



global witness

For immediate release: 13 October 2010

Global Witness welcomes decisive action by Liberian President regarding carbon fraud investigation

Campaign group Global Witness today warmly welcomed moves by Liberian President Ellen Johnson Sirleaf to put forward for further investigation and potential prosecution a number of individuals involved in an allegedly corrupt carbon offset deal. (See statement below).

The proposed deal was between the Liberian government and the UK company, Carbon Harvesting Corporation (CHC). CHC sought the allocation of a 400,000 hectare forest concession – which would have been by far the country's largest forest concession – from which to sell carbon credits.

Global Witness had been examining the financial, social and environmental implications of the deal and became aware of the existence of apparently irregular payments allegedly made by CHC's CEO, Michael Foster, to a Liberian government official and a politician, via a middleman.

The organisation reported this to the City of London Police's Overseas Anti-Corruption Unit (OACU), which subsequently made an arrest. The investigation continues and the City of London police have been cooperating with the Liberian authorities.

Following the arrest and a report in the [Financial Times](#), the Liberian government announced its own investigation, headed by Liberian Counsellor T. Negbalee Warner. This has just concluded and a report has been given to the President.

Amy Barry, Head of Communications at Global Witness, said: "We are extremely pleased that President Sirleaf is taking such decisive action. In the past, Liberia's forests and other natural resources have been unscrupulously exploited with devastating results for the country's citizens. President's Sirleaf's efforts to improve resource governance are to be applauded.

"The follow-up investigations will hopefully reveal the true facts regarding this particular case, as well as serving as a strong deterrent to any individuals or companies, in Liberia or overseas, who are contemplating engaging in carbon fraud or other resource-related corruption."

/ Ends

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Notes:

1. As the investigations are ongoing no further comment will be made at this stage.
2. The Liberian government statement is reproduced below and can also be found [here](#).

The Liberian government statement in full:

President of the Republic of Liberia

On the Report of the Special Presidential Investigative Committee
on Alleged Carbon Credit Deal
October 12, 2010

Fellow citizens, you may recall that on June 4, 2010, Liberia was brought to the world's attention by Global Witness of the United Kingdom regarding the arrest of a UK citizen who through fraud and misrepresentation had been granted allocation of 400,000 hectares of forest by our Forestry Development Authority for harvesting carbon credits. On June 18, 2010, I constituted a Special Presidential Committee headed by Counselor T. Negbalee Warner to investigate the report by Global Witness.

On October 5, 2010, Counselor Warner presented the report of the Committee which includes findings and recommendations. After a review of the report, I have decided to take the following action:

- To submit a copy of the report and bring to the attention of the President Pro-Tempore of the Senate for appropriate action, the key role played by Rivercess Senior Senator Jonathan Banney in this matter. This conforms to the recommendation of the report.
- To send to the Ministry of Justice for further investigation and possible prosecution, Senator Banney and former Minister of Internal Affairs, Mr. Ambulai Johnson, as recommended by the report.
- To dismiss immediately Mr. Augustine Johnson, Manager of CIS at the Forestry Development Authority, Mr. Joseph Neufville, Technical Advisor, and Mrs. Peggy Varflay Meres, Executive Director of the Public Procurement and Concession Commission, and forward them to the Ministry of Justice for further investigation and possible prosecution as recommended by the report.
- To reprimand and send to the Liberia Anti-Corruption Commission for further investigation, former FDA Managing Director John Woods, FDA Legal Officer, Counselor Benedict Sorgbeh, and Chief of Staff of the Ministry of Planning & Economic Affairs, Edward Eesiah. This follows the recommendation of the report.
- To reprimand the Minister of Planning & Economic Affairs for failure to exercise due diligence by issuance of a blanket Concession Certificate covering Forest Management Contracts. This is consistent with the recommendation of the report.
- To direct the Ministries of Foreign Affairs and Justice to start the process for extradition of Mr. Michael Foster of Carbon Harvesting Corporation (CHC) of the United Kingdom and Mr. George Antwi, Agent for CHC in Liberia, for prosecution under the bribery laws of Liberia.
- I am also taking an additional step not covered by the report to direct the Ministry of State to deepen, expand and strictly enforce the existing restriction on visits to the President by investors and business people as may be requested by Legislators, Government Officials, relatives, and political and personal associates. This goes beyond the recommendation of the report.

The report will be circulated to the public after submission to each of those affected or named in the report. This disclosure on action taken represents a departure from previous practice because our justice system is long in enforcing judgment. However, we should respect the principle of our constitution and laws which say that all of those accused are presumed innocent until proven guilty by due process in the courts.

END

Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses