Complaint against ArcelorMittal
Under the OECD Guidelines for Multinational Enterprises

Request to the Netherlands National Contact Point (Netherlands Ministry of Economic Affairs) to initiate the procedures for the solution of conflicts and problems in the implementation of the Guidelines

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In the framework of the OECD Guidelines, particularly in the framework of Chapter I.C. of the Procedural Guidance, Friends of the Earth Europe (FoEE) and Liberia-based Sustainable Development Institute (SDI) / Friends of the Earth Liberia - referred to as 'Complainants' - raise the following issues and claims that ArcelorMittal and its subsidiary in Liberia (hereafter AML) - referred to as 'Respondent' - does not implement the Guidelines.

The criticised business behaviour and practices of AML demonstrate that the company does not ensure that its operations in Liberia are in harmony with OECD Guidelines aims to strengthen the basis of mutual confidence between enterprises and the societies in which they operate, to help improve the foreign investment climate and to enhance the contribution to sustainable development made by multinational enterprises.

The complaint relate to the implementation of two chapters of the Guidelines: II – General Policies and VI – Combating Bribery.

This document is divided into three parts.

- Part 1 consists of a preface describing the Complainants and Respondent as well as an introduction to the criticised business behaviour and practices of AML.
- Part 2 lists the concrete violations and cases of non-implementation of the Guidelines.
- Part 3 includes demands to the National Contact Point regarding implementation of the proceedings, as well as demands and suggestions to AML how the group can design its business practices in conformity with the Guideline

PART 1

A. Complainants

Friends of the Earth Europe (FoEE) campaigns for sustainable and just societies and for the protection of the environment. Our primary goal is to promote an ecologically and socially sustainable development (in line with MDG 7 and 8). We unite more than 30 national organisations in Europe and work directly with many NGOs in the Global South. Our network is part of the world's largest grassroots environmental network, Friends of the Earth International**.** FoEE is an international NGO officially registered in Belgium as a non-profit association.

We are aware that Europe has a responsibility to the world because of the impacts it has globally, both for good and for bad, and we acknowledge at the same time that Europe has the economic and political power to effect change. We seek to achieve an equitable and environmentally sustainable world whilst maintaining and strengthening Europe's democratic, participative structures, to ensure that European policies have the interests of people in Europe and the Global South at their heart. In the area of corporate social responsibility, we use the OECD Guidelines for Multinational Enterprises to ensure that enterprises contribute to sustainable development and conduct business consistent with law both in Europe and in the Global South.

Sustainable Development Institute (SDI) / Friends of the Earth Liberia's vision for Liberia is a country in which natural resource management is guided by the principles of sustainability and good governance that benefits all Liberians. SDI works on a range of issues including natural resource governance and management, the environment, state and corporate social responsibility with regards to resource exploitation, economic and social justice for rural populations and democratic participation. SDI's mission is to transform the decision-making processes relative to natural resources and promote equity in the sharing of benefits derived from natural resource exploitation.

SDI strives to: empower local people to exercise constitutional rights to participate in the decision-making processes related to natural resources in Liberia; train people to engage in community-based natural resources management by working with them to secure their ownership of and rights to manage and benefit from natural resources; provide the general public with verifiable and useful information about the overall management of natural resources in Liberia; promote and enhance citizen engagement with the government at the national and local levels on issues associated with natural resource extraction and trade; promote a culture of democracy and good governance in the communities where we work and contribute to the building of peaceful and just communities in Liberia.

Summer 2009 FoEE and SDI organised a fact finding mission to visit AML's investments and speak with all relevant stakeholders, including AML, local, regional and national decision makers, parliamentarians, local communities and NGO representatives. This mission resulted in the report 'Working for Development? ArcelorMittal's mining operations in Liberia'. Many of the allegations in this complaint are based on the findings in the report, which can be found at: http://www.foeeurope.org/publications/2010/Working_for_development_june2010.pdf

B. Respondent

ArcelorMittal is the world's leading steel company, with operations in more than 60 countries**.** ArcelorMittal is the leader in all major global steel markets, including automotive, construction, household appliances and packaging, with leading R&D and technology, as well as sizeable captive supplies of raw materials and outstanding distribution networks. With an industrial presence in over 20 countries spanning four continents, the Company covers all of the key steel markets, from emerging to mature. Through its core values of Sustainability, Quality and Leadership, ArcelorMittal commits to operating in a responsible way with respect to the health, safety and wellbeing of its employees, contractors and the communities in which it operates. It is also committed to the sustainable management of the environment and of finite resources. In 2009, ArcelorMittal had revenues of $65.1 billion and crude steel production of 73.2 million tonnes, representing approximately 8 per cent of world steel output.

ArcelorMittal Liberia is responsible for investments of the company in Liberia.

ArcelorMittal is listed on the stock exchanges of New York (MT), Amsterdam (MT), Paris (MT), Brussels (MT), Luxembourg (MT) and on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia (MTS).

C. Criticised business behaviour and practices of ArcelorMittal Liberia

C.1 Background information on ArcelorMittal investments in Liberia iron ore sector

ArcelorMittal investments in Liberia's iron ore sector are the company's first investments in mining operations. The investment is to secure an uninterrupted supply of raw material for the company's steel mills. For the company it is a test of whether it can successfully implement the mining projects that underpin its expansion plans.[1]

In Liberia, ArcelorMittal took over an old mining project that was abandoned by a Liberian-Swedish-American company, Lamco, in 1989 during the country's first civil war. The operation will have to be rebuilt nearly from scratch.

A 25-year concession to develop the iron ore deposits, situated in the north-west of the country, near the border with Guinea, was first negotiated in 2005 between Mittal Steel (Mittal took over Arcelor, the European steel firm, a year later) and the National Transitional Government of Liberia (NTGL). The total investment package was put at US$900 million. Mittal agreed to an annual payment of US$3 million for communities that would be affected by Mittal Steel operations. The NTGL handed over several State assets, including the railway linking the mines in Yekepa and the port city of Buchanan. Housing estates and hospitals in Yekepa and Buchanan and the Port of Buchanan were handed over to Mittal Steel. A five-year renewable tax holiday was also granted to the company.

Following the signing of the deal, there were many allegations of bribery, coercion and external pressure leading to the awarding and signing of the Mineral Development Agreement (MDA) with Mittal Steel. Many critics and analysts considered the contract unfavourable to the new government of Liberia and the people of Liberia. Global Witness' 2006 report 'Heavy Mittal?' highlighted a number of these concerns.[2]

Heinrich Böll Stiftung in its 'Resource Governance Dossier' also claimed that much of the controversy around the signing of the MDA by the transition government centred on allegations of corruption at various stages of the allocation process.[3] For example, some members of the legislature were accused of receiving bribes to ratify the MDA. Most of the legislators reportedly did not see the full text of the MDA and apparently relied on a 2-page summary of the 79-page MDA prepared by the executive branch, which had negotiated the agreement. Numerous questionable terms in the MDA drew criticism from a few members of the legislature, members of civil society, some technical experts and the public[4], thus making the MDA a critical issue during the Liberian presidential campaign of 2005. This consequently attracted a pledge from the incumbent president, then a candidate, that she would review the agreement if elected.

Following the inauguration of President Ellen Johnson-Sirleaf in 2006, the government of Liberia and Mittal Steel agreed to re-negotiate the contract (contracts with other companies were also re-negotiated). The amended contract was signed on 28th December 2006. The new MDA was ratified by the Liberian Legislature in May 2007. The MDA changed the terms of use of the state assets that

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1 Arcelor, Liberia Bank on Project, May 30, 2008 (The Wall Street Journal) http://ironoredaily.wordpress.com/2008/05/page/2/

2 http://www.globalwitness.org/library/heavy-mittal

3 Beyond EITI: The Need for Transparency in the Awarding of Concessions http://www.boell.de/intlpolitics/energy/resource-governance-2748.html

4 Liberian government hearing for Mittal Steel under review. http://www.steelguru.com/result/index/page/1#2062

were initially turned over to Mittal Steel. The investment package was increased to US$1 billion and the tax holiday was abolished. Mittal Steel later increased the entire package to US$1.5 billion.

According to the MDA, AML is obliged to provide approximately US$73 million over the 25 year span of the agreement to support socio-economic development in Liberia via the **County Social Development Fund** (CSDF) – US$1 million in 2006 since the contract was being renegotiated and for the other 24 years, US$3 million on an annual basis to three counties most affected by company operations: Nimba, Bong and Grand Bassa.

C.2 Review of the ArcelorMittal Liberia County Social Development Fund

The government of Liberia and AML established the County Social Development Fund (CSDF) in fulfilment of Article 12 of the amended Mineral Development Agreement (MDA) between the two parties. The fund was established as a part of AML's Corporate Social Responsibility plan to benefit Nimba, Bong and Grand Bassa counties.

Under the MDA, AML is obliged to allocate US$3 million on an annual basis to the three counties where the company will operate during the entire duration of its 25-year long concession. These counties are Nimba, Bong and Grand Bassa. According to the agreement Nimba County should receive US$1.5 million annually, Bong US$0.5 million, and Grand Bassa US$1 million.

Furthermore, 20% of each county's allocation must be spent annually in communities classified as 'directly affected by AML operations'. These allocations constitute the CSDF. The priorities of the CSDF should be subject to consultations at the county and community level. The process should be facilitated by both AML and the government of Liberia through a Dedicated Funds Committee (DFC) established to manage the fund at the national level and by County Development Management Committees (CDMCs) in each of the beneficiary counties.

In total AML is expected to contribute approximately US$73 million over the 25 years lifespan of the MDA with the government of Liberia. Of this amount, Nimba will receive US$36.5 million, Grand Bassa will receive US$24.3 million and Bong County will receive US$12.2 million. The company confirmed it has released a total of US$13 million as of March 2010. The company remitted US$1 million in 2006 because the government of Liberia briefly suspended the contract during its renegotiation. No payment was made for 2005 because the contract was held up for renegotiation. Of the US$13 million released, approximately US$4.7 million had been allotted to various projects as of May 2009.

The President appointed a DFC in May 2008 to manage the fund at the national level. The Minister of Lands, Mines and Energy Chairs the DFC. Other members include the Minister of Finance, the Minister of Planning and Economic Affairs, the Secretariat of the Liberia Reconstruction and Development Committee (LRDC) and AML. The responsibilities of the DFC include: appraising and approving projects proposed by each county; conducting monitoring and evaluation of those projects; and auditing and reporting on the use of the fund. **AML holds a 50% approval authority in the DFC** and the government retains the remaining 50% approval authority.

The President also appointed three County Development Management Committees (CDMCs) in each of the beneficiary counties. The CDMCs include the Ministry of Internal Affairs, the County Superintendent, and the Legislative Caucus. The Chairman of the Council of Chiefs in each county, along with two additional persons named by the President, also sits on the CDMC. The CDMC is charged with the overarching responsibility of managing the county allotment of the fund. A Project

Manager is hired by the CDMC to coordinate and monitor implementation of the approved projects. The DFC has oversight of the CDMC.

The DFC developed and adopted Terms of References for the DFC and the CDMC. It also developed Guidelines [for] Project Formulation, Approval and Management and a standard Project Application Template for developing projects. The guidelines specifically require each CDMC to ensure that no less than 20% of their county's allocation will be spent annually in communities where AML operates. This criterion is intended to ensure that communities that are directly affected by the Company's operations benefit from direct investment for sustainable development. It also requires each CDMC to ensure that all projects supported under the County Social Development Fund are sustainable and will have a significant impact on transforming the lives of the beneficiary communities. Festivities and fanfares are explicitly excluded.

C.3 Review of the social and development conditions in Liberia

Liberia, recovering from two decades of civil war and instability, desperately needs to rebuild its economy and improve the living standards of its impoverished population. Thousands of ex-combatants and war-affected youths need education and training. They also need employment to reduce their vulnerability to recruitment by armed groups that could take the country back to war.

Natural resource extraction and trade, including mining and logging, in Liberia has been contentious and blamed for fuelling the recent conflicts. However sustainable and judicious use of natural resources can enable the country to build up its economy and improve the living standards of the poor. The benefits of mining these natural resources should percolate down to the communities and that responsibility lies equally with the Liberian government as well as the mining corporations like ArcelorMittal. Ideally, it should help earn foreign exchange through the export of minerals, create jobs, improve health and education, and see profits invested in other economic sectors. All of these activities could potentially contribute to reduction of poverty and achieving the Millennium Development Goals in Liberia.

The World Bank concluded in a 2004 report[5] on the extractive industries that investments in the industry can only contribute to achieving the Millennium Development Goals, if a number of conditions are met. These conditions are related to good governance in host countries, prevention of corruption, high environmental and human rights standards, revenue transparency and making sure that the poor benefit from extractive industry revenues. These recommendations are still completely valid and crucial.

There is public dissatisfaction with the manner in which the MDA and the CSDF are implemented and managed by AML. Reports of misappropriation and misuse of the fund are widespread, but none of those implicated in the alleged misuse of money from the fund, have been investigated or punished. Instead of the fund contributing to the government's efforts to meet the objectives of the Poverty Reduction Strategy, it is apparent that the fund is being mismanaged by the DFC, in which AML holds a veto, and the CDMC. Chapter 2 of the FoEE/SDI report outlines in more detail the misuse of the CSDF[6].

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5 The report 'Striking a Better Balance' was written by Mr. Emil Salim, former Environmental Minister of Indonesia:
http://iris36.worldbank.org/domdoc/PRD/Other/PRDDContainer.nsf/All+Documents/85256D240074B56385256FF6006843AB/$File/volume1english.pdf

6 http://www.foeeurope.org/publications/2010/Working_for_development_june2010.pdf

This raises doubts about whether the fund will achieve its stated objectives of improving the lives of peoples affected by AML's operations. Citizens in the three counties have been largely marginalised and excluded in the process. AML shares responsibility for these funds. The company holds a 50% decision making authority over the funds and that is sufficient leverage that it can use to ensure that the funds are properly used. One way the company could ensure this is to call for a radical overhaul of the governance and management systems put in place for the fund.

However, AML seems to be neglecting the fact that Liberia receives low scores in most international governance and anti-corruption indicators. Widespread public anger for the mismanagement of the country's natural resources, was one of the original causes of the civil war. Such resentment may possibly surface again.

To highlight the relationship between development and corruption US Secretary of State Clinton, in a speech given in Liberia in July 2009, offered U.S. assistance to build 'strong, democratic institutions that work and are accountable and deliver results' and that 'ending corruption is necessary to growing and sustaining such institutions and restoring the public's trust.'[7]

PART 2

In the following section, the non-implementation of the OECD Guidelines by ArcelorMittal is substantiated on the basis of individual guidelines.

A. Violation of Chapter II – General Policies

ArcelorMittal is not adhering to three (3) of the General Policies of the guidelines that call on enterprises to take fully into account established policies in the countries in which they operate, and consider the views of other stakeholders.

Specifically, with regard to **Article 1 of the General Policies** that requires enterprises to: 'Contribute to economic, social and environmental progress with a view to achieving sustainable development' and **Article 7 of the General Policies** that calls on the enterprises to: 'Develop and apply effective self-regulatory practices and management systems that foster a relationship of confidence and mutual trust between enterprises and the societies in which they operate.' Complainants believe that the company's current performance in relation to society is not adequate to result in confidence and mutual trust and does not contribute to achieving sustainable development.

Section 1 and 2 of the attached report[8] clearly illustrate that:

- The County Social Development Fund that is established and governed by the government of Liberia and AML is failing to address the needs of communities impacted by the operations of AML.
- AML is not properly informing some of the neighbouring communities about its operations and the possible impacts on these communities.

With regard to **Article 11 of the General Policies** that requests the enterprises to 'Abstain from any improper involvement in local political activities', Complainants and other civil society organisations

7 http://www.america.gov/st/texttrans-english/2009/August/20090814102356emffen0.5527613.html
8 http://www.foeeurope.org/publications/2010/Working_for_development_june2010.pdf

such as Global Witness have already stated that the donation of 100 pick-up trucks to the government of Liberia - allegedly to support agricultural activities across the country - is viewed as the company's direct involvement in local politics. AML must be aware that in a country with high corruption, such donations might easily end up in the wrong hands.

This is what actually happened. Despite the fact that the President of Liberia requested the pickup trucks for agricultural purposes, they mostly ended up in the hands of legislators. AML did not undertake effective steps to correct this. The result was that ArcelorMittal's donation ended up in the hands of decision makers that will have to deal with future decisions regarding the companies' investments in Liberia. This is unacceptable and an obvious violation of the OECD guidelines. This violation is examined below.

B. Violation of Chapter VI – Combating Bribery

The donation of 100 pick-up trucks by the company to the government of Liberia breaches one (1) of the articles of the Combating Bribery section of the guidelines.

The section states that 'enterprises should not, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage. Nor should enterprises be solicited or expected to render a bribe or other undue advantage.'

Specifically, with regard to **Article 1 of the Combating Bribery** section that calls on the enterprises to 'Not offer, nor give in to demands, to pay public officials or the employees of business partners any portion of a contract payment. They should not use subcontracts, purchase orders or consulting agreements as means of channeling payments to public officials, to employees of business partners or to their relatives or business associates.'

In August 2008 AML 'donated' 100 pick-up trucks to the government of Liberia. According to the company, the donation of the vehicles was in direct response to an appeal from the President of Liberia for vehicles to support agricultural activities in rural areas. ArcelorMittal also indicated that there was an understanding with the government that the Ministry of Internal Affairs would ensure the proper use and monitoring of the vehicles.

However, upon arrival the vehicles were assigned to legislators instead of the Ministry of Agriculture. Virtually all the legislators (except two Senators) are using the vehicles in Monrovia and not for agricultural activities in their constituencies. For example, of the fifteen pick-ups that were given to legislators from Grand Bassa, Gbarpolu and Rivercess counties, only one of the pick-ups is actually being used by the Agriculture Officer in Grand Bassa County.

During the Complainants fact finding mission to Liberia in 2009, it was confirmed that almost all of the vehicles are being used by members of the Liberian parliament and not for agricultural purposes.

Complainants acknowledge that the company donated 100 pick-up trucks to the government as a direct response to a demand for such a donation expressed by the President. These trucks ended up in the hands of decision makers that in the future will have to decide on issues regarding AML's investments in Liberia. Not only can AML retain advantage from that in the future, the company should have also realised that in a country with high corruption, such donations might easily end up in the wrong hands and therefore AML should not have engaged in such activity.

As such, this act of AML can be viewed as offering to pay public officials any portion of a contract payment. It is also in contradiction with their plight not to use subcontracts, purchase orders or consulting agreements as means of channelling payments to public officials (Article 1, Combating Bribery) as well as an **improper involvement in political activities** (Article 11, General Policies) in order to retain business.

AML in a letter to Complainants dated February 18 2009 has confirmed that the 'donation' of the vehicles was in direct response to an appeal from the President of Liberia. In the same letter AML indicated that there was an understanding with the government that the ministry of Internal Affairs would ensure the proper use and monitoring of the vehicles. Further on, ArcelorMittal says, the 100 pick-up trucks were donated to the government of Liberia to support agricultural activities across the country.[9]

In a letter to Lakshmi Mittal (company owner) from May 7 2009,[10] in which Complainants requested clarification of the 'donation' issue, Complainants stated that 'it is not right for AML to put the full responsibility for proper use of the pick-ups on the Liberian government'. This call for the company to act on this issue was repeated again by Complainants in another letter sent to AML on March 12, 2010.[11]

In response (letter from AML, March 31, 2010) the company stated that 'The vehicles are at the disposal of the Liberian Government and their use is monitored and enforced by the General Services Agency.'[12]

As of May 2010, almost 2 years after donating the vehicles to - in fact - Liberian politicians instead of the Liberian government to be used for agricultural purposes, AML has refrained from taking any action to undo this improper act. Complainants view this inaction on the company side as a lack of willingness to demonstrate respect for high standards of business conduct and as a violation of article 1, Combating Bribery, and article 11, General Policies, of the OECD guidelines.

The OECD Guidelines state that today's competitive forces are intense and multinational enterprises face a variety of legal, social and regulatory settings. In this context, according to the OECD, some enterprises may be tempted to neglect appropriate standards and principles of conduct in an attempt to gain undue competitive advantage. Donation of vehicles to severe private needs of Liberia's politicians and the inaction to solve this issue on the company side places ArcelorMittal within this group of enterprises.

Through the CSDF AML has contributed to misuse of funds and corruption among officials. Thus, they violated Article 5 of the Combating Bribery section of the guidelines that calls on companies to adopt management control systems that discourage corrupt practices.

As outlined in chapter 2 of the report 'Working for Development?' a substantial part of the money that was disbursed through the CSDF has not been used according to the original purpose of the fund. To mention some of the serious shortcomings:

- Many projects did not benefit the local population but were financing dubious projects that seemed to be more in the interest of decision makers and contractors than the surrounding communities;

9 http://www.foeeurope.org/corporates/pdf/Letter_from_AML_to_FOEI_2009_1.pdf
10 http://www.foeeurope.org/corporates/pdf/Letter_from_FOEI_to_LMittal_2009_2.pdf
11 http://www.foeeurope.org/corporates/pdf/Letter_from_GAAM_to_AML_2010_3.pdf
12 http://www.foeeurope.org/corporates/pdf/Letter_from_AML_to_GAAM_2010_4.pdf

- Less than 20% of the revenues was allocated to projects that would benefit directly affected communities;
- Liberian newspapers cited a leaked DFC report that concluded that there was widespread malpractices and outright misuse of funds;
- Some of the members of the CDMC's, which are managing the country allotment of the funds, have been named by Liberian auditing authorities for corrupt practices involving the management of other public funds.

ArcelorMittal and the government of Liberia share equal responsibility for the funds. They are both under obligation to ensure that the funds are used wisely and for the benefit of the target populations. ArcelorMittal controls 50% of the decision making vote within the DFC and as such should use this leverage to ensure that the social development funds are not mismanaged. The company states 'decisions are made by consensus in the dedicated Funds Committee, which constitutes representatives of the government of Liberia and ArcelorMittal Liberia, in line with the provisions of the MDA, which requires that the funds be managed by the government of Liberia and ArcelorMittal.' As AML has a controlling vote in the DFC, the company is fully responsible for any mismanagement and misuse of the funds, including when it contributes to corruption. AML has not taken the necessary steps to set up a well functioning management system for the CSDF that discourages corrupt practices. Thus, it violated Article 5 of the Combating Bribery section of the OECD guidelines.

PART 3

A. Expectations towards the National Contact Point

1. Complainants expect the National Contact Point to institute and implement proceedings for the resolution of conflicts and problems in the implementation of the Guidelines in accordance with the 'Procedural Guidance'.
2. Complainants expect the National Contact Point to implement fair mediation procedures aimed at achieving the implementation of the OECD Guidelines by ArcelorMittal.
3. Complainants expect that in case that the National Contact Point is not willing or able to investigate the corruption related claims in this complaint, that it forwards these claims to the relevant authorities in the Netherlands, such as the Officier van Justitie, to ensure that the allegations made in this complaint receive proper attention.
4. Complainants expect the National Contact Point to make a public statement if AML is not in a position or is not willing to bring its business practices in line with the Guidelines. This includes an assessment if the company has operated in accordance with the Guidelines.
5. Complainants expect the National Contact Point to work towards the highest possible transparency in the procedure.
6. Complainants are looking forward to constructively cooperating with the National Contact Point in this spirit.

B. Expectations towards ArcelorMittal Liberia

1. ArcelorMittal Liberia must ensure that the pick-up trucks that ended up with legislators are used for the agreed purpose, which is to provide agricultural services to Liberian farmers. And it must commit not to engage in any further donations or gifts that might end up in the hands of Liberian decision makers.

2. ArcelorMittal Liberia must ensure that Legislators standing for re-election do not use the pickups to campaign for their re-election.

3. ArcelorMittal Liberia must ensure full achievement of the MDA obligations to:

3.1 Ensure that affected communities are the true beneficiaries of the County Social Development Fund. A first step is to guarantee that at least 20% of the funds benefits directly affected communities.
3.2 Ensure a radical overhaul of the governance and management systems put in place for the County Social Development Fund to prevent future mismanagement and corruption.
3.3 Commission a forensic audit of the entire County Social Development Fund operations to date. The audit should, amongst other things, focus on all financial transactions of the Dedicated Funds Committee, the County Development Management Committee and the project managers in the three counties. The report should be made public.
3.4 Make public last year's assessment of the fund, which to a large extent establishes the basis for the current reform of the structure and management of the fund. This will enable the public to determine the extent to which that assessment addresses the identified issues and challenges related to the management of the fund.
3.5 Put a halt to any further release or appropriation of funds from the County Social Development Fund until the above audit and assessment have been completed and the recommendations implemented.
3.6 Ensure that no money from the County Social Development Fund is used now or in the future to renovate government buildings, government offices, buy equipment for government offices, host government festivities or to prepare for government festivities in any of the three counties.

4. ArcelorMittal Liberia should ensure that for the proper implementation of the County Social Development Fund the Government of Liberia:

4.1 Investigates all cases of fraud and mismanagement and prosecutes those accused. The guilty parties should be punished according to the law.
4.2 Addresses cases of conflict of interest that currently exist within the governance system for the County Social Development Fund. Institutions and individuals involved with the project approval process should not be involved with the process for developing or implementing projects in the counties.
4.3 Dissolves all the County Development Management Committees and replaces them with representative and elected committees that are accountable to the people of each county.