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EXTRACTING PEACE
THE MANAGEMENT OF NATURAL RESOURCES AS A PLATFORM FOR PROMOTING PEACE AND STABILITY IN LIBERIA

SUMMARY

This paper argues that the government of Liberia's current approach to managing investment in natural resources is having an adverse effect on the country's social, political and economic dynamics, which is increasing the risk of conflict. In order to avoid a return to conflict and move towards more stability, a new approach is needed to manage natural resources. The main challenge facing the government is how to manage the competing political and socio-economic interests that arise with an influx in investment, while creating a stable enabling environment that will continue to attract investors. This report proposes a new approach to managing natural resources in the country and identifies the following needs: correctly defining the problem; transforming engagement; and building on positive social and political dynamics.

INTRODUCTION

At present, investment in natural resources in Liberia is vulnerable to co-option by members of the political, social and economic elite for their own gains. This has led to an inefficient allocation of resources, undermining efforts to strengthen state institutions and reducing the funds available to invest in basic services, such as health and education. The situation is contributing to rising inequalities, exacerbating inter-community rivalry over land and further marginalising vulnerable groups such as women and youth. These tensions are negatively affecting the enabling environment for investors, restricting their ability to operate and ultimately threatening the Liberia 2030 vision towards growth and prosperity.

This paper argues that a new approach is needed for the management of natural resources. The main challenge facing the government is how to manage the competing political and socio-economic interests that arise with an influx of investment, while creating a stable enabling environment that will continue to attract investors. International Alert views investment in natural resources as a platform not only to promote economic growth, but also to lay the foundations for political and social transformation towards more peaceful societies.

Given the complexity of the issues and challenges affecting natural resource management (NRM) in Liberia, this paper does not attempt to offer detailed recommendations for each specific sector (palm oil, iron ore and forestry). Instead, it seeks to promote a new generation of initiatives, which can help society to resolve conflicts resulting from investment in natural resources without resorting to violence. This paper proposes a new approach to managing natural resources in the country and identifies the following needs:

1. **The need to correctly define the problem:** A peacebuilding approach to NRM requires understanding of the complexities of political and social transformation. So far, there has been a tendency to overlook the importance of local conflict dynamics and local informal governance structures. Understanding these challenges is essential to ensuring that foreign investment promotes peaceful management of natural resources.

2. **The need to transform engagement:** A peacebuilding approach will require companies, the government, affected communities and civil society to engage with the political aspects of NRM. So far, the recent influx of investment has seen few examples of effective engagement because the space for dialogue has been limited.

Understanding conflict. Building peace.

Peacebuilding explores the opportunities for creating these spaces for dialogue and finds that the management of natural resources provides a number of opportunities for these actors to engage.

3. **The need to build on positive social and political dynamics:** A peacebuilding approach involves harnessing the potential for local actors to contribute to stability, effective systems of governance and a more inclusive society. One way is to create a structured process of inclusive dialogue forums that would involve the government, foreign companies, affected communities and the wider population (through civil society), with the aim of creating a framework outlining the peaceful management of natural resources in Liberia.

BACKGROUND

In 2010, the government of Liberia embarked on a vision, 'Liberia RISING 2030' – an ambitious, long-term political and socio-economic planning strategy to transform Liberia into a middle-income country by 2030. The plan seeks to use the country's considerable natural resources to attract foreign investment to generate revenues for rebuilding Liberia's government institutions and infrastructure, while creating inclusive equitable economic growth for the country's population.

Since 2005, there has been significant growth in investment in the iron ore and palm oil sectors. During this time, according to Liberia Mining, Energy and Petroleum (LIMEP), six iron ore concessions have been signed totalling nearly US$13 billion (including Arcelor Mittal and BHP Billiton).[1] Recent surveys highlight that global demand for palm oil is set to increase by nearly 30% within the next five years from 45 million tons to 60 million tons. In Liberia, expected investment value is over US$3 billion, with over 500,000 hectares of land earmarked for palm oil production.[2]

However, as the country embarks on this ambitious plan, recent history would suggest that investment in the country's natural resources brings threats as well as opportunities. In 2009, the Liberian Truth and Reconciliation Commission highlighted the role that the mismanagement of natural resources had on the conflict that ended in 2005, identifying three major problems. Firstly, the natural resource dimension to the conflict fuelled inequality and resentment, as the political and economic elite systematically marginalised and excluded youth and indigenous groups from political participation, social services and economic opportunities. Secondly, political actors and armed groups sought to control the country's natural resources during the conflict to finance their war efforts. Finally, private companies were often allowed to act with impunity, obtaining lucrative property and land rights from corrupt officials, which led to forced displacement of civilians.[3] Although the war ended in 2005, these risks of conflict still persist today. According to the International Crisis Group, the main risk of conflict is the issue of land tenure, with a tendency for land disputes to "escalate over time toward large scale clashes".[4]

Leveraging Liberia's natural resources for economic growth

According to the Liberia 2030 Agenda for Transformation, the government does not have the funds or the management capacity to efficiently invest in maximising the country's potential.[5] Therefore, to realise its economic growth strategy, the country needs to create an enabling environment that can attract foreign direct investment (FDI) by providing an appropriate legal and regulatory framework. The government sees the role of FDI as creating employment opportunities, particularly for marginalised groups, as well as providing the skills and productive know-how to facilitate the growth of the local private sector. At the same time, the royalties and taxes received from the concession agreements can be used as a valuable source of income for investing in the country's development priorities, in particular rebuilding the country's infrastructure.[6]

To encourage this transformation and to create an enabling environment for investors, since 2006 the government has been driving through economic governance reforms as well as changes to the legal framework. These include the introduction of the national mineral policy aimed at limiting political interference in the award, suspension and cancellation of mineral rights. The government is also ensuring that each agreement has adequate provisions for social development and provides a clear process for dispute resolution over land.[7] The national

1   International Monetary Fund (2010). *Liberia: 2010 Article IV consultation and fifth review under the three-year arrangement under the extended credit facility*, IMF Country Report No. 10/373. Washington DC: IMF.
2   A. Hamin (2011). 'Global demand for palm oil growing rapidly', *The Star* (Malaysia), 10 March 2011.
3   Truth and Reconciliation Commission of Liberia (2009). *Volume 3, Appendices: Title III: Economic crimes and the conflict, exploitation and abuse.*
4   International Crisis Group (2009). *Liberia: Uneven progress in security sector reform*, Africa report No. 148. p. 8.
5   Republic of Liberia (2010). *Agenda for transformation: Steps towards Liberia RISING 2030.*
6   Ibid.
7   S. Bilal (2014). 'Regulatory reform in the Liberian mining sector: Striking the right balance', *Great Insights*, Vol. 3, No. 7, July/August 2014. Available at http://ecdpm.org/great-insights/extractive-sector-african-perspectives/regulatory-reform-liberian-mining-sector/

legislature has passed the Freedom of Information (FOI) Act, giving the public the right to request and review public documents. In 2011, the National Bureau of Concessions (NBC) was created, with responsibility for ensuring that concessionaires comply with agreements, coordinating monitoring activities and offering technical advice during negotiations. At the same time, the Land Rights Commission set up the Land Dispute Resolution Taskforce (LDRT) to support the relevant government ministries in the clarification of land rights.

62% of the labour force aged between 15 and 24 have less than a full primary education, while 78% of the labour force are engaged in "vulnerable employment" and over 60% of the population live on less than US$1 a day.

However, while these reforms have encouraged FDI and boosted economic growth (with an average increase in gross domestic product (GDP) of 8%[8] over the last four years), these investments are still struggling to translate into meaningful benefits for the whole population. Meanwhile, there is insufficient systematic integration of vulnerable groups, particularly young people, from economic and development opportunities. The 2013 African Economic Outlook report for Liberia highlights that 62% of the labour force aged between 15 and 24 have less than a full primary education, while 78% of the labour force are engaged in "vulnerable employment"[9] and over 60% of the population live on less than US$1 a day.[10] At the same time, foreign companies are being linked with allegations of corruption by government representatives,[11] ongoing accusations of land grabbing[12] and aggravating inter-communal rivalry.

This dissatisfaction has also increased the level of violence and instability. For example, in December 2013, Global Witness accused Equatorial Palm Oil (EPO) of involvement in the arbitrary arrest and assault of Liberian community members who claimed they were resisting EPO's efforts to take their land.[13] Subsequently, in March 2014, President Ellen Johnson Sirleaf was forced to announce a moratorium on the expansion of EPO onto Jogbahn Clan land in Grand Bassa county due to mounting tensions between communities and EPO. This dissatisfaction has also spread to the iron ore sector. In May 2014, for instance, Sustainable Development Initiatives (SDI) reported widespread dissatisfaction among the Fuamah district community with China Union,[14] an investor in the iron ore sector, after reports emerged of abusive treatment of local community members. As a result, these incidents are beginning to threaten the enabling environment for investors and are undermining the Liberia 2030 vision.

EXTRACTING PEACE FROM THE MANAGEMENT OF NATURAL RESOURCES

When considering NRM in post-conflict settings such as Liberia, there are often warning signs of the 'resource curse' and the risk of natural resource extraction undermining economic growth and exacerbating conflict.[15] Although there are many different theories explaining this phenomenon, the predominant solution put forward often focuses on establishing a regulatory framework to create a more equitable distribution of wealth and efficient allocation of resources.

Although these reforms are necessary, the peacebuilding lens focuses on the *process* of managing natural resources. In particular, there is an emphasis on the management of natural resources as a platform for cutting across conflict divides, to open up spaces for dialogue that can transform the political and social structures necessary for peace.

This approach in Liberia has been developed on the basis of desk-based research combined with in-country interviews and focus group workshops.[16] The target audience for this report mainly comprises government agencies, the development community (international and national) interested in NRM, the private sector (domestic and foreign) and community-based organisations.

8   AfDB, OECD and UNDP (2014). 'Liberia 2014', *African Economic Outlook*. Available at http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2014/PDF/CN_Long_EN/Liberia_EN.pdf

9   Ibid.

10 The World Bank's Millennium Development Goals Report 2010 states that employment (formal and informal) is 96.3%, of which 78.0% of the employed are in vulnerable informal employment.

11 S. Siakor and R. Knight (2012). 'A Nobel Laureate's problem at home', *The New York Times*, 20 January 2012. Available at http://www.nytimes.com/2012/01/21/opinion/in-liberia-a-nobel-laureates-problem.html?_r=0

12 E. Baron (2012). 'Palm oil industry accused of land grabs in Liberia', *Global Post*, 27 December 2012. Available at http://www.globalpost.com/dispatches/globalpost-blogs/rights/palm-oil-companys-deal-liberia-sparks-controversy

13 Global Witness (2013). 'UK's Equatorial Palm Oil accused of human rights abuses in Liberia', 20 December 2013. Available at https://www.globalwitness.org/Liberia/EPO

14 Sustainable Development Institute (2014). 'Damning report released on iron ore giant China Union', 21 May 2014. Available at http://www.sdiliberia.org/DamningReportIronOreChinaUnion

15 J.D. Sachs and A.M. Warner (1995). *Natural resource abundance and economic growth*, NBER Working Paper No. 5398. Cambridge, Massachusetts: National Bureau of Economic Research.

16 For details of the research areas, see Annex 2, available at http://www.international-alert.org/resources/publications/extracting-peace

The need for a new approach in Liberia

In a society recovering from over two decades of civil war, Liberia's systems of governance still exhibit high levels of patrimonial and clientelistic tendencies. The influx of foreign investment has intensified these competing interests, depriving people of the opportunities to explore shared common interests and reinforcing the old conflict dynamics. As a result, the incidence of violence and levels of dissatisfaction are increasing.

The government's current approach to managing natural resource extraction is failing to build on the momentum created by the Liberia 2030 vision and the shared interest for the country to achieve its development potential.

The government's current approach to managing natural resource extraction is failing to build on the momentum created by the Liberia 2030 vision and the shared interest for the country to achieve its development potential. In April 2013, after having to personally intervene in a dispute between Golden Veroleum and local communities in Sinoe county, President Sirleaf admitted that her government had failed to effectively manage the increased investment;[17] subsequently, in 2014, President Sirleaf highlighted that community disturbances from the effects of investment in the extractive sector was the main threat to the economy.[18] Therefore, in light of these challenges, there is an urgent need to expand the horizon of possible interventions and to develop new approaches.

The peacebuilding approach takes the conflict context as the starting point: it asks what are the political and social dynamics underlying these causes of violence and how can you create spaces for dialogue to transform these dynamics.

Redefining the problem of promoting sustainable and peaceful NRM in Liberia

A critical element of peacebuilding is the need for proper analysis of the context. Without effectively describing the root causes of the problems and the role of NRM in exacerbating these tensions, it becomes more challenging to identify solutions. Alert's initial research conducted in 2012 on conflict dynamics affected by natural resource extraction identified the following key issues:[19]

1. Despite regulatory and governance reforms, the awarding of concession agreements is still being conducted behind closed doors, with the terms not being effectively communicated to the public and specifically to affected communities, thus fuelling mistrust amid reports of corruption.

2. Social development clauses of concessionary agreements are not benefiting either the affected communities or the wider population; they have so far failed to translate into meaningful improvements in livelihoods, social services and basic infrastructure, therefore reinforcing existing inequalities.

3. Both sectors require the provision of land, and, given the already complex issue of land ownership, the acquisition of land by foreign companies is further complicating existing local tensions and communal rivalry.

These issues highlight that economic governance reforms and efforts to build central government capacity are currently not reducing the risk of conflict. As evidenced in Liberia and elsewhere, these reforms are likely to take many years to enforce and become effective. In 2013, the former Auditor General at the General Auditing Commission, John Morlu, stated that current anti-corruption efforts are limited by the inability to enforce an appropriate legal framework, which is one of the root causes of socio-economic imbalance, benefiting only a small proportion of the population and creating resentment among the rest.[20] As Alert's research identifies, despite the reforms, the natural resources sector is still vulnerable to elite co-option and competing interests – at the national level, the county level and within communities affected by investments.[21]

17   R. Sieh (2013). 'Liberia: "We made mistakes" – Sirleaf admits missteps in Gvl concession, intervenes in Sinoe', *AllAfrica*, 28 April 2013. Available at http://allafrica.com/stories/201304290901.html
18   Sustainable Development Institute (2014). 'President Sirleaf blames communities for economic downturn in Liberia', audio interview, 25 June 2014. Available at http://www.sdiliberia.org/node/284
19   For details, see Annex 1, available at http://www.international-alert.org/resources/publications/extracting-peace
20   A. Holmgren (2013). 'Liberia's public enemy no. 1: Fighting corruption to build a nation', *Consultancy Africa Intelligence*, 17 June 2013. Available at http://www.consultancyafrica.com/index.php?option=com_content&view=article&id=1308:liberias-public-enemy-no-1-fighting-corruption-to-rebuild-a-nation&catid=57:africa-watch-discussion-papers&Itemid=263
21   For details, see Annex 1, available at http://www.international-alert.org/resources/publications/extracting-peace

Therefore, while improvements in the regulatory framework are necessary, the government, development agencies and the private sector also need to understand the underlying root causes of these civil disturbances. This means that stakeholders need to be engaged and supported to analyse the different power and social dynamics that are reducing transparency over concession agreements, to explore the reasons why communities are not able to access social development funds (SDFs) and to determine what is preventing the clarification of land rights.

Thus, the agencies responsible for managing natural resource investment must begin the process of engaging with the realities of investing in Liberia. Based on Alert's research, this will require strengthening the capacity of local communities, companies and government agencies to understand the capacities and dynamics of formal state systems of governance, as well as supporting traditional informal forms of governance to engage on these issues.

TRANSFORMING COMMUNITY ENGAGEMENT TO PROMOTE PEACEFUL NRM

Peacebuilding seeks to effect political, economic and social change in society. However, shaping this change will require a willingness from the government, communities and companies to engage with the political and social aspects of peaceful NRM. It will require using the momentum created by the significant investment in natural resources to open up spaces for including marginalised groups and building effective and constructive forms of engagement.

Alert's research found that the nexus between affected communities, companies and government institutions still remains weak and that the spaces for dialogue are largely closed. The reality is that the recent influx of investment has seen few examples of communities effectively and constructively engaging with companies or with government institutions. This is despite the fact that many of the stakeholders involved in the management of natural resources have an interest in peace, stability and fulfilling Liberia's economic potential.

In 2014, Alert began a pilot project funded by Humanity United to understand the process of why, despite the overwhelming desire for peace and economic growth in Liberia, the main stakeholders are unable to engage effectively and constructively. This work began with 20 participants from 3 communities in Bomi county affected by investment in natural resource extraction;[22] the research explored some of the challenges restricting their ability to engage effectively and sought to support them to engage more effectively with companies and government agencies.

This section presents the preliminary findings from these workshops. Although the research highlights some of the power dynamics, further consultations will be required with foreign investors, county authorities, central government agencies and a wider range of community members to develop a more comprehensive analysis.

Main findings of workshops

There was a general consensus among workshop participants that it is in their interest for foreign companies to invest in their areas and for them to create a stable environment to attract investment. Overall, there was a real willingness from communities to engage on NRM issues, to create cooperative partnerships with companies and with government agencies, and to have their lands used by foreign companies. In return, the communities want to see tangible benefits, principally employment opportunities; they want greater inclusion in the decisions over the allocation of customary as well as public lands and they want to have a more active role in shaping the direction of their future. Although many of the community members accepted that civil disturbances were creating instability, they were unable to identify any effective mechanisms for dialogue with both companies and government authorities to address these frustrations.

During the workshops, each community member was presented with the key conflict issues identified during the previous research in 2012 (see above). Each community was then asked to analyse the social and power dynamics that are exacerbating these conflict risks in their own communities. They were then asked to develop a strategy on how they could overcome these challenges and engage more effectively with NRM issues. Analysis during the workshops identified the following main reasons currently limiting communities from engaging on NRM issues with government and companies.

Communal systems of governance are struggling to meet new demands

Traditional or communal systems of governance are struggling to cope with the changing external demands on their lands and the impact of the investment influx on their communities. Instead of primarily being responsible for administering customary law to meet the needs of their communities, traditional leaders need to engage on a much broader range of issues created by the influx of investment. They need support to understand the complex language contained in concession agreements and to translate this to their constituents. Community representatives require effective negotiation skills to deal with the increasing competing interests from companies, legislative officials, county authorities and members of their own communities. They need stronger administrative skills to contribute to social development planning and to understand the practicalities of demanding greater transparency and accountability.

The inability to meet these new demands is having an impact on the legitimacy of traditional governance structures, which is increasing tensions within communities. This threat to legitimacy is being compounded by accusations of a lack of transparency by traditional chiefs during the process of approving the contracts.

CASE STUDY: IMPROVING ACCOUNTABILITY – GOLODEE TOWN

The provision of basic services in Golodee town is currently deemed inadequate. Community members complain that royalties and revenues received from sand mining in their area are not being used to address the needs of community. Moreover, participants during the workshops criticised the limited channels they have to hold their leaders to account and to demand greater transparency over the communal funds. While corruption was often cited as a problem within state institutions, there was also a growing realisation that corruption was endemic within their own communities and was leading to intra-communal tensions and instability.

The workshop provided participants with the impetus to return to their community and discuss the issue with their traditional leaders. As a result, they have agreed to form a development committee responsible for managing the communal funds. The committee has set up a bank account, where the community funds will be deposited. Now the committee is seeking further training on account management so that it can develop budgets, monitor expenditure and report back to its community on how funds are spent.

Although the main benefit from this initiative is greater clarity over the expenditure of funds, further support is required to ensure that the committee improves social cohesion and develops a better understanding of the practicalities of transparency.

Local solutions are not being harnessed to clarify land rights

On the issue of land management, communities highlighted the confusion over land ownership caused by parallel systems of customary and traditional law, as well as high levels of internal displacement during the conflict. Many landowners took advantage of this confusion and would often sell land to multiple buyers.[23] This has led to conflict between community members and companies as well as within communities themselves. The multiple claims for compensation over the same plot of land are forcing companies to take unilateral decisions over who should be compensated.

Prior to the conflict, land disputes would often be resolved by traditional informal governance structures. However, the conflict has led to a breakdown in these governance structures. In particular, women and youth groups are especially dissatisfied with traditional systems of governance where gender and age often count against them.[24] Moreover, many Liberians feel that the formal state justice system is failing to provide accessible, affordable and timely services for communities and does not address root causes of land conflict as effectively as the customary system.[25] According to a Fund for Peace (FFP) report, in some instances the ineffective formal justice system actually exacerbates land conflict and ethnic tensions, and taking a neighbour to court creates tremendous animosity in the county.[26]

Discussions during the workshop highlighted that the confusion over land rights is an issue that communities have the potential to resolve.

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23   'The changing face of land disputes in Liberia', *IRIN*, 20 May 2013. Available at http://www.irinnews.org/fr/report/98070/the

24   Conciliation Resources (2012). 'Mediating land disputes in Liberia', *Accord*, Issue 23. Available at http://www.c-r.org/sites/default/files/CON1222_Accord_23_10.pdf

25   Fund for Peace (2012). *UNLocK Liberia: Montserrado and Nimba Counties Special Report January 2010 – January 2012*, Fund for Peace Publication FFP: CULRR1207.

26   Ibid.

CASE STUDY: THE ROLE OF COMMUNITIES IN CLARIFYING LAND RIGHTS – MALEMA TOWN

This case study highlights the role that communities, when trained in peacebuilding tools, can have in clarifying land rights and creating a more stable climate for investors. Since 2006, tensions have been mounting between Malema and Gohnzipo towns over Banto, a fertile farming land. According to members of Malema, Banto traditionally belonged to the people of Malema; however, as a result of the civil war, the community vacated the area and it was subsequently taken over by members of Gohnzipo town. Now, with increased investment, the value of land is exacerbating tensions over land ownership, resulting in growing threats of violence and a potential threat to the enabling environment.

During the workshop, participants from Malema acknowledged that this land dispute was destabilising the enabling environment for investors and they were asked to develop a strategy to address this issue. The workshop has provided community members with the impetus to engage with their own traditional governance structures to develop a land committee responsible for overseeing all land disputes, and to engage with the land commission, members of Gohnzipo town, the district commissioner and companies. The land committee requires further assistance on mediation and engagement; however, it has already begun discussing land issues with Gohnzipo members and is in the process of developing a way forward.

Government agencies are struggling to meet expectations

Communities and companies expect that government agencies and county authorities should be a key interlocutor during land disputes, are responsible for meeting the socio-economic needs of communities and should be regulating the behaviour of companies.

Participants agreed that county authorities and the relevant government agencies needed to have a greater presence on the ground to fulfil their roles effectively and to support community engagement. This lack of presence and mechanisms for establishing constructive dialogue is fuelling the cycle of mistrust, reinforcing the belief that government agencies are motivated by their own interests and not those of their constituents.

The distribution of SDFs continues to be a major area fuelling this cycle of mistrust. Each major concession contract requires companies to contribute to an SDF to be used primarily in the affected communities. Monitoring of the SDF expenditure is supposed to be regulated by a government management committee at the county level and should be channelled directly towards the affected communities, hence bypassing central government. Although participants from the affected communities were aware that SDFs were available for their area, there was little information on how to access these funds and on how the funds had been spent.

The limited budget available to the county authority office is a major factor restricting its ability to maintain a presence in the field and to conduct inclusive socio-economic needs assessments.

Discussions with county authorities, whose role is to reportedly put in place central government policy and who are often marginalised from the decision-making process, indicated that they are at risk of political repercussions if their decision is not viewed positively. In addition, the local superintendents stated that they are not involved in the negotiation of concessions and also struggle with the complex legal language, including the terms of the agreement. Based on these discussions, the limited budget available to the county authority office is a major factor restricting its ability to maintain a presence in the field and to conduct inclusive socio-economic needs assessments. At present, there is still a concern that too much power is contained in Liberia's capital Monrovia, as central government continues to maintain control over the SDF and fiscal budgets.

Discussions with the Environmental Protection Agency (EPA) and the Forestry Development Authority (FDA) suggest that the departments responsible for monitoring concession agreements lacked the financial means, logistical structure or adequate professional staff to do their jobs effectively. One ministry representative reported that his office currently comprises 5% professional staff and the rest are support staff, even though it should be 60% professional staff and 40% support staff. This inability to regulate the concession agreements leaves many of the communities exposed to exploitation from certain companies and reduces the incentive to adopt best practices.

These discussions are further complicated by the ongoing struggle within the government to push through the National Decentralisation Policy. The aim of this policy is to give the county authorities greater power over delivery of social services and to strengthen the role of local organisations and leaders in deciding investment priorities and monitoring outputs.[27] Further analysis is required to fully explore the political dynamics that are preventing the implementation of the decentralisation policy and to determine how this is exacerbating conflict dynamics within the natural resources sector. Nonetheless, the lack of mechanisms for dialogue and building trust between state institutions (both central and county) is reinforcing grievances, heightening frustrations and destabilising the enabling environment.

Civil society is struggling to support communities to engage constructively

National civil society organisations (CSOs) are becoming increasingly involved in the debate over the management of natural resources in Liberia. Efforts have been made to reach across the company/CSO divide through the Corporate Social Responsibility Forum; however, this measure has focused primarily on companies implementing anti-corruption procedures.

CSOs could play a valuable role in promoting more constructive engagement and in opening up spaces for more positive dialogue on the management of natural resources in Liberia.

Nevertheless, there are a few CSOs that have begun to reach out to communities to provide them with educational resources on concession agreements as well as to support them in making more informed decisions when negotiating with investors. These activities can become a valuable tool for promoting more constructive engagement and for opening up spaces for more positive dialogue. Therefore, providing greater support is essential to open up debate on many of these issues and to support the process of rebuilding trust between affected communities, companies and government institutions.

APPLYING PEACEBUILDING TO NRM IN LIBERIA: BUILDING ON POSITIVE SOCIAL AND POLITICAL DYNAMICS

The drafting of Liberia's 2030 vision is a breakthrough for Liberia, providing a unique opportunity for the country to map out a course for sustainable peace and development. The challenge now is how to use this momentum and to apply it to promote the peaceful management of natural resources.

Based on Alert's analysis, there are three key issues that currently exacerbate the risk of conflict but which could be transformed into opportunities for promoting peace: firstly, the process of awarding concessions; secondly, the allocation and management of SDFs; and thirdly, the clarification of land rights.

Each of these issues provides an opportunity for a structured process of inclusive dialogue involving the central government, local government, companies and affected communities (including customary leaders, community leaders, civil society representatives and religious figures). Careful attention must also be paid to the role of women and youth in these power dynamics.

In a very practical sense, allowing for these greater levels of convergence and conviction among stakeholders would enable innovative solutions to be identified and promote greater understanding of and empathy for the views of others. In this respect, analysis and dialogue can become active tools as well as an integral part of the reconciliation still needed in Liberia.

Therefore, creating these spaces for dialogue during the awarding of concessions, the allocation of SDFs and the clarification of land rights can become opportunities for reconfiguring relations between state and citizen, and building stability within communities. Transforming these specific issues requires greater attention by all stakeholders to ensure that the spaces for dialogue are created with the aim of strengthening community cohesion as well as promoting closer relations between the state and citizens.

27   Republic of Liberia (2010). Op. cit.

Key points to be addressed

Awarding concession agreements

Transforming the process of awarding concession agreements from one that is currently closed and creating mistrust to one that is inclusive and lays the foundations for long-term stability will require development of clear guidelines for approving each concession agreement. This means that companies, government agencies and affected communities will need to ensure that:

- Sufficient time and resources are allocated so that local governance structures and the community are aware of the terms of the agreement and the impact on their lands;

- Local governance structures are consulting their respective communities;

- Each concession agreement identifies the roles and responsibilities for each stakeholder (companies/ government agencies/affected communities/civil society/local businesses) during the concession negotiations;

- Each concession has adequate provisions for ensuring that stakeholders are equipped to carry out these responsibilities. Particular attention should be paid to the role of women and youth and their specific role during the duration of the concession;

- Each concession has a working group with representatives from each of the stakeholders and with responsibility for monitoring fulfilment of the agreement's terms and for ensuring that communication lines are open;

- The working group receives training in mediation to help resolve any conflicts that arise;

- Each concession includes milestones for when these activities will be carried out during the duration of the concession, overseen by the NBC.

Meeting the development needs of the affected communities

If the SDFs can engage with the political, economic and social needs of the rural population, they can become an integral part of promoting an enabling environment for investors and of creating opportunities for development. This means that companies, government agencies and affected communities need to ensure that:

- Full disclosure of SDFs are made publicly available to each community;

- The process of applying for SDFs is made transparent and communicated to the communities, and support is provided to them to access these funds;

- Resources are allocated for building the capacity of community governance structures to manage these funds, assess the needs of their communities and manage projects;

- The national decentralisation policy is pushed through as an essential measure for building the legitimacy of county authorities, sharing responsibility for fiscal expenditure and improving state–citizen relations;

- Each SDF has a working group with representatives from each of the stakeholders (companies/government agencies/affected communities/civil society/local business) and with responsibility for overseeing expenditure, monitoring the impact of projects and aligning with wider development plans;

- Particular attention is paid to including women and youth groups in the process of putting together economic development plans to ensure that they are included in the decision-making process;

- Greater engagement with civil society occurs at both the national and community level so that they can become key actors in providing support to this process.

Clarifying land rights

One reason that land problems persist is due to the increased demand for land arising from the investment influx. Such tensions are often caused by competition for land, the weak administrative institutions (land commission, etc.), and the duality between land legislation and local customs. Developing a system to clarify land rights in an inclusive dialogue process, if done well, could help to increase cohesion within communities and to provide stability for investors. This means that companies, government agencies and affected communities need to ensure that:

- Concession agreements include specific provisions clarifying land rights and involving county authorities and the land commission;

- Provisions are made for free legal advice (from the land commission) to be made available to communities during the process of clarifying land rights, so they have a full understanding of their land rights;

- Terms and compensation are agreed with companies for use of communal land resources and put in writing in a legally binding document;

- A participatory process is developed to map out customary lands and to establish which land has been leased to the company and which land should be administered under customary law;

- The county authorities play a bigger part during the process of developing land maps and accompanying the communities during discussions with companies;

- Communities establish a committee to negotiate land rights and land compensation schemes. Greater support needs to be provided to the land commission to oversee these committees, ensuring that they are well managed and that they adhere to the National Land Rights Policy.

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