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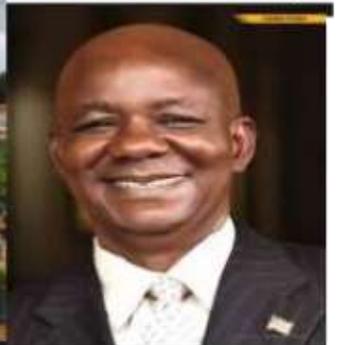
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“Select Transitional Governance Challenges Addressed in the Context of the Statement of Mutual Commitment (SMC) Priorities” with both government and international partners.



Chairman, Governance Commission Dr. Amos Sawyer



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GC Highlights Transitional Governance Challenges in Liberia



The Governance Commission (GC) has been discussing “Select Transitional Governance Challenges Addressed in the Context of the Statement of Mutual Commitment (SMC) Priorities” with both government and international partners. The Commission, in August, made a presentation at the Cabinet (August 9, 2016), and has held similar discussions with selected Ministries, Agencies and Commissions (MACs), Lawmakers and UN related organizations.

Governance Commission heads the fourth pillar of Government’s Agenda for Transformation (AFT Pillar IV). In his discussion at that Cabinet/Liberia Development Alliance meeting, GC’s Chairman Dr. Amos Sawyer noted areas identified under Pillar IV that have major effect on Transition and the immediate post-election governance.

- ✚ Democratic Governance and Public Institutions critical to 2017 Elections and immediate post-elections governance; areas identified are not exhaustive - they do not cover all areas within SMC but are considered essential for successful transition and immediate post-elections governance;
- ✚ Some areas identified fall partially under other Pillars of AFT but are closely linked to Pillar IV (e.g. security sector agencies).

The GC presentation highlighted four categories of the select areas under discussion. These include areas essential to complete, safeguard and advance critical gains made in key governance reform such as:

- a). Decentralization, constitution reform, land Reform, civil service/public sector reform and public financial management reform, and protection of public assets;
- b). Strengthening Community Policing through enhanced engagement of local communities, including women, youth and persons with disability, in community policing;
- c). Addressing critical relevant gaps in the reconciliation agenda which could well put national cohesion under stress during elections; and
- d). Carefully preparing for and successfully conducting 2017 elections which is key for consolidating peace and democracy and advancing development in 2018 and beyond.

Very relevant to completing and building upon gains made so far in governance in Liberia is **Constitutional Amendment**. Several actions have been taken to support the amendment of contending issues of the Constitution so that it can effectively address present day realities. These actions include:

- ✚ Propositions submitted to Senate through President Pro-Tempore and to House through Speaker;
- ✚ House joint committee reviewed and submitted report to Speaker for consideration of plenary. (No known movement in Senate).

Though the Constitutional amendment awaits the holding of a Referendum, GC believes that much can still be done, and recommends as way forward, that the Legislature ensures the adoption of the “Constitutional Propositions” before the end of its current session, and that the referendum be held after the 2017 elections, probably between November 2018 and March 2019. In the GC presentation and discussion, the Commission provided the current status of 4 milestone draft Acts at the Legislature, other reforms, and challenges and actions required to having them passed into law. It also references other reforms being undertaken and their current status.

Decentralization

Current Status: Deconcentration is the first phase of decentralization and is already underway through the establishment of county service centers (CSCs). Some are up and running. All 15 are expected to be completed (1 in each county) by the end of 2017. Government needs to ensure budget support to sustain CSCs, strengthen coordination (under chairmanship of Minister of Internal Affairs) among MACs providing service in centers, and with superintendent’s office at CSCs.

Local Government Act

Current status: Bill submitted by President to Legislature; Bill was thoroughly vetted around country and four times by Cabinet and the focus of at least 2 legislative retreats, but still awaiting legislative enactment to become law. This Act assures the full implementation of decentralization in Liberia.

Draft Act Establishing Ministry of Local Government

Current status: This draft Act has been submitted by the President to the Legislature. This Act draft clarifies mission, vision, structures and processes appropriate for implementing decentralization. This is draft Act still mobilizing support for its passage.

Land Reform

Current Status of the draft Land Rights Act and Land Authority Act: The Land Rights Act was submitted to the Legislature in 2014 after extensive consultations, including Cabinet presentations by the Land Commission. Two public hearings were conducted on the bill by the joint committees of the Legislature in August and September 2015. **The Land Rights Act is landmark legislation which this Administration must secure.** The draft Land Authority Act was passed by the Senate in April 2016 and has been transmitted to the House of Representatives for concurrence. The Land Commission and its transitional successor the Interim Land Task Force, GC, as well as CSOs have held several meetings with the relevant House of Representatives Committees on its passage.

Civil Service Reform

Current status - Enormous progress has been made including the launch of 3,500 job descriptions, TORs and Performance Monitoring and Evaluation Manuals. Member of the Tripod (CSA, GC, and LIPA) undertaking mandate and function review (MFR), organization designs and capacity building for public service. It is worthy to note that the CSA reforms are first in 40 years to be proceeding without interruption, and building professional civil service incrementally. GC notes that current gains toward building professional and autonomous civil service need to be protected and continued even with change in government.

As the way forward for CSA, GC recommended the establishment of Civil Service Commission as required by the Constitution, and the position of Principal Director as highest civil service position in Ministries, Agencies and Commissions (MACs); adopt constitution proposition eliminating assistant minister positions; strengthening of civil service regulations and procedures to protect merit-based system, review current civil service regulations and procedures to strengthen protection of civil servants, and reinforce the merit-based system.

Meanwhile Governance Commission has emphasized the need to complete the restructuring of the MACs, continue implementation of the Public Financial Management Reform (PFM), while noting economic governance challenges. Some critical **economic governance challenges identified include** job creation, promotion of Liberian entrepreneurship, youth employment and managing land disputes.

✦ Protecting public assets and Ensuring Asset Declaration

This is another issue discussed in the GC presentation. The General Services Agency has put in place an effective system for the management of GOL assets. Every effort has to be made to preserve the integrity of the system against the prospects of unauthorized removal of these assets amid the activities of transition.

Strengthening Asset Declaration Regime

Current Asset Declaration regime provides that those listed under the Executive Branch should declare their assets and must submit asset declaration statements to GAC every two years. Members of the Legislature must submit asset declaration statements to the Chief Clerk of the House of Representatives and the Secretary of the Senate every two years. Members of the Justices must submit asset declaration statements to the Administrator of the Supreme Court. The way forward is unclear. Actions to be taken by GAC and LACC also remain unclear. GC therefore recommends the need to review Asset Declaration provision of the Code of Conduct and develop effective implementation processes (GC, GAC, LACC, Court Administrator, Secretary of Senate and Chief Clerk of House of Representative working through NIF framework).

The Governance Commission presentation spoke on strengthening community policing and reconciliation in transition. On strengthening community policing, GC noted that the withdrawal of UNMIL opens up opportunities for greater community involvement with the police and other security forces to ensure peace, public safety and security in local communities; that direct support to the LNP is vital and that initiatives in community policing need to be accelerated.

The formation of county, district and township councils that provide institutional and social support to security authorities also need to be brought fully on stream. **The GOL-CSO Partnership Policy Framework** provides another tool for enhanced cooperation of local communities with the security authorities to strengthen community policing.

GC also believes that support to the Liberia National Police (LNP) should be strengthened, including strengthening of local security committees such as superintendents, local security authorities, community leaders including women and youth representatives. On the issue of **strengthening reconciliation in the transition**, GC noted that the national healing and reconciliation roadmap need to undergo comprehensive review to determine the way forward after the 2017 elections.

Strengthening Social Cohesion in Sinoe County

The scale of violent uprisings in Liberia's concession areas is an issue for concern with reports noting fights between Concessions and communities on one hand (over land related issues) and community benefits from investment opportunities and inter-community struggle over land boundaries/ownership/tenure on the other. A sustained process of open dialogue between community and investors is required to facilitate effective communication, peaceful co-existence, and improve cohesion within project affected communities particularly Sinoe county.

As part of concrete efforts geared toward enhancing peace-building and social cohesion, the Governance Commission (GC) and the United Nations Development Program (UNDP) recently sent a team to assess the issue of social cohesion in Sinoe County, with particular interest in the Butaw District. Why Butaw (some may ask)? Butaw District was identified because, among other issues, of the May 2015 conflict between the community and the Golden Veroleum Liberia (GVL) Company which led to vandalizing of the Concession's property, and detention of some of Butaw youths.

The team members included Ibrahim Al-bakri Nyei, Jeremiah Witherspoon, McNeil Wilson and Janet Johnson of the GC, and Mahamed Boakai of UNDP. While in Sinoe (July 22-25, 2016), the team held consultative meetings with relevant stakeholders to discuss major contending issues and identify entry points for the project titled "strengthening social cohesion and building peace between communities and concessionaires". Groups consulted were local political and administrative leaders of Sinoe including Superintendent Prosper Brown, the Assistant Superintendent for Development and four Statutory District Superintendents from Kpayahn, Tarjehohn, Juahzon, Jayday, representatives of Civil Society organizations (CSOs), Butaw citizens (60 plus people including traditional chiefs), the Management of Golden Veroleum Liberia (GVL), and the Management of Equatorial Palm Oil (EPO).

The Team observed that the results of these land deals/transactions between local people and investors have been mixed across the country, and for the most part, regulatory issues have negatively affected the stability of contract and security of land for investors and local communities respectively. The results have been conflicts over land areas between communities wishing to lease land to investors on one hand, and between communities and investors over issues of employment, preservation of cultural sites, protection of water resources, and social benefits to communities. The inability of both investors and communities to address these issues on a win-win basis have led to violent uprisings on plantation sites resulting to damages of millions of dollars' worth of properties, and injuries to people.

Sinoe County has 17 districts, a population of 104,932 (2008 Census), and remains one of the least populous counties in Liberia. A significant portion of Liberia's forests is located in Sinoe County making the County one of the premier producers of timber in the country. However, this has also been a source of numerous challenges the County continues to face, namely, land disputes over tenure and ownership, and inequitable distribution of the benefits. As a result, issues of trust and social cohesion again pose serious challenges to both production and social cohesion in the concession areas of Sinoe.

Taking into consideration the need to stabilize relations between communities and investors for the sake of empowering communities and maximizing social benefits of investments on their land, the Governance Commission, with support from the United Nations Development Program (UNDP) is considering a plan to implement a local peace building and community cohesion pilot project in Sinoe County under the title **“Strengthening Social Cohesion and Building Resilience through Communications and Community Dialogues in Sinoe County”**. The project seeks to examine opportunities and entry points for strengthening trust and social cohesion amongst the communities, concessionaires and other local stakeholders. The project will draw from the lessons learned from the successful community engagement in responding to the Ebola crisis, and the numerous crisis that have emerged out of the shaky relations between communities and concessions as was the case leading to the Butaw uprising of May 2015.

President Madam Ellen Johnson Sirleaf, had asked the Sinoe Peace Initiative to look into some of the conflict issues in Sinoe and advise her accordingly. Major investors in the county, including Golden Veroleum (GVL) are expected to be essential part of the pilot project through their participation in consultations and material support to community micro projects.

Major findings and Recommendations of the GC/UNDP Assessment Team

After the successful fact finding mission to Sinoe, the GC/UNDP Assessment Team came up with a report to include the following findings and recommendations.

1. Concession Agreements and Local Community

a). That the signing of concession agreement are done without consultations with communities nor adequate information as to the benefits to communities; and that social responsibilities of investors (which are at the root of the problematic relationship between companies/concessions and the people) are not clearly spelt out. In the case of the Golden Veroleum Liberia, County Superintendent and local chiefs had no role to play in the negotiations over the land for investment project in Butaw.

b). Information on how the investment would benefit the people of Butaw, and Sinoe in general were not properly communicated. Promises of investment and social development

of the community were also broadly passed on to communities without specific details. This created high expectations among community members.

Recommendations: the Team recommended that:

- a. Future land concession negotiations should involve communities and county officials, and that total land areas available locally must be known and surveyed before investment deals are signed.
- b. Communication and mediation programs are urgently needed in Sinoe County to facilitate Co-existence between projects affected communities and investments. The focus of this project should be to facilitate the existence of structures for dialogue and information sharing between investors and communities, and ensure that terms of MOUs are understood properly by local activists.

2. Conflicting Land Boundaries

- a. There seem to be lack of understanding and knowledge on the actual boundaries that exist between communities. While tribal communities and clans have traditional knowledge of their total land areas, they do not have real figures in acreage; neither do they have land titles (in most instances). The lack of titles/deeds to land have made it even more difficult for investors willing to do business with communities to determine the total land area owned by the interested communities. This situation affects both the EPO and GVL concessions in Sinoe.
- b. The interests of investors in communities without titles to their land but willing to lease land areas have awakened new levels of land disputes between and amongst communities in Sinoe County. If these contestations over land are not resolved and communities given titles/deeds that demarcate their total land areas, the potential for inter-tribal or inter-clans violence cannot be overstated.

Recommendations: Sinoe presents an urgent case for land dispute resolution and boundary harmonization. **a).** An intra-county boundary harmonization and land dispute project is urgently needed in Sinoe County to stabilize relations between communities and ensure security of both land tenure and investments. **b).** Communities need mechanisms put in place to ensure that their land areas are surveyed, agree upon common boundaries, and be given legal titles/deeds to private owners, under the Land Rights Policy of Liberia.

3. Legitimacy of Local Leadership

- a. Recent reforms in the land-based investments such as forestry and plantation agriculture have given premium to the negotiation of land leases with communities. All of the concession agreements have requirements for investors to sign MOUs or social agreements with project affected communities. This is also well articulated in the

Community Rights Law of 2009. However, provisions are not clear on the representations of communities in negotiations with investors. Ad hoc structures have been established over time in communities to represent the interests of the communities in engaging with investors. **While investors are represented by highly-skilled negotiators and lawyers, communities are poorly represented and in some cases individuals based in Monrovia with selfish interests** (as alleged in nearly all of the meetings) hijack the process and **make poor representations for the communities**.

- b. In addition, competing interests in the communities frequently challenge the legitimacy of each other, making it difficult to know who actually represents the community. This case is replete in Sinoe County, and very pronounced in the Butaw District where division amongst competing local organizations partly fueled miscommunication and sparked the May 2015 uprising. Local county officials including superintendents are not allowed to represent communities, but only to observe MOU processes as witnesses. They also have no powers to enforce implementation of the terms of the MOUs.

Recommendations:

- a. While reforms in land and local governance are still ongoing, the need to empower the local statutory and traditional authorities, as well as women groups to serve as legitimate representatives of local communities cannot be overemphasized. It is recommended that in the case of customary/tribal land ownership, local tribal land officials (or recognized designee) be the sole negotiator(s) and custodian(s) of the land lease negotiation process. This process should at all-time be facilitated by the county and district officials who should ensure that the community is adequately represented in negotiations; advise the process throughout to ensure that the terms of the concession agreement are adhered to, and that the community's interests are properly represented and rights respected. The establishment of ad-hoc community representative groups and fronting of local activist organizations as legitimate representatives of communities in engagements with investors must be discouraged.
- b. Civil society organizations in Sinoe need urgent capacity building trainings if they are to be considered responsible partners and serious contributors to Liberia's development agenda. The Team observed that the Sinoe CSOs do not have much knowledge as to their roles and responsibilities in a democracy, nor the GOL/CSO partnership Policy and Accord initiatives between government and CSOs. There is urgent need for them to receive copies and information to enhance CSO operations/work in Sinoe County. Giving CSO appropriate training will capacitate them to engage communities better instead of inciting communities against government and investors.

4. Division in Butaw

The division among the people of Butaw will continue to undermine social stability and development of the area until measures are put in place to have a unified local organization. The division in Butaw is between two competing organizations – Ablorteh and the Butaw Welfare Development Association with both claiming the right to represent the people of Butaw. The lack of a functioning recognized traditional/statutory authority to ably represent the people’s interests led to the emergence of numerous organizations claiming leadership authority in Butaw. While it is recommended that these 2 organizations be replaced with traditional/statutory structures, their role in maintaining peace in Butaw and advancing better relations with the plantation is crucial. The division among the people has led to serious mistrust and continues to undermine their social cohesiveness. Tribal leaders and elders have all taken sides in this schism.

Recommendations:

- a. In the face of alarming division among the people of Butaw, stable relations and trust among them and with GVL and other investors can only be possible through dialogue and mediation initiatives. A dialogue, communication and mediation program is needed to facilitate exchanges, engagements, and peaceful co-existence among the competing organizations, tribal leaders and elders who have taken sides. This project will go a long way in building trust, encourage social cohesion, and enhance communication among stakeholders.
- b. The facilitation process should also engage youth and deliver training in leadership, community mobilization and peaceful activism.

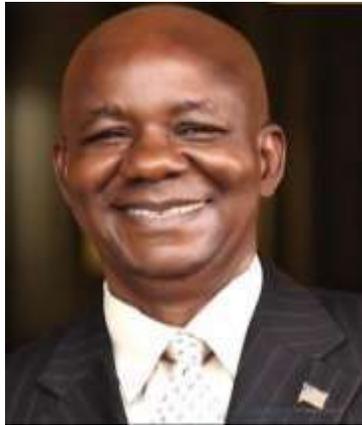
In Conclusion, the report emphasized that Land dispute has been a recurrent source of tension in both rural and urban communities in Liberia. The passage of the land rights act and demarcation of boundaries between customary communities, districts and counties are major concerns to citizens and investors in Sinoe County. “While we believe that these are also provisions of the draft land rights act, until these provisions are disseminated to the public - land disputes will continue to serve as a major factor for conflict in rural areas”.

Full text of the GC/UNDP Assessment Team to Sinoe County is on the GC website:

www.governancecommissionlr.org.

Theory of Price, Cost and Decision Making on Economic Growth

Renowned Liberian economists Professors Sumo Kupee and Geegbae A. Geegbae have stressed the need for Liberians to make decisions that will overtime translate economic opportunities into growth and development. Both men were panelists at an intellectual discourse held on August 31, 2016 at the Monrovia City Hall on the topic **“Price, Cost and Decision Making”**. The program was part of celebrations in honor of economist politician Dr. Togba Nah Tipoteh.



Mr. Kupee noted that the theory or relationship of Price, Cost and Decision making calls for analyzing the building connectivity between very complex economic issues, and that the decision we make leads to **“opportunity cost”** (a direct or indirect cost)”. Most often Liberian small businesses fail because production, time and energy of workers are not factored into production costs.

Mr. Kupee emphasized that in economics, cost, time and energy associated with production **are** basic and fundamental to determining the way we organize the production and price of goods and services we provide. He noted that decision making however is paramount to the choices we make, choices that could lead to either economic growth or collapse.

“The decision to not produce plastic commodity but rather continue to export unprocessed rubber means that you can only export rubber. The price for taking that decision is that you can only import finished rubber product which allows you to pay directly and indirectly for that decision. Which also simply dictate that you have to export for less amount and pay more money for importing the finished product.”

For his part, Professor Geegbae A. Geegbae placed emphasis on the **Empirical analysis of the theory of Cost, Price and Decision Making**. He pointed out that



imports’ cost and price are determined through the analysis of internal factors of the entity production line, and the extended environment on the controlling factors involved in the production circle but that the producer has to first look at the decision making process in relation to the overall process.

Professor Geegbae noted that though the price is paid by the consumer and cost determined by the producer, the two are tied to decision making. This therefore suggests that periodic survey on the internal and external environments are determined periodically and such is also key to crucial micro economic regulations promulgated by government.

Professor Geegbae addressed concerns relating to poor performance of most Liberians as successful entrepreneurs. *“Our people in the informal sectors are striving to become entrepreneurs. How do they consider price and cost? They mixed everything together and that is why their businesses keep failing. They have not learned to understand that when you start a*

business, you become an employee of that business, your salaries and other benefit are part of that business”.

Dr. Geegbae stressed that though the University of Liberia (LU) and other universities are offering management and business training at the Business Colleges, too many of the graduates had failed at becoming successful business entrepreneurs. LU Business College decided to introduce an entrepreneurship program starting this October/November 2016 school calendar. The program is designed for students majoring in business; students who plan to Minor “Entrepreneurship”, and third as a certificate program targeted at members of the Liberian Business Association.

At the same time Dr. Geegbae has emphasized the need for government prioritize its Liberalization and ensure that Liberians in the private sector take control of the market and their economy.

“Present experience shows that, directly or indirectly, our economy has been taken over by foreigners. How can we fill in the gaps or potentially share the market - is a national decision”.

Meanwhile Dr. Geegbae recommended the need for government to put in place an input mechanism to address the packaging of our raw materials such as cocoa, coffee, cassava, rubber, iron ore, gold, timber and lumbar, yam and plantain as is being done by other West African countries. He made particular reference to Ghana.

“The Ghanaians are exporting processed yam, gari and plantain powder to Europe and America as means of earning foreign exchange and strengthening of their economy. Our heavy reliance on import puts pressure on our economy and high foreign exchange rate”.



For his part Chief celebrant Dr. Togba Nah Tipoteh a renowned economist himself noted that current economic situation is a reflection of the decisions we make either individually, nationally or collectively. He said Liberia’s economic situation is tied to three principal wordings, “Cost, Price and Decision making”. In his presentation, he stressed that decision making takes place at different levels - from the family, community, civil society, the Government, inter-governmental level so that it keeps the process informed and positive.

Dr. Tipoteh drew attention to the misapplication of Liberia’s value system which he claimed is largely due to bad decision making. He maintained that such value systems are “costly and comes with price that seriously hamper our infrastructure and human development initiatives”.

Among other things, Dr. Tipoteh cited the issue of child marriage noting that though it brings quick and non-sustainable benefits such as dairy payment and other special favors to parents, it robs the child of a real future. Dr. Tipoteh wants parents to prioritize their children’s education through conventional system that is industrial and assures of a better future.

Dr. Tipoteh’s remarks were part of his presentation made at a grand intellectual symposium as part of celebrations marking his 75th birth anniversary (diamond jubilee) on August 31, 2016 held at the Monrovia City Hall. He spoke on the theme: “Price, Cost and Decision making”.