

CHAPTER 20 : STUMPAGE AND FOREST PRODUCTS FEE

Section 20.1 - Definitions

In this chapter the following words and symbols have the meaning indicated unless the context otherwise requires :

"Commercial use" : Any use other than direct use for personal purpose, including uses involving barter, trade or any other disposition of forest products for which remuneration is received;

"Forests" : All areas supporting woody vegetation other than planted or cultivated crops regardless of the composition or age;

"Reserved forests" : Forests within the boundaries of all publicly owned areas including those established by the national government known as Government Forest Reserves, Native Authority Forest Reserves, Communal Forests and national parks;

"Unprocessed forest products" include (but not limited to) the following :

- a) Trees, which include seedlings, saplings, brushwood, palms and canes;
- b) Felled trees, stumps and sections of felled trees commonly referred to as logs;
- c) Wild rubber, wood oil, resin and gums;
- d) Leaves, flowers, fruits, seeds and all other parts of trees not hereinbefore mentioned;
- e) Plants other than trees (including grass, vines, reeds, and moss) growing in the forest which are not cultivated for agricultural purposes, and all parts and products of nut plants.

"Processed forest products" : Materials yielded by forests and parts thereof which have been worked upon by machinery or by hand including sawing and dividing, and which are considered by the market to be different and new products, but with the exclusion of cleaning, de-branching and debarking.

Section 20.2 - Local Stumpage Fee

A fee shall be paid on the severance of timber cut for commercial use in reserved forests and on privately owned forest land by any person who cuts or causes trees to be cut for commercial use.

The rate and basis of assessment of the local stumpage fee shall be determined by the Forestry Development Authority together with the Ministry of Finance. However, the amount of the local stumpage fee shall in no case be lower than \$ 1.50 (one dollar and fifty cents) per cubic meter.

Section 20.3 - Industrialization Incentive Fee

A fee shall be paid by any person who ships or causes to be shipped unprocessed round logs for processing abroad, in order to encourage the establishment of a timber industry in the Republic of Liberia.

The Forestry Development Authority together with the ministry of Finance shall determine and regulate from time to time the rates and basis of assessment of the Industrialization Incentive Fee for unprocessed round logs.

Section 20.4 - Forest Products Fee

A fee shall be paid by any person who ships or causes to be shipped abroad lumber, planks, sawdust, bark, slabs, edgings, trimmings, and other similar products.

The rate of the Forest products' fee shall be not lower than 5% and not higher than 15% of the F.O.B. market value as determined by the Forestry Development Authority.

Section 20.5 - Reforestation Fee

A fee of not less than \$ 1.50 and not higher than \$ 4.50 per cubic meter shall be paid by any person who harvests a tree from a forest for commercial use. However, any person may be exempt from paying said fee if he undertakes to carry out his own reforestation in accordance with recognized methods of reforestation as promulgated and amended from time to time by the Forestry Development Authority upon the written consent of the Government.

Section 2.6 - Assessment

The fees according to Sections 20.2, 20.3, 20.4 and 20.5 shall be assessed by the competent forest authority.

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