

**Forestry Development Authority**  
**Regulation No. 112-08**  
**Regulation on the Forest Products Processing and Marketing**

WHEREAS, the National Forestry Reform Law of 2006 establishes a transparent framework, for the use, management and protection of forest resources that balances the commercial, community, and conservation priorities of the Republic; and

WHEREAS, the economic potential of processed wood products has not been appreciated, there has been too much exportation of crude round logs with evidence of low percentage of primary processed wood for both domestic and export market, no value-added wood product, low recovery rate of wood processing industry, problem of waste disposal; and

WHEREAS, industrialization of the wood industry in general and the processing of wood into secondary/value-added products in particular are essential elements for the realization of the potential sustainable utilization of Liberia's forest resources; and

WHEREAS, sustainable utilization of forest resources concept is not only to maintain the value of forest resources, but rather it also has a huge potential for creating employment, income and wealth for the Liberia populations; and

WHEREAS, local small-scale wood enterprises are not fully capacitated and unregulated which in essence has resulted into unsustainable use and marketing of wood products, wastage of wood products, constant exposure of wood products to deteriorating agents; and

WHEREAS, the lack of standard units of measurement for Liberia domestic wood market and unregulated import of wood products, as well as difficulties in data collection and monitoring the movement of wood products ; and

WHEREAS, the National Forestry Reform Law of 2006 authorizes the Forestry Development Authority to issue regulations and other rules necessary to implement the law (Section 19.1 (a)); including regulations that address the parameters towards achieving the Objectives of Forest Management (Section 3.1(a)); and to establish procedure for the collection of forest sector fees (Section 14.2 (b) and the export permits to export forest products (Section 13.8 (a, b and c)).

NOW, THEREFORE, The Forestry Development Authority does hereby rule and regulate as follows:

## **PART ONE: GENERAL PROVISIONS**

### **Section 1. Policy**

In allowing the sustainable utilization of forest resources, promoting Primary processing, value-added products and marketing, as well as providing measures to reduce the devaluation and wastage of timber resource as part of the Forest Resources of Liberia, the Authority and its staff aim to:

- (a) Act as trustee of the Republic's Forest Resource, in a professional, transparent, and non-discriminatory manner, without personal interest or aim of self-enrichment;
- (b) Provide social and economic livelihoods, cultural and religious benefits for forest-based- communities and Liberia's populace in general;
- (c) Assure sustainable development and conservation of the forest and its timber resources for the present and the future generation.

### **Section 2. Definitions**

In this Regulation, the following terms have the meaning indicated, unless the context otherwise requires:

- a. **Authority** : Forestry Development Authority)
- b. **Band saws blade**: use a wide swage-toothed saw for ripping cuts in logs, cants, slabs, or boards. The band saw blade is continuous in form and rides over rollers connected to the power supply;
- c. **Cottage Wood Industry**: localized wood working and furniture Enterprise;
- d. **Circular saws blade**: Saw blade with multiple teeth arranged around a flat, circular plate;
- e. **Processing**: This is the transformation of saw-logs into primary processed products and further processing/value-added products
- f. **Primary processed wood Products/Standard Stock**: This describes converting of saw logs into timber, veneers/plywood and pulping products;

- g. **Secondary/value-added products:** This describes processed product which have undergone additional processing and have become part /useful products.
- h. **Engineered Wood products:** All-wood panels made from either wood fiber, wood chips, scraps, flakes or sheathing products made from lower grade lumber with a wet-strength Kraft paper glued to the surface.
- i. **Board foot:** is a unit of measure representing a piece of lumber having a flat surface area of 1 square foot and a thickness of 1 inch nominal size.
- j. **Air-drying:** Traditional way of seasoning wood outside.
- k. **Kiln drying:** Using a heated kiln to season wood for interior use
- l. **Moisture content:** Is a measure of the amount of water contained in Wood and is expressed as a percentage of the over-dry- weight of the Wood;
- m.. **Mobile sawmill:** A machine that can be taken on site to process timber;
- n. **Personal Protective Equipment:** The safety equipment necessary to be worn when carrying out work such as equipment and chain sawing;
- o. **Wood Preservative:** Chemical used to protect wood from bio-deteriorating agencies (decay fungi, wood boring insects and marine borers).
- p. **Modified Wood product:** Any Wood that is treated with Polyethylene glycol-1000 (PEG) and Wood plastic composite (WPC) to modify its dimensional stability and change its mechanical properties.
- q. **Hoppus ton :** Is the measurement used to calculate the volume of veneers and other wood products,. 1 Hoppus = 1.8 M3

### **Section 3 to 5 Reserved**

## **PART TWO: Processing Industry, Qualifications, Environmental & Occupational Health and Safety Measures**

## **Section 6. Classification of Timber Processing Industry**

For the purpose of this regulation, any mechanical equipment other than Chainsaw used to transform tree from its natural state to usable timber product shall herein referred to as processing facility in Liberia. The processing facilities shall be placed into the categories as in Appendix 1, unless the context otherwise requires.

## **Section 7. Qualification Procedures for Processing Permit**

Those without FMC & TSC holders permit and wishing to operate any of the categories of processing (Section 6) shall meet the following conditions:

### **a). For Category "A", "B", "D", "E" & "F"**

- i. Provide the Authority letter of intent indicating:
  - a. the name of the Business enterprise,
  - b. address of the business,
  - c. proposed location of the processing facility,.
- ii. Payment of Annual Registration Fees to the government revenue;
- iii. Purchase copy of the Regulation;
- iv. Provide copies of all processing machines CATALOGUE to the Authority for verification;
- v. The site for STATIC processing facility shall be inspected by the Authority before the construction commence;

### **b). All other Processing Categories other than "A", "B", "D", "E" & "F"**

- i. Present letter of intent to the Authority indicating:
  - a. the name of the Business enterprise,
  - b. address of the business,
  - c. proposed location of the processing facility,
- ii. Copies of Article of Incorporation and Business Registration Certificate;
- iii. Complete the Timber Processing Registration Form;
- iv. Payment of Annual Registration Fees;
- v. Purchase copy of the Regulation;
- vi. Provide copies of all processing machines CATALOGUE to the Authority for verification;

Note: The site for processing facility shall be inspected by the Authority before the construction commence;

## **Section 8. Annual Registration Fees for Wood Processing Facility:**

Those without FMC & TSC permit wishing to operate timber processing facility in Liberia shall pay to the Government of Liberia the following Annual registration fees according to the classes in section 8 of this regulation in Appendix 2., unless the context otherwise requires.

### **Section 9. Processing Procedures and Requirements:**

- i. No processing shall commence without recording of in-put volume by the FDA assigned processing scaler;
- ii. All processing permit holders shall provide the Authority a monthly statistical data of the following:
  - a). in-put and out put volume statistics of the processing facility  
Indicating the recovery rate, the designated export quality, local sales and donations;
  - b). quantity of kiln-dried and chemically treated wood products including the designated kiln-dried and treated export wood products as well as the local sales of products;
  - c). production cost of the current month of production including the fuel consumptions, labor cost, etc.;
  - d). statistics of accident and fatal death within the processing mill;
  - e). constraints and type of conflict with local community members

### **Section 10. Allowable Saw Blade in primary Processing:**

To control the efficiency of primary processing facilities and improve recovery rate of production, all **Category** "A" and **Category** "B" Processing Permit Holders shall observe the below requirements, unless the context otherwise requires.

- i. Only Band Saw blade or other advanced technologies will be preferable as head- ridge for primary breakdown of saw logs;
- ii. Large Circular Saw blade may be only required for re-sawing;
- iii. Mobile band or circular sawmill with high recovery rate over 45% of Input volume should be permitted for primary breakdown;
- vi. All Mighty- mites with circular saw blade must have high recovery rate more than 45% of the input volume other wise it will not be allowed in these Categories;
- v. No Chainsaw milling shall be permitted in all categories of Processing unless the context otherwise requires.

## **Section 11. Environmental Impact Measures and Occupational Health and Safety:**

### **A. Environmental Impact Measures**

All Categories of Processing Permit holders shall observe the following Environmental Impact measures:

- i. All wood processing facilities shall be built 35 meters away from Watercourse;
- ii. All wood processing permit holders shall ensure that the processing waste are not emptied in any watercourse by any means;
- ii. No wood processing permit holder shall openly burn wood waste in any residential areas;
- iii. No wetland shall be used for disposing of wood waste;
- iv. No internationally banned chemical shall be used for wood treatment;
- v. No chemical waste from wood processing facility shall be disposed or made to be disposed in any watercourse;

### **B. Occupational Health and Safety**

All Categories of Processing Permit holders shall observe the following Occupational Health and Safety

- i. Provide personal protective Equipment for all workers at job site;
- ii. Make available Medical and first Aid at processing site all the time
- iii. Never spray chemical closer to processing plant will workers are on duty. It is preferable to spray chemicals after the working hours;
- iv. Observe all ergonomics guidelines at worksite to avoid unnecessary injuries to workers;
- v. Install fire safety equipment at wood processing industries;

## **Section 12 to 14 Reserved**

## **PART THREE: Classification of Processed products, Units of Measurement & Requirements for Marketing Wood Products in Liberia.**

## **Section 15: Classification of Processed Products**

For the purpose of this regulation, any one that engage in the trade/ market of locally transformed timber tree from its natural state to usable wood product shall herein referred to as Wood Product Dealer in Liberia. The processed wood products shall further be classified into the following categories as in **Appendix 3**, unless the context otherwise requires.

## **Section 16: Units of Measurement of Processed Timber:**

To standardize the collection of statistical data on processed wood products and for fair revenues collection in Liberia, the units of measurement of category of Processed Wood products (Section 15.) shall be as in **Appendix 4**, unless the context otherwise requires.

## **Section 17.**

### **Qualification and Procedures to market Processed Wood Products:**

#### **A. Qualification:**

All applicants for Timber Marketing Permit shall fulfill the following requirements.

- i. Must be legally registered Business entity in Liberia;
- ii Only Registered Wood Depots (Not in Stores) will be permitted to trade in retail price of all locally produced wood products under section 15 of this regulation;
- iii. Only Timber Trader with shaded roof timber depot shall be issued Permit to locally sell timber and timber products.

#### **B. Procedures to obtain Timber Dealer's permit to trade processed timber products:**

All applicants wishing to trade processed timber products in Liberia shall meet the following conditions:

- I Provide the Authority a letter of intends indicating:
  - a. the name and address of the dealer,
  - b. category of product to trade,
  - c. location of the timber depot/store,
  - d. source of product to be traded;
- ii Copies of Article of Incorporation and Legal Business Registration Certificate;
- iii Complete the Timber Trading Registration Form;
- iv Pay the Annual Registration Fees;

- v. Purchase copy of the Regulation.
- vi. Allow for the inspection of the proposed wood depot before the permit is issued.

### **Section 18. Annual Registration Fees for Wood Products Dealers**

All Wood Dealers wishing to engage in retailing of timber products in Liberia shall pay a yearly registration fees according to the category of products in section 7 of this regulation as in **Appendix 5**, unless the context otherwise requires.

### **Section 19 to 21 Reserved:**

### **PART FOUR: Wood products Protective Measures and marketing categories.**

#### **Section 22: Wood products Protective Measures:**

- i. All construction wood products intended for sale shall be protected from direct sunlight and rain;
- ii. Wood product intended for sale shall be properly stored under a shade with enough ventilation;
- iii. All wood products should be stock-piled with stakes in between under a well ventilated shed to avoid discoloration and loss of value;
- iv. Wood products (construction) shall be periodically treat with recommended preservatives to reduce risk of insect and fungi attack;
- v. No timber or timber product shall be stock-piled in a damp/wet area. In a case the place is damp during the wet season, timber should rest on a cross-band at least one foot above the ground-level.

#### **Section 23: Transporting Wood Products Internally**

In order to control and monitor the movement of legal wood products through Chain of Custody System, the following are regulated:

- i. All wood products moving from the source of production designated for export shall be accompanied by FDA Processed Product Waybill at the cost of US\$15.00 per copy according to Regulation 107-07 Section 41. The Waybill sheets shall be duly signed by Authorized FDA Scaler/ Personnel;



- ii. All processed wood products from TSC or FMC holder designated for local market or gratis shall carry both FDA and the producers waybills duly signed by the company's representative and FDA Scaler assigned;
- iii. All Waybills (FDA and Producer) shall indicate the following features:
  - a). the name of the producer;
  - b). the type of processed product,
  - c). the species type,
  - d). the quantity of product (bundle/pieces),
  - e). the volume of product,
  - f). the destination of the product,
  - g). the signatures of FDA and Company's representative.
- iv. Waybill accompanying the loaded truck shall be shown to FDA Officer at each check-point for inspection;
- v. Waybills accompanying a truck load of processed wood product shall be distributed according to the following:
  - Original sheet of the copy shall be given to the buyer/Transporter ;
  - Second sheet of the copy shall be retained to the FDA Check-point /port of export;
  - Third copy for the truck driver of the consignment;
  - Fourth sheet of the copy shall be retained by Authorized FDA scaler/Personnel at the place of loading/processing site;
  - Fifth sheet of the copy remained with producer/seller

## **Section 23: Wood products marketing**

### **A. Domestic/Local Timber trade**

- i. Only legally registered dealer shall undertake the marketing of processed wood products;
- ii. All wood product dealers shall measure and sell wood products in accordance with section 16 of this regulation;
- iii. Any legally registered wood product dealer whose product depot is not fully protected from direct sunlight and rain shall be denied a permit;
- iv. All woods or wood products produced through Category "C", "G" and "H" processing facilities are to be sold in the domestic/local market;
- v. Only Authorized Wood Depots shall be allowed to trade in retail price of all locally produced wood products in Sections 15 of this regulation;

- vi. All local wood dealers shall be required to provide the Authority a quarterly purchase and sales of wood products statistics. Failure shall be denied a permit.

## **B. International Wood Product Marketing**

- i. Only wood or wood products produced through category "C", "G", "H", facilities are NOT legible to be exported through the Chain of Custody System of Liberia;
- ii. All wood products exporter shall meet all necessary export requirement before any shipment is carried on;
- ii. Wood or wood products designated for export shall be assessed by and through the Authority/Chain of Custody;
- iii. Wood and wood products designated for export shall be kept under well ventilated storage shed;
- iv. Wood products at storage depot shall be spray with internationally accepted preservative at least once bi-weekly (depending on the species and the weather);
- v. All wood products exporters shall provide the Authority copies of Bill of lading and the manifest after every shipment. Failure will lead to a denial of export permit.

## **Section 24: Importing of Processed Wood Products:**

In the Authority effort to protect the domestic wood processing industries, all processed wood Importers shall observe the following requirement as Business entity of the Republic of Liberia:

- i). Provide the Authority copy of the Business Registration Certificate;
- ii). Obtain Wood Products Importing Registration Form;
- iii). Pay Annual Registration fees of US\$500.00;
- iv). Application to the Authority for Processed Wood Import Request Form shall indicate the followings:
  - a. the product(s) to be imported;
  - b. quantity of the product;
  - c. Volume of the product;
  - d. Grade (quality) of the product,

- e. country of origin of product,
  - f. FOB/CIF Unit Value of the Product.
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- v). Obtain Processed Wood Products Import Request Form from the Authority;
  - vi). Provide the Authority copies of bill of lading upon receipt of the cargo. Failure will lead to denial of further permits

## **Section 25 to 27 Reserved**

## **PART FIVE: ABANDONED PROCESSED WOOD PRODUCTS, OFFENSES AND PENALTIES**

### **Section 28: Abandoned Processed Wood Products**

All processed wood products for commercial purpose shall be immediately removed to a storage facility or dispose off in order to avoid deterioration and waste of the forest products.

- (a) Any wood that is processed, but not removed and stored under a protective shed for more than two consecutive months shall be declared by the Authority as abandoned;
- b). Any consignment of wood product transported and stored in a depot for commercial purpose unprotected from rain or any agent that will cause it to deteriorate for more than two consecutive months shall be declared Abandoned by the Authority;
- c). All processed wood products shall be allowed to be stored without chemical treatment for a period not more than three months. Otherwise, it will be declared as Abandoned;
- d). All processed wood products designated for export but are stored at export depot shall be removed within nine (9) months. After this period, they will be declared Abandoned;
- e). All abandoned processed wood products owners shall be serve a written letter of notice by the Authority to remove all products within a period of thirty (30) days;
- f). All Abandoned Processed wood products shall be auction by the Authority and the fund be deposited into Government revenue account. The owner of the said abandoned product shall be given a copy of the flag receipt for the auction product.

## **Section 29. Offenses and Corresponding Penalties**

Any wood processing, local dealer, exporter and import permit holders, that violate any of the sections of the regulation or commit any of the below mentioned offenses shall be subject to imposition of monetary fines, forfeiture of property, termination of contract, invocation of permit and other measures by the Authority. These include but not limited to the following in the Schedule 1 **Appendix 7**:

## **Section 30 to 33. Reserved**

## **PART FIVE REPEAL AND EFFECTIVE DATE**

### **Section 34. Repeals**

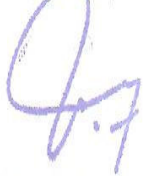
The following provisions are repealed:

- (a) Regulation 23, Section I through IV, concerning Utilization of Minor Forest Products.
- (b) Regulation 20, Section I through II, concerning Restricted Export of Minor Forest Products.
- (c) Regulation # 107-07 section 46, concerning Sawmill Permit

### **Section 42. Effective Date**

- (a) This regulation is effective on July 10, 2009
- (b) The Authority shall announce this regulation and make it available to the public and the media.

**SIGNED:**



**Mr. John T. Woods**  
**Managing Director**  
**Forestry Development Authority**

**Appendix 1:  
Classification of Timber Processing Industry**

<b>Classes</b>	<b>Type</b>	<b>Capacity (M<sup>3</sup>)</b>	<b>Export Status</b>
<b>Category "A"</b>	Large size sawmills	Over 15,000/year	Allowed for export
<b>Category "B"</b>	Medium size sawmills	4,000- 15,000 /year	Allowed for export
<b>Category "C"</b>	Small size sawmills	Below 2,500 /year	Not Allowed
<b>Category "D"</b>	Ply mill / Veneers	Ply mill/Veneers only	Allowed for export
<b>Category "E"</b>	Large Wood working factory	75/day	Allowed for export
<b>Category "F"</b>	Medium Wood working factory	25-75/day	Allowed for export
<b>Category "G"</b>	Small-Scale Wood-Workshop	1-10/day	Not allowed
<b>Category "H"</b>	Cottage wood working	Less than 10/Year	Not allowed
<b>Category "I"</b>	Kiln Dryer	Kiln dryer only	Allowed for export
<b>Category "J"</b>	Chemical Treatment Plant	Chemical treatment only	Allowed for export
<b>Category "K"</b>	Processed Wood Materials Factory	Any one of this class	Allowed for export

**Appendix 2:  
Annual Registration Fees for Wood Processing Facility:**

	Classes of Processing Facility	Capacity/M <sup>3</sup>	Annual Registration fees (US\$)
1.	<b>Category "A"</b>	Over 15,000/year	2,500.00
2	<b>Category "B"</b>	4,000- 15,000 /year	1,500.00
3	<b>Category "C"</b>	Below 4,000 /year	500.00
4	<b>Category "D"</b>	Ply mill/Veneers only	2,500.00
5	<b>Category "E"</b>	75/day	750.00
6	<b>Category "F"</b>	25-75/day	500.00
7	<b>Category "G"</b>	1-10/day	300.00
8	<b>Category "H"</b>	Less than 10/Year	100.00
9	<b>Category "I"</b>	Kiln dryer only	400.00
	<b>Category "J"</b>	Chemical treatment only	400.00
	<b>Category "K"</b>	Any one of this class	300.00

**Appendix 3:  
Classification of Processed Products**

	<b>Categories</b>	<b>Processed level</b>
<b>1</b>	<b>A</b>	Primary Processed Timber
<b>2</b>	<b>B</b>	Secondary/Value-added products
<b>3</b>	<b>C</b>	Engineered wood products
<b>4</b>	<b>D</b>	Modified wood products

**Appendix 4:  
Units of Measurement of Processed Timber**

	<b>Category</b>	<b>Products</b>	<b>Units of Measurement</b>
1	Primary processed Timber/Standard Stock	Construction timber, lumber, plywood/veneer	Board foot/Cubic meter (m <sup>3</sup> ), Hoppus tons
2	Secondary/Value-added products	Furniture parts, furniture, doors, door frames, parquet flooring, decking, moldings, etc.,	Board foot/Cubic meter (m <sup>3</sup> )
3	Engineered Wood products	Hardboard, Particle Board, Insulation board /Fiberboard, other panels.	Cubic meter (M <sup>3</sup> )
4	Modified wood products	Bowls, decorative parts, candy dish, pepper and salt shakers, tools handles, trays, toys, sport items, etc.	Kilograms

**Appendix 5:  
Annual Registration Fees for Wood Products Dealers**

	<b>Category of products</b>	<b>Annual Registration fees (US\$)</b>
i	Primary Processed Timber	250.00
ii	Secondary/Further processed Timber	125.00
iii	Engineered wood products	150.00
iv	Modified wood products	75.00

**Appendix 6:**  
**SCHEDULE : OFFENSES AND PENALTIES**

	<b>OFFENSES</b>	<b>PRESCRIBED PENALTIES</b>
1	Undertaking processing of wood and wood products without being duly registered/permited by the Authority.	All products shall be confiscated and fine of 2 times the normal registration fee shall be paid.
2	Engaging in the Local Marketing, Exporting and Importing processed wood products without permit from the Authority	Permit shall be withheld until the fine of five times the export license fee, and Twice the FOB Price(exporter & Importer) and the local sale price for the products is paid
3	Transporting processed wood products without legally issued Waybill;	Confiscate the product and auction the same.
4	Understating of FOB unit Price in the Export/Import Contract.	Shall Pay <b>two time</b> the FOB unit price for the product before export
5	Declassification of Processed Wood products for export/Market;	The product shall be confiscated and fine <b>three times</b> the extraction fee and <b>twice</b> the FOB unit price before export.
6	Operating different category of processing facility while in possession of other permitted	Permit shall be withheld and operations suspended for four consecutive months./Pay a fine equivalent of three time the Annual registration fee
7	Under-quantification of consignment;	The product shall be confiscated and fine <b>three times</b> the extraction fee.
8	Abandoning processed wood products for more than stipulated time.	Shall pay <b>twice</b> the extraction fee as first warning. The product shall be auctioned upon failure to remove or find a market after four weeks
9	Carelessly or willfully exposing processed wood products to bio-deteriorating agents.	Shall be made to pay an equivalent FOB unit price for processed wood product fee per species/product.
10	Refusal to observe environmental and Occupational Health and Safety measures in both processing and marketing.	Permit shall be withheld and operations suspended for four consecutive months.
11	Clandestine exporting of restricted processed wood product;	1 <sup>st</sup> : permit shall be withheld and fine one-time the Export (FOB unit price) fees 2 <sup>nd</sup> : Shall be fined <b>three time</b> the export (FOB Unit Price) fees
12	Commercializing processed wood product donated for development purpose and while holding a Gratis	Revoke the Gratis Permit and pay fine equal three times the extraction fee on the consignment.

	Permit.	
13	Retailing locally processed wood products without permission	Confiscate the product and auction the same.
14	Overstating the FOB/CIF value for imported processed wood products	Confiscate the product and auction the same.