



Security Council

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Report of the Secretary-General pursuant to Security Council resolution 1579 (2004) regarding Liberia

I. Introduction

1. The present report is submitted pursuant to paragraph 12 of Security Council resolution 1579 (2004) of 21 December 2004, in which the Council requested a report by 7 June 2005, drawing on information from all relevant sources, including the National Transitional Government of Liberia, the United Nations Mission in Liberia (UNMIL) and the Economic Community of West African States (ECOWAS), on progress made towards meeting the conditions stated in paragraph 1 of the same resolution. These conditions relate to the measures imposed against Liberia and Liberian individuals by paragraphs 2, 4, 6 and 10 of resolution 1521 (2003) of 22 December 2003, as renewed by paragraph 1 of resolution 1579 (2004).

2. By paragraph 2 (a) of resolution 1521 (2003), the Security Council decided that all States should take the 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. In paragraph 2 (b) of that resolution, the Council further decided that all States should take the necessary measures to prevent any provision to Liberia by their nationals or from their territories of technical training or assistance related to the provision, manufacture, maintenance or use of the items noted in paragraph 2 (a).

3. By paragraph 4 (a) of resolution 1521 (2003), the Security Council decided that all States should take the necessary measures to prevent the entry into or transit through their territories of all such individuals, as designated by the Committee of the Security Council established by paragraph 21 of the resolution (hereinafter referred to as "the Committee"), who constitute a threat to the peace process in Liberia, or who are engaged in activities aimed at undermining peace and stability in Liberia and the subregion, including those senior members of former President Charles Taylor's Government and their spouses and members of Liberia's former armed forces who retain links to former President Charles Taylor, as well as those individuals determined by the Committee to be in violation of paragraph 2 of resolution 1521 (2003), and any other individuals, or individuals associated with entities, providing financial or military support to armed rebel groups in Liberia or in countries in the region.

4. By paragraph 6 of resolution 1521 (2003), the Security Council decided that all States should take the necessary measures to prevent the direct or indirect import of all rough diamonds from Liberia to their territory, whether or not such diamonds originated in Liberia. In addition, by paragraph 10 of the resolution, the Council decided that all States should take the necessary measures to prevent the import into their territories of all round logs and timber products originating in Liberia.

5. In paragraph 5 of resolution 1521 (2003), the Security Council also expressed its readiness to terminate the measures imposed by paragraphs 2 (a) and (b) and 4 (a) of the resolution when it determines that the ceasefire in Liberia is being fully respected and maintained, disarmament, demobilization, reintegration, repatriation and restructuring of the security sector have been completed, the provisions of the Comprehensive Peace Agreement (see S/2003/850, annex) are being fully implemented and significant progress has been made in establishing and maintaining stability in Liberia and the subregion. Similarly, in paragraph 8 of the resolution, the Council expressed its readiness to terminate the measures referred to in paragraph 6 of the resolution when the Committee, taking into account expert advice, decides that Liberia has established a transparent, effective and internationally verifiable Certificate of Origin regime for Liberian rough diamonds.

6. In paragraph 12 of resolution 1521 (2003), the Security Council also expressed its readiness to terminate the measures imposed by paragraph 10 of the resolution once it had determined that the goals in paragraph 11 of the resolution had been achieved, including the National Transitional Government of Liberia establishing full authority and control over the timber-producing areas and taking all necessary steps to ensure that Government revenues from the Liberian timber industry are not used to fuel conflict or used otherwise in violation of the Council's resolution, but are used for legitimate purposes for the benefit of the Liberian people, including development.

7. By paragraph 18 of resolution 1521 (2003), the Security Council decided to establish the measures outlined in paragraphs 2, 4, 6 and 10 of the resolution for a period of 12 months. By paragraph 1 of resolution 1579 (2004), the Council decided to renew the measures on arms, travel and timber imposed by paragraphs 2, 4 and 10 of resolution 1521 (2003) for a further period of 12 months, and to review them after 6 months, and to renew the measures on diamonds imposed by paragraph 6 of resolution 1521 (2003) for a further period of 6 months, and to review them after 3 months.

8. The present report covers developments since my report dated 26 May 2004, (S/2004/428), pursuant to resolution 1521 (2003), and includes information from the National Transitional Government of Liberia, UNMIL and ECOWAS.

II. Information provided by the National Transitional Government of Liberia

9. By a letter dated 27 April 2005 (annex I) addressed to my former Special Representative for Liberia, Jacques Paul Klein, the Acting Minister for Foreign Affairs of Liberia transmitted reports prepared by the Ministry of National Defence (enclosure 1), the Ministry of Justice (enclosure 2), the Ministry of Lands, Mines and Energy (enclosure 3) and the Forestry Development Authority (enclosure 4) on

progress made in meeting the conditions outlined in resolution 1521 (2003). The General Manager of Roberts International Airport also submitted a letter dated 20 April 2005 (annex II) directly to my former Special Representative.

A. Arms embargo

10. In his submission (see enclosure 1), the Minister of National Defence reports that the National Transitional Government of Liberia is working with regional Governments, the United Nations and the African Union to ensure that disarmament is carried out within the subregion. He recommends that the arms embargo should not be lifted until the armed forces of Liberia have been restructured and all regional hostilities have ended. He also proposes that the United Nations remain in charge of State security until Liberia's security sector has been successfully restructured.

B. Travel ban

11. The Minister of National Defence also states in his report (see enclosure 1) that his Ministry is in regular contact with the United Nations to ensure that the travel ban list is reviewed and updated periodically. In his letter addressed to my former Special Representative (see annex II), the General Manager of Roberts International Airport states that, given their "financial potential", the individuals on the travel ban list continue to pose a significant risk to the peace process.

C. Diamond sanctions

12. In the summary of activities provided by the Minister of Lands, Mines and Energy (enclosure 3), the Minister reports that the National Transitional Government of Liberia is doing everything possible to meet the requirements of the Kimberley Process certification scheme. In July 2004, the National Transitional Legislative Assembly passed an act legalizing the Kimberley Process certification scheme in Liberia. From 27 to 29 October 2004, a Liberian delegation attended the annual meeting of the Kimberley Process certification scheme in Ottawa. In addition, the Ministry is organizing alluvial miners into mining cooperatives in order to increase control over the industry, as required by the Kimberley Process certification scheme. Moreover, 65 mineral inspectors and 46 mining agents have been trained and assigned to the interior of the country to institute Kimberley Process certification scheme procedures.

13. The National Transitional Government is also constructing a Kimberley Process certification scheme centre, which will provide a database for mineral production, sales and exports. The centre will contain diamond and gold appraisal units, as well as administrative offices. The National Transitional Government has also printed a Kimberley Process certification scheme "certificate" for Liberia, which is to be used once the sanctions are lifted and diamond exportation resumes. In addition, the Ministry of Lands, Mines and Energy, together with UNMIL, conducts joint surveillance and patrolling of border and mining areas.

14. In his report, the Minister of National Defence (enclosure 1) states that the National Transitional Government has established a transparent and internationally

verifiable certificate of origin regime for trade in rough diamonds and has satisfied all conditions for inclusion in the Kimberley Process. He suggests that it would be prudent to lift the sanctions to enable Liberians, in particular ex-combatants, to take advantage of employment opportunities in the diamond sector.

D. Timber sanctions

15. In his letter (enclosure 4), the Managing Director of the Forestry Development Authority reports that the Forestry Development Authority has worked closely with the Liberian Forest Initiative, an international non-governmental organization, to ensure that the necessary reforms are undertaken at the Forestry Development Authority. In that regard, it has hired a new comptroller to ensure financial accountability and transparency and has fully deployed staff to the five regional offices of the newly renovated Forestry Development Authority. He states that these steps should reassure the Security Council that timber revenues are being transparently collected and deposited in the timber revenue account established at the Central Bank of Liberia. He concludes by noting that sanctions have had an adverse impact on the lives of several thousand Liberians who rely on the timber industry for employment and argues that sustainable peace can only be achieved if Liberians are provided with the opportunity to work to rebuild their lives and communities.

16. In his report (see enclosure 1), the Minister of National Defence notes that the imposition of sanctions against timber was necessary to deprive warlords and combatants of revenue and to ensure that the forest areas were brought under the control of the National Transitional Government. He suggests that it would be prudent to maintain the timber sanctions until appropriate laws are enacted in order to ensure careful review of forestry industry revenues and reforestation policies. The General Manager of Roberts International Airport is also in favour of maintaining sanctions. He states that the National Transitional Government has not been able to take positive steps to establish control over Liberia's natural resources and that it will certainly not be able to do so when the sanctions are lifted (see annex II).

III. Information provided by UNMIL

17. The Security Council has not given UNMIL the mandate to monitor or enforce the measures imposed by resolution 1521 (2003), as renewed by resolution 1579 (2004). UNMIL has nevertheless been mandated with a number of responsibilities that have a bearing upon the implementation of those measures.

18. In paragraph 3 (p) of resolution 1509 (2003) of 19 September 2003, the Security Council mandated UNMIL to assist the National Transitional Government, in conjunction with ECOWAS and other international partners, in re-establishing national authority throughout Liberia, including the establishment of a functioning administrative structure at both the national and local levels. UNMIL was also mandated by paragraph 3 (r) of the same resolution to assist the National Transitional Government in restoring proper administration of natural resources.

19. In addition, by paragraph 23 of resolution 1521 (2003), the Security Council welcomed UNMIL's readiness, within its capabilities, its areas of deployment and

without prejudice to its mandate, to assist the Committee and the Panel of Experts (established by paragraph 22 of the same resolution and later re-established by paragraph 8 of resolution 1579 (2004)), in monitoring the measures imposed by the resolution. By paragraph 10 of resolution 1579 (2004), the Council called upon UNMIL to continue to assist the Committee and the Panel of Experts in accordance with paragraph 23 of resolution 1521 (2003). In addition, in paragraph 25 of resolution 1521 (2003), the Council encouraged the National Transitional Government to undertake, with the assistance of UNMIL, appropriate actions to sensitize the Liberian population to the rationale of the measures in the resolution, including the criteria for their termination.

A. Activities of the United Nations Mission in Liberia with a bearing upon the implementation of the Security Council measures imposed against Liberia and Liberian individuals

20. UNMIL is supporting the National Transitional Government in its efforts to meet the conditions related to the measures imposed by the Security Council in paragraphs 2, 4, 6 and 10 of resolution 1521 (2003), as renewed by paragraph 1 of 1579 (2004). In that regard, the Mission has established a Working Group on Sanctions to coordinate the sanctions-related activities being undertaken by UNMIL's military, civilian police, civil affairs, legal and judicial support, as well as environment and natural resources components. The Working Group meets regularly to discuss the implementation of the measures imposed by resolutions 1521 (2003) and 1579 (2004) and to provide, as and when requested, information and support to the Panel of Experts appointed pursuant to resolution 1579 (2004).

21. During their visits to Liberia, UNMIL provides members of the Panel of Experts with logistical and administrative support, including office facilities, transportation and security. In that regard, the Mission has provided security escorts and air support to Panel members for aerial reconnaissance missions. UNMIL provided similar support to the Kimberley Process expert mission, which visited Liberia from 14 to 18 February 2005, to assess the country's state of readiness to participate in the Kimberley Process certification scheme.

22. While performing their core responsibilities, UNMIL's civilian police personnel deployed at the borders, the Freeport of Monrovia and the Roberts International Airport monitor commercial or criminal activities suspected to be in violation of the sanctions, as well as the movement of individuals who may be the subject of travel ban restrictions. In that regard, specialist officers from the Mission's Major Crimes Investigations Unit and the Civilian Police Commissioner's office assist in investigating and following up on sensitive cases.

23. UNMIL's military component assists Government agencies, including customs, immigration and the Liberia National Police, in securing compliance with the sanctions measures. The Mission maintains checkpoints throughout the country and conducts air and ground border patrols to monitor the movement of persons, arms and other items subjected to sanctions. It also follows up on intelligence related to sanctions violations and conducts cordon and search operations to retrieve arms and ammunition. UNMIL's military component also coordinates its activities with the United Nations Mission in Sierra Leone (UNAMSIL) and the United Nations

Operation in Côte d'Ivoire (UNOCI) and shares information on illegal border activities.

24. UNMIL's Civil Affairs officers support governmental authorities in their efforts to restore and consolidate State authority throughout Liberia. They maintain close liaison with the Ministry of Lands, Mines and Energy and the Forestry Development Authority and also advise them on the steps needed to meet the conditions for the lifting of diamond and timber sanctions, respectively. In the course of performing their core duties, Civil Affairs officers assigned to the counties also monitor the steps being taken by the Ministry of Lands, Mines and Energy and the Forestry Development Authority to meet the conditions for lifting the sanctions.

25. UNMIL's Environment and Natural Resources Unit works closely with the Forestry Development Authority and assists in building the capacity of the forestry sector. In the course of their activities, the Environment and Natural Resources Advisers, together with Civil Affairs Officers assigned to the forestry sector, monitor the steps taken by the National Transitional Government to meet the conditions for the lifting of timber sanctions.

26. UNMIL's Legal and Judicial Support Unit liaises with the Ministry of Justice on the measures imposed by Security Council resolution 1521 (2003), as renewed by resolution 1579 (2004), in particular those measures related to the travel ban, and also serves as a point of contact between the Ministry and the Committee.

27. UNMIL's Public Information Unit assists the National Transitional Government in sensitizing the public on a range of issues related to the sanctions. UNMIL radio broadcasts programmes on sanctions, which feature members of the Panel of Experts, representatives of civil society and journalists. At the same time, UNMIL also brings to the attention of relevant parties, including the Governments of neighbouring States and those States whose airports receive and send commercial flights to and from Liberia, amendments to the travel ban list maintained by the Committee.

B. Progress towards meeting the conditions stated in paragraph 1 of resolution 1579 (2004)

28. The National Transitional Government has experienced mixed progress in meeting the conditions mentioned in paragraph 1 of resolution 1579 (2004).

1. Arms embargo and travel ban

29. Encouraging progress has been made in meeting the conditions that would eventually allow for the termination of the arms embargo and travel ban, as outlined in paragraph 5 of resolution 1521 (2003) and referred to in paragraph 1 of resolution 1579 (2004).

(a) Maintenance of the ceasefire

30. The security situation in the country, although fragile, has remained relatively stable. The disarmament and demobilization process officially ended on 3 November 2004 and the armed factions were formally declared disbanded on the same date. As a result, the activities of the Joint Monitoring Committee have ended.

(b) Progress in disarmament, demobilization, reintegration and repatriation

31. The number of combatants disarmed during the formal disarmament and demobilization process was 101,495, including 22,370 women, 8,523 boys and 2,440 girls. During the process, 28,314 light weapons, 33,604 pieces of heavy munitions and some 6.5 million rounds of small arms ammunition were collected. Since the formal closure of the disarmament and demobilization process, UNMIL has received 286 weapons, which were either voluntarily surrendered or discovered, as well as 31,171 assorted pieces of ammunition and 308 pieces of unexploded ordnance.

32. During the disarmament and demobilization process, 612 foreign ex-combatants were identified. The International Committee of the Red Cross recently assisted 34 individuals from this group, who were found to be children associated with fighting forces, to return to their countries of origin, including: 5 to Côte d'Ivoire; 16 to Guinea; and 13 to Sierra Leone. The remaining foreign ex-combatants are still awaiting repatriation. In April, a 389 Liberian former fighters interned in Sierra Leone were repatriated to Liberia, pursuant to an agreement between the Governments of Liberia and Sierra Leone.

33. Currently, close to 65,000 ex-combatants have yet to enter reintegration programmes. The successful implementation of the rehabilitation and reintegration process, through the provision of meaningful educational or vocational training opportunities for ex-combatants, continues to be delayed owing to a funding shortfall of \$39 million. It is hoped that the generous pledges made by the United States of America, the European Commission and Sweden will be redeemed shortly and that additional funding will be provided by the international community to meet this funding deficit.

(c) Progress in restructuring the security sector

34. The restructuring of the police sector is making steady progress: 401 Liberian National Police and 33 Special Security Services officers have graduated from the National Police Academy; 436 recruits are currently participating in an initial three-month basic training; 684 cadets have moved on to field training; and 34 Special Security Service officers are in close protection training. The Liberian National Police has established its presence in all 15 counties. The restructuring of the armed forces, however, has progressed slowly, primarily because the Government lacks the funds to pay the pensions and separation packages of existing military personnel. The National Transitional Government estimates that \$16.4 million is required to decommission the former armed forces of Liberia. On 15 May, the Chairman of the National Transitional Government, Mr. Charles Gyude Bryant, signed an Executive Order declaring that as of 31 May 2005, the demobilization and retirement process for members of the former armed forces of Liberia would commence. This decommissioning exercise is expected to be completed by September, following which, DynCorp, a company contracted by the United States to assist the National Transitional Government in the restructuring of the military, is expected to begin the recruitment and training exercise for the new armed forces.

(d) Progress in the implementation of the Comprehensive Peace Agreement

35. In principle, the implementation of the Comprehensive Peace Agreement will have been achieved when national elections are held and a new Government is

installed in Liberia. Thus far, progress achieved in the implementation of this Agreement has been mixed. Preparations for the 11 October 2005 national elections remain on track and the restoration of State authority throughout the country continues, although the Government still lacks the capacity to control and properly manage the country's resources. Tensions have continued however in the National Transitional Legislative Assembly, stemming from the suspension, on 14 March 2005, of the Speaker, his Deputy and the Chairpersons of the Ways and Means Committee and the Rules and Orders Committee for administrative and financial malpractice.

36. Several officials within the National Transitional Government have attempted to obstruct the conduct of the European Commission-financed audits of the Central Bank and five State institutions, as well as the activities of the ECOWAS team investigating allegations of corruption within the institutions of the National Transitional Government. In addition, some officials within the National Transitional Government have resisted implementing institutional reforms aimed at stopping corruption. These developments could potentially undermine the smooth implementation of the Comprehensive Peace Agreement.

37. On 11 May 2005, the European Commission convened a meeting of international partners, including ECOWAS, the International Monetary Fund (IMF), the United Nations, the United States Government and the World Bank, in Copenhagen, in order to review the findings of the European Commission-financed audits. The participants concluded that financial malfeasance, lack of transparency and an absence of accountability are undermining the implementation of the Comprehensive Peace Agreement. As such, it was agreed that an economic governance action plan would be developed, which would be presented to the National Transitional Government for implementation and also submitted for the consideration of the Security Council.

(e) Progress in maintaining stability in Liberia and the subregion

38. UNMIL's deployment throughout the country, combined with enhanced security measures in preparation for the organization of elections, has reinforced the stability of the country. However, a number of fundamental sources of domestic instability remain, including ex-combatants frustrated by delays in gaining access to reintegration opportunities, tensions within the National Transitional Legislative Assembly, as well as public reaction to corruption within the National Transitional Government and its inability to deliver basic services. Furthermore, various spoilers have attempted to derail the peace process, including supporters of former President Charles Taylor and serving Cabinet Ministers and legislators who are barred under the Comprehensive Peace Agreement from contesting the elections.

39. Former President Charles Taylor is reportedly in regular contact with his former business, military and political associates in Liberia and is suspected of sponsoring a variety of presidential candidates with a view to ensuring that the next Liberian Government will include his sympathizers. This issue requires the attention of West African leaders and the Security Council.

40. Within the subregion, the steady consolidation of peace in Sierra Leone has been a positive development. Cross-border liaison has been established between UNMIL and UNAMSIL and the situation in the border areas has remained stable. However, the possible draw-down of UNAMSIL during 2005 could affect future

border stability. Meanwhile, there are a number of possible external threats to Liberia's stability. Setbacks in the peace process in Côte d'Ivoire could have a negative effect, as evidenced by the influx of over 10,000 Ivorian refugees into Liberia in November 2004, following disturbances in Côte d'Ivoire. There have also been persistent reports that individuals from both sides of the Ivorian conflict are recruiting fighters from Liberia.

2. Diamond sanctions

41. Since my last report, the Ministry of Lands, Mines and Energy has taken a number of additional steps, as laid out in paragraph 7 of resolution 1521 (2003), towards establishing an effective, transparent and internationally verifiable Certificate of Origin regime for trade in Liberian rough diamonds. With the assistance of UNMIL and other international partners, including the United Nations Development Programme (UNDP) and the United States Agency for International Development (USAID), the Ministry has trained, equipped and deployed 65 mineral inspectors and 46 mining agents to the interior of the country, to institute Kimberley Process certification scheme procedures. At the same time, training workshops on mining cooperatives have been held for Ministry officials and artisanal miners. The United States has also committed \$500,000 for the purchase of equipment for the inspection, certification and appraisal activities of the Ministry, while China has agreed to contribute \$100,000 for surveying equipment.

42. The team of experts from the Kimberley Process certification scheme, which visited Liberia from 14 to 18 February 2005, reported that Liberia faced considerable challenges in enforcing the internal controls and monitoring systems required to maintain the effectiveness and integrity of the Kimberley Process certification scheme, with a key challenge being the absence of security and Government control in the diamond-producing regions. It also stated that Liberia still required considerable international support, including technical assistance, to meet the minimum requirements of the Kimberley Process certification scheme. Their report recommended that UNMIL's mandate should be broadened to include provisions authorizing the policing, monitoring and surveillance of diamond-producing areas. It also proposed that UNMIL should deploy as soon as possible to all diamond-producing areas to provide support to the Government.

43. Although the Kimberley Process expert mission's recommendations merit serious consideration, UNMIL currently possesses neither the enforcement mandate nor the troop capacity to implement them. Moreover, the Mission is currently focused on ensuring adequate security coverage for the electoral process. UNMIL would require an enforcement mandate and additional resources to effectively deploy to the diamond-producing areas to police and monitor diamond mining activities. In this regard, it may be prudent for a package of measures to be developed focusing on, inter alia, building the capacity of the Government, community empowerment and the deployment of diamond-mining, inspectors, police and other security personnel to assist the National Transitional Government in meeting the benchmarks for entry into the Kimberley Process certification scheme.

3. Timber sanctions

44. The National Transitional Government has not been able to establish full authority and control over the timber-producing areas nor to take all the steps necessary in order to ensure that Government revenues from the Liberian timber industry are not used to fuel conflict or used otherwise in violation of the relevant Security Council resolutions but are used rather for legitimate purposes for the benefit of the Liberian people, including development, as outlined in paragraph 11 of resolution 1521 (2003). It should be noted that the Forestry Development Authority remains constrained by a lack of capacity and expertise. However, in an initiative designed to increase financial transparency, the Forestry Development Authority has opened two dedicated accounts with the Central Bank of Liberia, to which all balances from other bank accounts have been transferred.

IV. Information provided by the Economic Community of West African States

45. In a letter dated 19 May 2005 from the Special Representative of the Executive Secretary of ECOWAS in Liberia addressed to the Officer-in-Charge of UNMIL (annex III), the Special Representative states that “whilst the National Transitional Government of Liberia has taken some measures towards meeting the conditions for lifting sanctions, it may be premature to lift these sanctions now. Control measures are weak, if non-existent. Until effective controls are put in place, abuse is possible and even likely”.

V. Observations

46. The National Transitional Government has continued to take steps towards meeting the conditions contained in paragraphs 5, 7 and 11 of resolution 1521 (2003). With regard to the arms embargo, the conclusion of the disarmament and demobilization process and the dissolution of the armed factions signalled the successful completion of the implementation of the ceasefire agreement. Furthermore, the progress made towards organization of the October 2005 elections, as well as the progress made in other sectors, provides hope that the peace process will, in accordance with the Comprehensive Peace Agreement, be brought to a successful conclusion. However, a key condition for lifting the arms embargo and the travel ban is the full implementation of the Comprehensive Peace Agreement, which includes the holding of national elections, a new Liberian Government assuming office and the laying of the foundations for sustainable development and good governance.

47. Despite the progress made, a number of potential sources of instability threaten to undermine the success of the transitional process, including delays in the restructuring of the armed forces of Liberia and in the provision of reintegration opportunities for former combatants. I would urge Member States and the international donor community to redouble their efforts to ensure that the National Transitional Government has the necessary technical and financial support to complete this vital military restructuring exercise and to ensure the timely reintegration of former combatants. Without considerable progress on these fronts, it will be very difficult to devise a viable exit strategy for UNMIL.

48. There are several signs of progress with respect to meeting the conditions for lifting the diamond sanctions. The training and deployment of mineral inspectors and diamond agents, the organization of alluvial miners into cooperatives and the construction of a centre for appraising and certifying rough diamonds all demonstrate tangible progress towards meeting the requirements for joining the Kimberley Process certification scheme. Nevertheless, a major deterrent in ensuring that rough diamonds do not fall into the hands of those who might use the process to fuel conflict is ensuring effective Government control over diamond-producing areas and Liberia's borders. The National Transitional Government lacks the capacity to provide such control and UNMIL lacks both the mandate and the troop levels necessary to perform such a role. The Security Council might therefore consider whether it wishes to broaden the mandate and increase the resources of UNMIL to enable it to assist the National Transitional Government in providing security in the diamond and timber-producing areas.

49. With respect to meeting the conditions for lifting the timber sanctions, the National Transitional Government has not yet fully instituted the reforms required to ensure that Government revenues are used for legitimate purposes for the benefit of the Liberian people. In order to promote genuinely transparent and accountable oversight of the Liberian forestry sector, the Government should be encouraged to invite an internationally recognized forestry management team to temporarily oversee operations in the forestry sector.

50. I would like to acknowledge with appreciation the assistance provided by some Member States and international organizations to the efforts of the National Transitional Government to reform the timber industry and participate in the Kimberley Process certification scheme, and would urge those in a position to do so to provide additional support. Such assistance is vital if Liberia is to continue to make progress towards meeting the goals and objectives outlined in Security Council resolution 1521 (2003) and renewed in resolution 1579 (2004). It is hoped that, through the efforts of the National Transitional Government of Liberia, with the support of the international community, national development activities will benefit fully from the proper management and use of revenues derived from the country's natural resources.