest Hill Corporation	
GAMMA	Gbarpolu County
Iberic Liberian Forestry Group (ILFC)	Grand Cape Mount County
Inland Logging Company (ILC)	Sinoe County
Karel Logging Corporation/Forest Hill Corporation (KLC/FHC)	Lofa County
LIAP	Nimba County
Liberian Logging and Wood Processing Corporation (LLWPC) <i>Owned by Nassir Cheraffedine, a Lebanese businessman, who also owns Togba Timber Company (TTC).</i>	Grand Gedeh, River Gee and Grand Kru Counties
Liberia Wood Management Corporation (LWMC)	Grand Cape Mount and Lofa Counties
Mabow Logging Corporation	Sinoe County
Maryland Wood Processing Industries (MWPI)	Grand Gedeh and River Gee Counties
Mohammed Group of Companies (MGC) <i>Owned by Mohammed Salamé, who also owns BIN and Salami Molowi Inc.</i>	Nimba and Grand Gedeh Counties
NATURA	Nimba and Grand Gedeh Counties
North Eastern Timber Company (NELCO)	Grand Bassa County
Oriental Timber Company (OTC)	Grand Bassa, Grand Gedeh, Sinoe and Rivercess Counties
Power Tech	Montserrado County
RGMM	Grand Cape Mount County
Royal Timber Company (RTC)	Grand Cape Mount, Grand Gedde and Lofa Counties
Sing-Monrovia/Phoenix	
SLDC/WARCO	Cape Mount County
Togba Timber Company (TTC) <i>Owned by Nassir Cheraffedine, a Lebanese businessman, who also owns the Liberian Logging and Wood Processing Corporation.</i>	
Tropical Lumber Corporation (TLC)	Grand Bassa County
Tropical Logging Company (TROLOG)	Grand Gedeh County
TUTEX Wood Management Corporation (TUTEX)	Gbarpolu County
United Logging Company (ULC)	Lofa, Maryland and River Gee Counties
Xoanon Liberia Limited	Gbarpolu County
Yekepa Logging Industry (YLI)	Grand Bassa County

### 5.3 The Value of the Liberian Timber Industry<sup>iv</sup>

Towards the end of 2001, the Liberian logging industry increased the pace of its activities, and did not slow down as the rainy season began as is standard practice. Perhaps in response to international publicity regarding conflict timber in Liberia, and the possibility of timber sanctions that loomed over the May 2002 UNSC deliberations, logging companies continued work without a noticeable falling off in productivity. Unfortunately, as in the past, the increased revenues this produced did not manifest itself in any improvements for ordinary Liberians. Rather, timber industry revenue was again used to import illegal weapons and serve as a source of corruption among the industry companies and government elite. A comparison of official Liberian government documents, both from the Forestry Development Authority and the Ministry of Finance, with trade information provided by foreign governments and Global Witness investigations, shows discrepancies suggesting that a significant amount of logging industry revenue is not declared by the Liberian government and is instead siphoned off to hide industry profits, enrich individuals, and fund the government's extra-budgetary activities.

#### Forestry Development Authority (FDA)

Official FDA statistics<sup>v</sup> state that 982,000m<sup>3</sup> of round logs were produced and 774,000m<sup>3</sup> exported in 2001. The total FOB value of these exported logs is listed at US\$ 80 million. The assessed revenue collected on round logs totals US\$ 19 million, which, reportedly owing to a downturn in the world economy, is less than the assessed revenue collected in 2000. In addition, 17,000m<sup>3</sup> of sawn timber was produced, with 14,600m<sup>3</sup> exported. With specific regard to OTC/RTC/Natura, the FDA officially states their combined round log production at 630,000m<sup>3</sup>, or 64% of Liberia's total log production; a combined log export volume of 548,000m<sup>3</sup>, or 71%; with the exports equalling a combined total FOB value of US\$ 52.7 million, or 66%.

#### Ministry of Finance

FDA statistics stand in contrast with the official values provided by the Ministry of Finance<sup>vi</sup>, which reported total Liberian timber production for 2001 to be 815,000m<sup>3</sup>, with only 557,000 m<sup>3</sup> of both logs and sawn timber reported as exports. The FOB value of the exported timber was reported to be US\$ 60.3 million. The Ministry of Finance also stated that OTC/RTC/Natura together produced 358,000m<sup>3</sup>, accounting for 64% of total official Liberian timber exports with an FOB value of US\$ 38.7 million.

These official figures contradict an internal Ministry of Finance memo, which reported that OTC exported 508,000m<sup>3</sup> of round logs, with an FOB value of US\$ 47.3 million. Thus, 150,000m<sup>3</sup> of OTC log exports valued at approximately US\$ 8.6 million went unaccounted for just within the corridors of the finance ministry. It therefore seems likely that the revenue from other logging companies has gone under-represented.

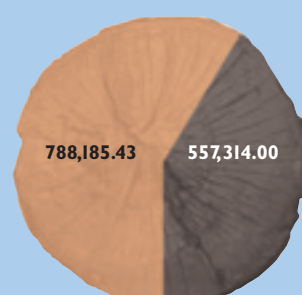
#### Global Witness Investigations

Global Witness' own investigations, which focus on the OTC-controlled Buchanan Port, recorded total exports of 594,000m<sup>3</sup> of round logs and 9,800m<sup>3</sup> of sawn timber in 2001. OTC exported 542,000m<sup>3</sup> of round

### Comparison of FDA and Ministry of Finance figures, 2001



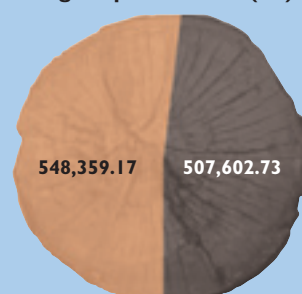
#### Timber Exports 2001 (m<sup>3</sup>)



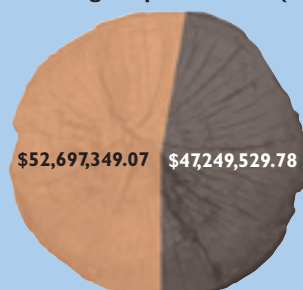
#### FOB Value of Timber Exports 2001 (US\$)



#### OTC/RTC/Natura Round Logs Exported 2001 (m<sup>3</sup>)



#### FOB Value of OTC/RTC/Natura Round Logs Exported 2001 (US\$)



<sup>iv</sup>Please note that statistical figures have been rounded for reading clarity.

<sup>v</sup>All data from Forestry Development Authority 2001 annual report.

<sup>vi</sup>All data from the Ministry of Finance 2001 annual report.

logs, approximately 184,000m<sup>3</sup> more than the official Ministry of Finance figures and an FOB value difference of approximately US\$ 10.5 million.

Such discrepancies in export earnings and volumes, constituting tens of millions of US dollars, begin to reveal the substantial amounts of revenue that should be entered into Liberia's general budget but which instead are missing, probably used for personal enrichment and the funding of extra-budgetary activities. At every level, money that is desperately needed to rebuild the Liberian economy, infrastructure and social welfare system is siphoned off to personally benefit a few politically well-connected individuals. Even worse, much of the money drawn off is used to buy illegal weapons, which are then used to fight LURD as well as maintain the Liberian government's war of intimidation upon its own people.

## 6 Liberia's Destabilising Effect on Sierra Leone

Liberia's volatility continues to threaten both the stability of its immediate neighbours and the entire region's prospects of a sustainable and peaceful future. Of great concern is the danger Liberia presents to the nascent peace and reconstruction in Sierra Leone, into which the international community have invested significant amounts both in terms of money and effort. While the United Nations Mission to Sierra Leone (UNAMSIL) provides a security buffer and backup as the Royal Sierra Leonean Armed Forces (RSLAF) and Sierra Leone Police (SLP) regroup and retrain, the threat of internal disorder caused by the breakdown of peace and security in Liberia is omnipresent.

Also worrisome is the lack of stability of Liberia's other neighbours, Côte d'Ivoire and Guinea, and the dangers that a heightened Liberia crisis presents to them. Both the Ivorian and Guinean governments face general political uncertainty, as well as the economic and social strains resulting from already large populations of refugees. Both also lack complete control over their territories, particularly their border regions with Liberia, posing a general security threat.

Guinea is in an especially precarious position, mostly of its own making, as LURD have been allowed to seek safe haven within its territory, and with LURD forces fighting just across its southern border in Liberia, the militarised environment and resultant refugee influx creates a constant threat. The situation would worsen should the LURD be pushed back into retreat, and thus into Guinean territory, as the political and physical security problems caused by sheltering armed combatants could fully destabilise the country.

### 6.1 Specific Threats to Peace in Sierra Leone

#### **Mass Influx of Refugees/Returnees**

The most serious threat facing Sierra Leone, and the entire Mano River sub-region (with the addition of Côte d'Ivoire) is from a large influx of refugees from Liberia. As was seen with the attack on Sinje refugee camp in Liberia on 20 June 2002, which forced 11,000 Sierra Leonean refugees and 13,000 Liberian Internally Displaced Persons (IDPs) out of the camp and into the rest of Liberia and neighbouring Sierra Leone<sup>101</sup>, an attack or even imminent threat of attack could send thousands of refugees streaming out of camps and across borders seeking safety.



**Mano River Bridge as border between Sierra Leone (left) and Liberia (right), as seen from the air. August 2002.**



**Border crossing checkpoint entering Sierra Leone via Mano River Bridge. Gendema village behind. August 2002.**

There is a distinct possibility that, should fighting break out in any significant fashion near the border, or in a highly populated area, the influx of those fleeing the violence would overwhelm border staff tasked with screening refugees. If the border patrols are not able to adequately screen entrants, as they do in a relatively successful fashion at present, any number of malign forces could enter Sierra Leone, Guinea or Côte d'Ivoire. Recruiters for the Armed Forces of Liberia (AFL) have been found inside refugee camps and within Freetown, Sierra Leone, and any large and/or unexpected influx of refugees would increase the number of malign forces entering the country. Moreover, a mass influx of refugees could overwhelm the border crossings themselves, with the overcrowding and slow processing encouraging people to flee through unmarked terrain, where they would be completely missed by aid staff attempting to screen and protect them.

The new offensives of the Liberian government's military actions since mid-July, a result of illegal arms re-supplies, sent new waves of internally displaced people and refugees into other parts of Liberia and across borders into Guinea, Sierra Leone, and Côte d'Ivoire. As the government of Liberia has refurbished a number of its helicopters, thus facilitating quicker arms deliveries to front line troops, the international community should expect more concerted and aggressive offensive moves by the government, resulting in further civilian displacement.

#### **Return of Ex-Combatants**

Returnees, such as the many former RUF and Civilian Defence Force (CDF) members, and other Sierra Leoneans who have been fighting as mercenaries for various militia and government groups in Liberia, will also pose a threat to the region's security, regardless of whether they come back to escape an attack, or of their own volition once the war has died down. In either event, persons crossing back will be accustomed to making war as a method of making a living, and if



**Former AFL child soldiers, ages 15 and 12, seeking refugee status in Sierra Leone. May 2002.**



inadequate jobs and prospects await such returnees, their ennui could foment into more destructive behaviour.

### **Cross Border Raids/Abductions**

There were a total of 46 people kidnapped by armed combatants in the latter half of July alone from the Buedu area of northern Sierra Leone; of which only 26 have returned<sup>102</sup>. Sierra Leonean officials have identified the AFL as responsible for 27 of the abductions<sup>103</sup>; however, as those carrying out the attacks wear no uniforms, it is often difficult to distinguish who is culpable. Taken to serve ostensibly as porters to carry supplies back to camp, some abductees are further abused or forcibly recruited into one of the many state and non-state fighting forces. The UN and RSLAF have deployed more troops along the border and sent in reconnaissance teams to investigate. While border patrols have increased, the frequency of the attacks reinforces the reality that the border is quite porous, and that such attacks are not wholly preventable.

### **General Militarisation of the Population**

Owing to ten years of back and forth civil war, and with the introduction of new para-military forces, specifically the timber company militias, the entire Mano River Union (MRU) sub-region has become highly militarised. Small arms abound, and while numerous international groups have called for a ban on small arms to the region, no formal agreement has been put in place. This presence of light weaponry poses a significant threat to all countries neighbouring Liberia. Should the situation deteriorate and residents be forced to migrate, from a combination of excess light weaponry and a desperate refugee population one can expect increased banditry and armed confrontations in neighbouring states. Should those armed ex-combatants organise, serious political instability might ensue and the region become witness, yet again, to more civil conflict.

## **7 Conclusion**

**T**he Mano River Union countries are faced with a significant problem: whatever the relative stability of Sierra Leone or Guinea, peace and development will continually be threatened by the destabilising, lawless, and destructive nature of Liberia's internal conflict. Given the general militarisation of the Liberian population, the timber militias and other government forces that act with impunity, and the gross violations of human rights committed by combatants from all sides, Liberia is ripe for another explosion of refugees and escalated violence. This violence would send thousands of refugees and combatants alike across the border into Sierra Leone, Guinea and Côte d'Ivoire. Even with its currently deployed UN security forces, Sierra Leone would face difficulties not just accommodating thousands of true refugees, but also in dealing with the security concerns raised by the armed and dangerous elements that would inevitably cross over. Should such an influx occur, and should the domestic and international security forces find themselves unable to quell the resultant tension, it is all too possible that Sierra Leone might revert to the lawlessness that it and the international community have tried so hard to overcome. The fate of Guinea and Côte d'Ivoire, without the benefit of UNAMSIL troops, would be severe.

The United Nations and the international community must deal with the problem of Liberia now, rather than allow the situation to deteriorate further. The Security Council has tried, through public censure, constructive engagement, and through travel, arms and diamond embargoes, to constrict the impunity with which the Liberian government feels free to act. Yet high-ranking politicians and businessmen on the travel ban list still move about relatively unfettered, and President Taylor and his ruthless ATU and AFL still receive regular shipments of arms. The linchpin of the current violence and destabilisation is the Liberian timber industry.

Far from being simply misused by political powers, Liberian timber companies are implicated in providing the hard currency needed to import arms and facilitating those arms transfers. OTC-operated Buchanan Port and MWPI's Harper Port serve as both import points and storage facilities for illegal weaponry, with the leadership of both linked by the UN to illicit arms deals. Moreover, it is some companies themselves that are committing human rights abuses, both through their general maltreatment of workers and local residents as well as through their operation of private company militias.

Sanctions on the timber industry are integral to any plan to stop the current, unrestrained violence in Liberia, and to prepare the country and West Africa for a sustainable future. As the industry currently operates, it serves no purpose other than as a source of funds to continue the abuses of the government and timber militias. The industry does not give back in any meaningful or sustained way to the citizens of Liberia. It does not manage itself sustainably, and will cease to be any source of economic support within a decade as concessionable forest is completely logged out. The Liberian timber industry has been proven, both by the UN Expert Panel on Liberia and independent groups such as Global Witness, to be integrally involved in the illicit arms and diamond trading that threatens international peace and security in West Africa. The threat that the Liberian timber industry poses is significant and real, and if no immediate action is taken to censure the industry and halt the access to timber revenue with which the government buys arms and funds its many fighting forces, that threat will remain and the international community will be left to deal with the inevitable consequences.



**Abou I, suspected arms ship mentioned in Taylor-made. Taken at Harper Port, July 2002.**



**Abandoned logs at Sand Beach. July 2002.**



**An symbol of Sierra Leone: Bullet-riddled sign atop Lester Peak, Freetown, Sierra Leone. August 2002.**

## 8 Annexes

### Annex 1: Timber Industry Workforce Composition

**Table 1: Present Employment Capacity of the Logging Industry (as of 03 May 2002)**

Company	Maximum Number of Employees	Maximum Number of Liberian Employees	Maximum Number of Expatriate Employees	Totals
Group 1: smallest 6 companies				
Cestos Timber Company	50 x 6	48 x 6	2 x 6	300
Yekepa Logging Industry				
<b>Forest Hill Corporation</b>				
Rivercess Logging Company				
AKKARI Timber Industries				
AWPC (American Wood)				
NELCO/ SIBC				
<b>FAPCO</b>				
<b>RETCO</b>				
<b>LLWPS/ WARCO</b>				
Group 2: medium size				
<b>Xoanon Liberian Ltd.</b>	150 x 2	145 x 2	5 x 2	300
<b>ILFC</b>				
<b>Forum – Liberia</b>				
Daba Logging (DLWPC)				
<b>LWMC</b>				
Cavalla Timber Corporation				
Group 3: largest companies				
OTC/ <b>RTC<sup>*</sup> et al.</b>	3,078	2,398	680	3,078
MWPI/ <b>ULC</b>	550	200	350	550
TTCO	400	150	250	400
ILC	300	250	50	300
MGC (SMI)	300	100	200	300
BIN – Liberia	250	50	200	250
<b>Grand Totals</b>	-	<b>3,726</b>	<b>1,752</b>	<b>5,478</b>

Legend:

**MNE:** Maximum number of Employees      **MNLE:** Maximum number of Liberian Employees

**MNEE:** Maximum number of Expatriate Employee

-All the companies in bold have ceased operations

-All the companies in bold italics have reduced staff by more than 3/4 and have redeployed the balance to their parent company

<sup>1</sup>OTC, RTC, MLTC, etc are all one and the same company operating with different names. Any further use of the acronym OTC should be considered as meaning the OTC and all its affiliates.

**Table 2: Composition of the Workforce of Top Six Logging Companies**

Company	PEC	NLE	NEE	CWF		Remarks
				% of L	% of E	
OTC/ RTC	3,078	2,398	680	77%	23%	Expatriates mostly Ivoriens/ Malaysians
MWPI/ULC	550	200	350	36%	64%	Ivoriens mainly at MWPI Harper operations
TTCO	400	150	250	38%	62%	Expats mostly Ivoriens
ILC	300	250	50	83%	17%	Mixed nationalities including Malaysians
SMI/MGC	300	100	200	33%	67%	Expats mostly Ivorien drivers/ saw operators
BIN – Liberia	250	50	200	20%	80%	Expats mostly Ivorien drivers/ saw operators
<b>TOTALS</b>	<b>4,878</b>	<b>3,148</b>	<b>1,730</b>	<b>65%</b>	<b>35%</b>	

Legend:

**PEC:** Present Employment Capacity

**NEE:** Number of Expatriate Employee

**NLE:** Number of Liberian Employee

**CWF:** Composition of Workforce

<sup>\*</sup>OTC, RTC, MLTC, etc are all one and the same company operating with different names. Any further use of the acronym OTC should be considered as meaning the OTC and all its affiliates.

## Annex 2: Environmental Impacts of Liberia's Logging Industry

Source: Global Witness Briefing Document, May 2002

With the failure of the UNSC to impose sanctions on Liberian timber exports, in late 2001 logging companies stepped up their operations ahead of this year's debate. OTC, for instance, has constructed two new bush camps in Grand Gedeh County. These camps are located in the uppermost tip of the Cestos-Seihnkwein forest and the western end of the Putu forest. These two areas are of high biological diversity and are considered 'hotspots' and a priority for conservation. These areas are the last sanctuary for most of Liberia's endangered and protected wildlife, including the Black-and-White Colobus monkey (*Colobus polykomos*), the Olive Colobus (*Procolobus verus*), the giant forest hog (*Hylchoerus meinertzhageni ivorienis*), the forest buffalo (*Syncerus caffer nanus*), and jentink's duiker (*Cephalopus jentinki*).

OTC has also constructed several new roads cutting across this region. One links Rivercess county directly to Nimba and the other runs from Rivercess to Grand Gedeh by-passing Sinoe county. Several other roads link various bush camps to Km 85, the transit centre for logs from OTC bush camps. Another road is presently under construction and when finished will link Buchanan to Bong and Nimba counties through compound #3 in Grand Bassa.

Almost all of these logging roads are constructed through forest regions, some of which were proposed as National Forest Reserves or Parks. These roads have severely fragmented Liberia's forest and further threaten its ecological integrity. It must be stressed that these roads are not for public transport. Commercial drivers do not venture off the Buchanan-Greenville highway as they would be stopped and redirected away from areas where OTC logging activities are ongoing.

The impact of logging on Liberia's wildlife is now profound. Commercial hunting is on the increase as OTC opens up once remote forest regions, and there is a tremendous increase in the trade of bush meat. Commercial hunters have moved into areas around Kploh and Moweh District (Rivercess), Zleh town (Grand Gedeh county) and other areas in Sinoe and Maryland counties.

However, locals do not benefit from this increase in hunting. In Buchanan, a limited quantity of bush meat is seen on the local markets and when available bush meats are extremely expensive by local standards. In Zwedru, Grand Gedeh County, the superintendent Ruth Milton last year imposed a unilateral ban on the trafficking of bush meat from the county to the Côte d'Ivoire and Monrovia. She ordered the closure of hunting camps to allow for hunters to bring their kill to town instead of drying and selling them in the bush camps to business people. This was necessitated by the shortage of bush meat available on the Zwedru market.

Preliminary data available from various sources suggest a huge trade, with international dimensions, of Liberian bush meat. Presently Côte d'Ivoire, Ghana,

**Table 3: Composition of Workforce for OTC/ RTC and Liberian Personnel Distribution**

	Number of Personnel		Liberian Personnel Distribution	
	Liberians	Expatriates	Ex-combatants/ militiamen	Civilians
Managers/Executives		15	-	-
Middle level managers	5	-	1	4
Personnel Officers	10	-	Unknown	Unknown
Log Yard Supervisors	1	5		1
Log Yard Clerks	13	-	Unknown	Unknown
Chainsaw Operators	-	250		
Heavy Duty Drivers	150	300		150
Computer Operators	20	5		20
Tree Finder/ Scouts	100	30	75	25
Logisticians	-	5		
Logistics Clerks	25	-	20	5
Radio Operators	16	-	16	-
Truck hands	400	-	150	250
Electrician/mechanics	-	20		
Apprentices	70	-		70
Chief of Security	1	-	1	
Security/ militiamen	200	*	200	
Light Duty Drivers	60	-	50	10
Cooks/ handymen/ janitors	300	-	250	50
<b>Hospital Staff</b>				
Medical Doctor	1	-		1
Hospital Administrator	1	-		1
Nurses (PA, RN, Dispenser, Lab Technicians, etc.)	25	-		25
Plywood factory	1000	50	750	250
<b>TOTALS</b>	<b>2,398</b>	<b>680</b>	<b>1,513 (63%)</b>	<b>862 (36%)</b>

NOTE: the balance 1% represents incomplete/unverified data.

Nigeria and the US have been identified as destinations for Liberian meat. The Trans-Global Inc., an import/ export business house in Monrovia, is the main shipper of Liberian bush meat to the US on behalf of individual business people while exports to Nigeria and Ghana are mainly smuggled through the Freeport of Monrovia.



OTC road construction, Grand Bassa District 3, July 2002.



### **Annex 3: Exploitable Resources of the Mano River Union**

As evidenced by the RUF and Liberian government involvement in the diamond mining fields of Sierra Leone during the Sierra Leone civil war, the Liberian government has shown its interest, if not outright dependence, on exploiting its own natural resources and those of neighbouring states. Should the region destabilise as it did during the Sierra Leone civil war, it could allow for the involvement of malign agents from all nearby states, particularly Liberia. As such, it is useful to examine what resources there are to exploit in the region, and their prospects for future development and/or exploitation.

#### **Diamonds**

**Liberia:** Sanctions were imposed on Liberian rough diamonds in 2000, following the research and publication of previous Expert Panel Reports detailing how smuggled diamonds and their sale to western markets were funding the destructive RUF forces in Sierra Leone and Taylor's Liberian government. The high rate of diamond smuggling at the time led to quantities and quantities of diamonds far beyond Liberia's natural potential being exported to Belgium's rough diamond market. This raised the attention of the international community, and since the imposition of sanctions on the sale of Liberian rough diamonds there have been no official rough diamond exports from Liberia, and no official imports recorded in Antwerp, Belgium<sup>104</sup>.

The diamond trade does continue in Liberia, though at a reduced level and with far fewer dealers involved. Nationwide involvement is unclear, but the government of Liberia estimates that there are some 60,000 alluvial diamond miners, while others in the industry estimate the number to be closer to 20–30,000. While trade in Liberian rough diamonds is illegal, a significant amount of rough diamonds are smuggled out via neighbouring states Sierra Leone, Guinea, Côte d'Ivoire and the Gambia to be re-branded as legitimate. Numerous Liberian diamond brokers have opened offices in Sierra Leone, Guinea and Côte d'Ivoire for this purpose<sup>105</sup>. Arrests for such offenses are rare, although in late November 2001, two weeks after the UN Expert Panel's scathing review of Liberian sanctions compliance<sup>106</sup>, a Japanese national was arrested for allegedly carrying US\$ 135,000 and intending to export rough Liberian diamonds. At the same time, the Deputy Minister of Operations and the Assistant Minister for Mines at the Ministry of Lands, Mines and Energy were suspended due to their alleged complicity in the activity<sup>107</sup>.

This illegal smuggling and trade in diamonds continues to draw upon a well-known group of nefarious characters, including Issa Sessay, interim leader of the RUF's political entity (RUF-P) in Sierra Leone; Gibril Massaquoi, former RUF leader; Sanjivan Ruprah, the arms dealer; and there are rumours of President Taylor and his family becoming involved for personal gain<sup>108</sup>.

While the Liberian diamond industry could be an important source of foreign currency for the government, its potentially corrupting and destabilising role has yet to be overcome by an effective monitoring and certification process. Another stumbling block to legal exploitation of Liberia's diamond resources is that many of the alluvial deposits are located in western Liberia, the site of intense fighting with the rebel group LURD. LURD is known to have attacked diamond-mining areas before, and while disavowing any involvement in the diamond business, some of its officers admit

to selling those diamonds seized in fighting to buyers in Guinea<sup>109</sup>.

**Sierra Leone:** Sierra Leone now has a 'fully implemented' certificate of origin programme. Since Sierra Leone's certificate of origin programme entered into force, it has exported US\$ 30,520,000 in rough and cut diamonds<sup>110</sup>. New safeguards, including digital photographs of rough and uncut diamonds for valuation and export are used and transmitted electronically with the original certificate of origin information. Also encouraging are the arrests that have been made of persons unauthorised to be possessing diamonds, with US\$ 20,000 worth of stones confiscated<sup>111</sup>. However, the mining regions of Kono and Tongo are not firmly under government control, and the explosion of new mining licenses has left local authorities overwhelmed and unable to fully monitor the situation<sup>112</sup>. This problem is exacerbated by the growth in power and influence of two local youth vigilante forces, Movement of Concerned Kono Youth (MOCKY) and the Tongo Youth Group. As much of the mining in the country seems to be unlicensed, there is high possibility for outside interests to get hold of Sierra Leonean diamonds through local operators<sup>113</sup>.

**Guinea and Côte d'Ivoire:** Guinea, with its own certification regime, has attempted to control the illegal market in diamonds, with some high profile successes. Côte d'Ivoire does not yet have a credible certification regime, and Côte d'Ivoire in particular is lacking in capacity and resources. As such, diamond smuggling and illegal buying is quite prevalent in Abidjan.

#### **Bauxite, Rutile and Gold**

All three Mano River Union countries are potentially rich in mineral wealth, with Guinea having the most advanced extractive economy of the three. Guinea's export economy is based upon its abundant supply of bauxite, which accounts for 90% of exports, but the country also has fairly well-developed gold mining in addition to potential with base metals and iron ore<sup>114</sup>. Sierra Leone has received significant attention due to its rutile (titanium dioxide) mining resources, an important compound for telecommunications, aerospace, plastics and nuclear energy industries. Sierra Leone also has important deposits of gold and bauxite.

Although Liberia maintains workable iron ore deposits, it is the prospect of large gold reserves that has brought mining interests and investment to the country. Much of the gold is mined by locals and used for artisanal purposes or smuggled out of the country for resale<sup>115</sup>. But international corporations are actively mining in Liberia, specifically Mano River Resources and Freedom Gold. Mano River Resources is active in all of the Mano River countries, and has received new infusions of institutional investor capital in recent months to fund its operations<sup>116</sup>.

But it is the involvement of Freedom Gold, a joint mining venture established by Pat Robertson, the American Christian evangelist, which has attracted the most widespread press attention. The company, in which the Liberian government is reported to have a financial stake, has proved to be a public relations disaster for Robertson<sup>117, 118, 119</sup> as the venture has yet to return a profit, has been accused of over-representing its employment and economic benefits to Liberians as a whole, and as Robertson has voiced his personal support for Taylor regime, calling Liberia a place where Freedom Gold, "has found freedom of religion, freedom of movement, freedom of expression, and what appears to be a judiciary dedicated to the rule of law"<sup>120</sup>.

## Oil

Given the successful and peaceful re-election of President Kabbah, Sierra Leone's stability is luring back foreign investment. While there are no large amounts of proven reserves, an oil law has been passed by the national government in June 2002 and the bidding process for offshore blocs is open<sup>121</sup>. However, thus far the process has not been as open and transparent as many would like, leading some to worry that the benefits will siphoned off to benefit a relatively small pool of high ranking business and political leaders. Guinea has no oil industry to speak of, and while Liberia has little in terms of a vibrant petroleum sector, it has had interest from foreign firms. In 2000, Fusion Oil and Gas NL (an Australian firm) finalised a technical study of Block A off the coast of Liberia on behalf of Daytona Energy (a Canadian company) and Fusion itself, and determined that there was 'sufficient prospectivity' to move ahead with further negotiations<sup>122</sup>. While little has been heard as to the productivity of the bloc, Daytona and Fusion Oil continue to maintain it<sup>123</sup>.

## Timber in Guinea and Côte d'Ivoire

Both Guinea and Côte d'Ivoire have their own timber industries, which are important revenue producers for both. Guinea maintains sizable timber reserves, although those are being depleted at an alarming rate. The same is true for Côte d'Ivoire, which has its own tropical timber industry, but the companies are over-logging and causing considerable damage to the both the current Ivorian ecology and future prospects for a sustainable logging income. Already, Côte d'Ivoire is importing species that it once had in abundance. Moreover, the country serves as a transit point for timber illegally imported from Liberia and Guinea; a tactic used to obscure timber origin in order to avoid paying domestic revenue taxes and duties.

## Rubber

The rubber industry provides one of the last significant sources of foreign exchange in Liberia, but the industry is subject to the fluctuations in world rubber commodity prices, which have been depressed as of late. Bridgestone/Firestone (BFS) Diversified Products, LLC (BFDP), a subsidiary of Japanese Bridgestone, runs the world's largest rubber estate in Liberia<sup>124</sup>, with 90,000 acres and 11 million trees. While a potentially renewable source of income, production has levelled off and while many of the trees are reaching the end of their productivity, no sufficient replacement activities are under way<sup>125</sup>. This has stalled what was otherwise significant growth in the Liberian rubber industry in recent years, as 2001 saw growth of only 11%. This levelling of production, and the failure to replant, will cause a significant drop in productivity and revenues in the years ahead<sup>126</sup>.

## Annex 4:

### 2001 Forestry Development Authority (FDA) Board of Directors

Source: 2001 FDA Annual Report

1. Francis Karpheh	Chairman
2. Willie Belleh, Jr	Co-Chairman
3. Lewis Brown	Member
4. Rudolph Merab	Member
5. Redinald Pratt (sic)	Member
6. Morris Saytumah	Member
7. Gus Kouwenhoven	Member
8. Demetrious B. Taylor	Member



Diamond mining near Zimmi, Sierra Leone. April 2002



Border crossing point near Zimmi, Sierra Leone, where Global Witness found allegations of diamond smuggling. April 2002.

## Annex 5: Timber Industry Production Volumes and FOB Values

### Monthly Production of Round Logs (Jan-Dec 2001)

Source: 2001 FDA Annual Report

Month	Production (m <sup>3</sup> )
January	76,687.739
February	99,680.228
March	138,647.956
April	141,294.086
May	103,205.131
June	99,756.762
July	72,557.936
August	58,642.388
September	14,534.992
October	10,071.242
November	62,369.666
December	104,843.949
<b>TOTAL</b>	<b>982,292.075</b>

**Production Related Assessed Revenue**

Source: 2001 FDA Annual Report

Month	Designated Round Log Export (m³)	Actual Round Log Export (m³)	Industrialization Incentive Fund (US\$)	Designated Sawn Timber Export (m³)	Actual Sawn Timber Export (m³)	Forest Product Fee (US\$)
January	66,047.719	49,131.869	334,473.48	966.422	637.019	3,660.86
February	78,787.940	132,196.966	434,666.82	783.872	307.330	3,264.19
March	118,676.157	57,241.287	454,812.44	559.847	1,310.551	1,755.87
April	124,422.265	111,589.651	309,856.86	2,458.298	977.212	9,675.09
May	84,549.646	63,562.043	479,009.91	755.095	2,167.512	6,916.14
June	85,800.562	80,754.619	476,272.75	988.070	1,150.939	8,089.80
July	60,743.689	63,008.483	377,082.03	1,667.513	1,453.409	6,667.68
August	47,678.756	52,359.713	266,522.17	2,727.451	3,191.181	9,888.14
September	30,322.147	51,005.555	174,425.77	2,135.675	1,370.132	8,663.22
October	7,752.476	10,981.478	106,670.77	1,921.777	390.479	6,432.98
November	61,201.542	6,841.005	208,626.80	1,782.346	-	6,733.85
December	93,932.776	94,941.991	353,748.37	1,046.200	1,581.009	4,620.62
<b>TOTAL</b>	<b>860,081.714</b>	<b>773,612.660</b>	<b>4,176,167.76</b>	<b>19,792.566</b>	<b>14,572.773</b>	<b>76,368.44</b>

**Exportation of Round Logs: Actual Export of Round Log per Company**

Source: 2001 FDA Annual Report

Company	Volume (m³)	FOB Value (US\$)
OTC	454,950.041	43,252,046.69
Natura	61,870.161	5,678,262.34
MWPI	47,649.842	6,408,985.96
ILC	57,120.546	5,752,453.32
RTC	31,538.967	3,767,040.04
ULC	25,112.662	2,869,682.10
LLWPC/TTCO	15,066.382	1,640,407.73
MGC	17,068.877	2,557,697.09
ILFC	11,080.057	1,392,117.50
CTC	7,662.834	1,145,005.41
LWMC/CBI	7,712.356	915,590.08
DGL	6,929.300	934,232.46
DABA	5,844.391	658,975.76
ATI	4,387.278	450,203.80
TUTEX	3,791.535	523,019.64
XLL	3,342.404	458,181.84
AWPC	2,702.198	290,057.52
FORUM	2,399.985	131,998.83
FHC	1,906.140	271,371.16
FAPCO	1,648.122	207,826.62
BIN	1,363.837	218,234.20
Tropical Logging Company	1,262.690	180,880.40
GAMMA	580.650	87,977.46
RGMM	438.404	65,490.75
Tropical Lumber Company	157.128	26,660.30
YLII	25.873	4,527.78
<b>TOTAL</b>	<b>773,612.660</b>	<b>79,883,926.79</b>

**Round Log Production Per Species (Jan-Dec 2001)**

Source: 2001 FDA Annual Report

Trade Name	Volume
Ekki; Ironwood	61,485.426
Naingon; Whismore	120,381.617
Tetra	116,411.750
Abura	52,917.162
Iroko	30,344.230
Dahoma	38,821.542
Didelotia	27,979.399
Parinari	34,759.913
Naga	96,087.766
Apome	3,044.894
Ceiba; Cottonwood	73,500.451
Limbali	14,596.400
Kussia	26,541.886
Lova	30,033.319
Aiele	27,255.887
Framire	9,875.383
Kokoti	32,631.266
Faro	22,136.572
Sipo	25,951.018
Tiama	8,587.689
Aningre	21,820.606
Kotibe	1,247.904
Dantone	3,842.105
Wawa; Samba	9,982.496
Tali; Sasswood	6,131.908
Khaya	5,633.534
Hannoa	2,242.157
Anthonatha	4,904.244
Akatio	1,135.671
Lati	5,306.708
Sapelle	10,311.129
Ilomba	7,234.807
Movingui	3,309.758
Bosse	3,292.639
Klainedoxa	3,339.345
Etimoe	1,915.889
Capocalyx	1,519.760
Kossipo	2,172.478
Parkia	1,111.716
Dialium	513.023
Others	31,980.840
<b>TOTAL</b>	<b>982,292.075</b>



## Annex 6: Liberian Timber Industry Shipping Information, January 2001 to July 2002

Note: this is not an exhaustive list.

Vessel Name	Destination/Ports	Supplier	Buyer
Abou I	Dakar, Senegal	TTCO/LLWPC	Intership
Abou I	Dakar, Senegal	MWPI II/ LLWPC/TTCO	Intership
Abou I	Dakar, Senegal		
Abou I	Dakar, Senegal		
Abou I	Dakar, Senegal		
Achilles	Penglai, China		
Achilles	Chiwan, China		
African Begonia	Caen, France/ Casablanca, Morocco		DLH Nordisk
African Trader	Lefkandi, Greece	OTC	DLH Nordisk
African Trader	Lefkandi, Greece	OTC	MBT
African Trader	Lefkandi, Greece	OTC	Theodor Nagel
African Trader	Lefkandi, Greece	OTC	Theodor Nagel & MBT
African Trader	Lefkandi, Greece		MBT & Interholco
African Trader	Lefkandi, Greece		Theodor Nagel
Agat	Amsterdam, Holland	OTC	Theodor Nagel
Agia Irene	Lefkandi, Greece	OTC	Interholco AG
Agia Irene	Sagunto, Spain/Sete, France		DLH, VH & MBT
Alcinoe	China	OTC	Global Star
Altis	Kemaman, Malaysia	RTC	STP
Angelina I	Vasto, Italy	MWPI	Loriah
Antarctic Mariner	China Ports, China		
Antarctic Mariner	Penglai, China		
Antarctic Mariner	China Ports, China		
Antarctic Mariner	China Ports, China		
Antarctic Mariner	Penglai, China		
Antarctic Mariner	Penglai, China	OTC	Global Star
Arktis Fighter	Ravenna, Italy	MWPI	Loriah
Aron	Sete, France	OTC	DLH Nordisk
Aron	Ravenna, Italy		
Atermon	China Sea Ports, China	OTC	Global Star
Atlantic Mercado	Sete, France	MWPI	Loriah
Atlantic Mercado	Sete, France		
Atlas Sea	Zhang Jia Gang, China	OTC/E&OE	Global Star
Bavaria	Sete, France	MWPI	Loriah
BBC Australia	Sete, France		
Benarita	Penglai & Chiwan, China	OTC	Global Star; DLH
Broadgate	Penglai, China	OTC/E&OE	Global Star
Broadgate	Chiwan, China	OTC/E&OE	Global Star
Calypso - N	Penglai, China	OTC	E&OE
Carrier	Sete, France	MWPI	Loriah
Carrier	Sete, France	MWPI	Loriah
CEC Blue	Ravenna, Italy		
CEC Dream	Sogunto, Spain		
CEC Force	Salerno, Italy	MWPI	Loriah
CEC Hunter	Sete, France		
CEC Meridian	Ravenna, Italy	MWPI	Loriah
CEC Pride	Sogunto, Spain		
Corn Racer	Penglai, China		DLH, Theodore
Corn Racer	China Ports, China		Nagel & Treemex
Delight	Nantes, France/ Amsterdam, Holland/ Nordenham, Germany		
Dimitrios Nanios	Penglai, China	OTC	Global Star
Dimitrios Nanios	Zhang Jia Gang, China	OTC	Global Star
Dimitrios Nanios	Chiwan, China	OTC	Global Star
Dutch Sea	Sete, France	MWPI	Loriah
Dutch Sea	Sete, France		
Eastern Forest	China Sea Ports, China	OTC	Global Star
Edda	Bordeaux, France	MWPI	Loriah
Ekaterini	Sete, France	MWPI	Loriah
Ekaterini	Vasto, Italy		
Ekaterini	Ravenna, Italy		
Elinda	Casablanca, Morocco	OTC	Theodor Nagel

Evangeline	Sete, France	MWPI	Loriah
Express	Bordeaux, France	MWPI	Loriah
Express	Bordeaux, France		
Fraternity Wisdom	Mangalore, India	OTC	Sunlight Mercantile
Frigga	Sete, France		
Geortina	Lefkandi, Greece	OTC	HBT
Geortina	Lefkandi, Greece	OTC	Theodor Nagel
Geortina	Kalamaki, Greece	OTC	DLH Nordisk
Golden	Ravenna, Italy	OTC	Andrighetti Legnami
Golden	Derince, Turkey		Interholco AG
Golden	Bayonne, France/ Nordenham, Germany/ La Pallice, France		DLH Nordisk, Treemex & MBT
Hem Star	Salerno, Italy	TTCO/MWPI	Intership
Hem Star	Ravenna, Italy		
Hem Star	Vasto, Italy		
Heron	China	OTC	Global Star
Ikariada	Derince, Turkey & Lefkandi, Greece		DLH Nordisk & MBT
Inni Trader	Salerno, Italy	OTC	Holz Product Co AG
Inni Trader	Monfalcone, Italy	OTC	Holz Product Co AG
Isis I	Lefkandi, Greece	OTC/ILC/NLI	Interholco AG
Isis I	Dakar, Senegal	OTC	DLH Nordisk
Isis I	Derince, Turkey	OTC	Interholco AG
Isis I	Derince, Turkey	OTC/ILC/NLI	DLH Nordisk
Jorita	Penglai, China		Global Star
Kamilla	Sete, France		
Kate	Sete, France	OTC	DLH & MBT
Lebasee	Sete, France	MWPI	Loriah
Lebasee	Hull, UK/Nates, France	MWPI	Loriah
Lima	Penglai, China	OTC	Global Star
Lima	Chiwan, China	OTC	Global Star
Louise	Sete, France		
Malagasy	Nantes, France	OTC	DLH
Malagasy	Nantes, France	OTC	MBT
Malagasy	Nantes, France	OTC	Theodor Nagel
Melte B	Sete, France		
Meltemi	Derince, Turkey	OTC	DLH
Meltemi	Monfalcone, Italy	OTC	MBT
Meltemi	Sagunto, Spain	OTC	MBT
Mentor	Honfleur-nates, France	MWPI	Loriah
Nesse	Sete, France and Spain		
Nesse	Sogunto, Spain		
Nikolay Kantemir	Caen, France		
Nordkap	Greek port, Greece		Theodor Nagel
Nordkap	La Pallice, France/Villagaria/ Nantes, France	OTC	DLH,VHT & MBT
Norita	Penglai, China	OTC	Global Star
Norita	Penglai/Chiwan, China	OTC/Natura	Global Star
Novokubansk	Bordeaux, France		
Osios David	Sete, France	OTC	DLH
Osios David	Ravenna, Italy	OTC	MBT
Ostkap	Nantes, France	OTC	DLH Nordisk
Ostkap	Amsterdam, Holland	OTC	Afram-Hout BV
Padout I	San Pedro, CDI	TTCO/LLWPC	Intership
Panormos Pride	Chiwan, China	OTC	Global Star
Panormos Pride	Penglai, China	OTC	Global Star
Panormos Pride	Chiwan, China	OTC	Global Star
Panormos Pride	Indonesian Port, Indonesia	OTC	Global Star
Panormos Pride	China	OTC	Global Star
Parita	China Sea Ports, China	OTC	Global Star
Parita	Penglai, China	OTC	Global Star
Paul Douala	Vianna De Caslo, Portugal	MWPI	Loriah
Posen	Hull, UK		
Potoon	Ravenna, Italy		
Rony	Italian Port, Italy	OTC	GW
Rony	Ancona, Italy	OTC	Tecnoalp
Rubin	Casablanca, Morocco	OTC	Theodor Nagel
Rubin Bonanza	Penglai, China	OTC	Global Star
Rubin Bonanza	Chiwan, China	OTC	Global Star
Samsun Earnest	Penglai, China		

Samsun Earnest	China Ports, China		
Scan Falcon	Carrara, Italy	LLWPC/TTCO	
Sea Liberty	Penglai, China	OTC	Global Star
Sea Orchid	Zhang Jia Gang, China	OTC/Natura	Global Star
Sea Wind	Penglai, China	OTC	Global Star
Sea Wind	Caen/Nantes, France		
Senorita	Penglai, China		
Senorita	Chiwan, China		
Shi Koku Pride	Indian Port, India	OTC	Simla Trade
Shi Koku Pride	Mangalore, India	OTC	WBT
Sofia III	Salerno, Italy	MWPI/TTCO	Loriah
Springwood	Penglai, China		
Springwood	Chiwan, China		
Stevens Traders	Salerno, Italy	TTCO/MGC/MWPI	Loriah
Swallow	Bordeaux, France	BIN/MWPI	Loriah
Swallow	Salerno, Italy	MWPI	Loriah
Thelita	Ravenna, Italy		
UAL Texas	Nordenham, Germany	OTC	MBT
UAL Texas	Bayonne, France	OTC	DLH
Uglerruosk	Derince, Turkey		
Western Island	China Ports, China	OTC	Global Star
Zini	Derince & Kalamaki, Turkey	OTC	DLH
Zini	Derince & Kalamaki, Turkey	OTC	MBT
Zini	Sfax, Tunisia	OTC	Timber Overseas Provider
Zini	Greek port, Greece	OTC	DLH Nordisk
Zini	Ancona, Italy	OTC	TTS
Zini	Ancona, Italy	OTC	MBP
Zini	Ancona, Italy	OTC	TTS
Zini	Dakar, Senegal	OTC	DLH

<sup>1</sup> *The Role of Liberia's Logging Industry in National and Regional Security*, Global Witness Briefing Document, January 2001

<sup>2</sup> This was admitted under condition of anonymity

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***“Speak the truth to  
the people;  
Talk sense to the people;  
Free them with reason;  
Free them with honesty,***

***- Mari Evans***

celebrated African-American  
poet, playwright and academic,  
as printed in *The News*  
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