

REGULATION NO. 14 REGULATION ON EXPORT OF LOGS AND PROCESSED WOOD

WHEREAS, according to the Act creating the Forestry Development Authority (FDA), approved November 1, 1976, and published December 20, 1976 Section 3 (c), it is one of the primary objectives of the Forestry Development Authority to stop needless waste and destruction of the forest and associate natural resources, and bring about the profitable

harvesting of all forest products while assuring that supplies of these products are perpetuated; and

WHEREAS, the said Act has conferred upon the Forestry Development Authority the power to control the transportation or export of forest products by land, water, and air (section 4 f); and

WHEREAS, inspite of the obligation to locally process substantial quantities of logs within the country as contained in all Forest Products Utilization Contracts in Liberia, processing facilities installed very small productive capacity, thus resulting to stockpile of abandoned logs and low production of processed wood for both the export and local market; and

WHEREAS, the said Act Creating the Forestry Development Authority has conferred upon the said Authority in Section 4 (j) and (l-n) the power to promulgate rules and regulations required to insure the accomplishment of all the policies ad objectives of the Authority and the power to issue, amend and rescind forestry regulations; and

NOW, THEREFORE, the Forestry Development Authority does hereby rule and regulate:

SECTION I DEFINITIONS:

In this Regulation the following words have the meaning indicated unless the context otherwise requires;

Processed wood: Wood products, which have undergone secondary, semi-finishing other than logs and boules. Examples of such processed wood are sawn timber/wood square edged, plywood, veneer, furniture parts, particleboard, wooden parquetry etc.

SECTION II. EXPORT QUOTA ON LOGS AND PROCESSED WOOD:

Products and/or Exports or Forest Products from the Republic of Liberia shall be required to export a minimum of twenty percent (20%) of their Export logs parcel in Processed wood. This means that for each export log parcel, twenty percent (20%) of that export parcel must be in processed wood.

SECTION III. ISSUANCE OF EXPORT PERMIT:

The Forestry Development Authority shall not issue Export Permit to any Producer/Exporter of forest products who fails to comply with the required minimum of 20% of export quota of processed wood as stated in Section II above. Export Permit for the export of logs and processed prior receipt, and due recording by the Managing Director of the FDA or his designate of the specifications of the logs and processed wood to be exported. The Managing Director or his designate shall refuse to issue the Export Permit if he is not satisfied that the Exporter has produced the required minimum 20% of processed wood to be exported.

SECTION IV. PROCESSING REQUIREMENT AS PER CONCESSION AGREEMENT:

This Regulation shall supplement the pertinent provisions of the various Forest Products Utilization Contracts and the FDA Forest Salvage Permits. Except as herein authorized and/or specifically provided for, all terms and conditions of the said Forest Products Utilization Contracts by and between the Government and the various logging companies (concessionaires) shall remain unaffected by this Regulation and in force and effect.

SECTION V. PENALTY:

In the event of non-compliance of any of the obligations prescribed in Sections II and III above, the Producer and/or Export shall pay in addition to other payments made or due, four (4) times the amount equivalent to the Industrialization Incentive Fee of the logs Exported according to Section 20.3 of the Revenue and Finance Law together being in force at the time.

SECTION VI. EFFECTIVE DATE:

This Regulation shall become effective on March 1, 1988 and shall be announced in the public media and be published in the “FDA Newsletter”.