



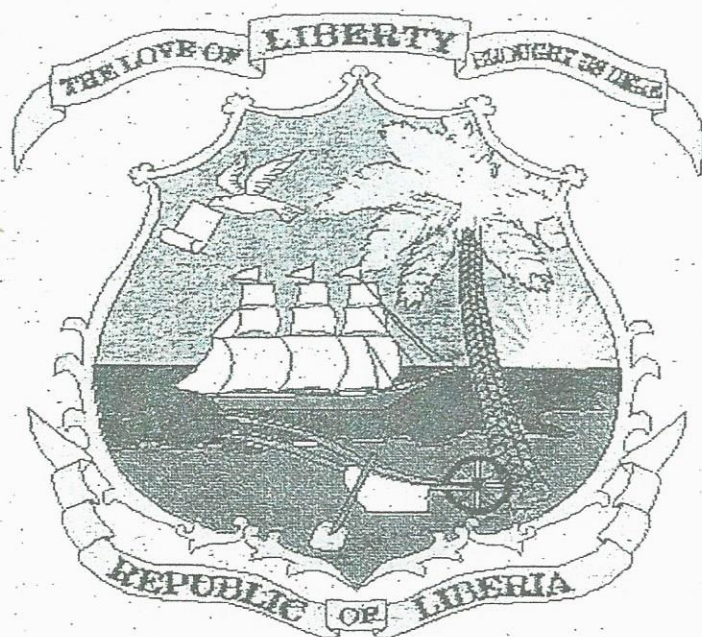
AN ACT TO GOVERN THE FORESTRY INDUSTRIAL DEVELOPMENT AND
EMPLOYMENT REGIME.

APPROVED: OCTOBER 9, 2017

PUBLISHED BY AUTHORITY
MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA

PUBLISHED: OCTOBER 11, 2017

**AN ACT TO GOVERN THE FORESTRY INDUSTRIAL DEVELOPMENT AND
EMPLOYMENT REGIME.**



**AN ACT TO GOVERN THE
FORESTRY INDUSTRIAL DEVELOPMENT AND
EMPLOYMENT REGIME**

WHEREAS, the Forestry Reform Monitoring Committee established by the President of the Republic of Liberia in February 2006 recommended fundamental reforms to the forest laws;

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

WHEREAS, in 2009, the Government of Liberia passed the new forest legislation to relaunch the forestry sector based on international standards of sustainability.

WHEREAS, the new forest legislation seeks to sustainably manage all forest lands so that forestry resources can contribute to livelihood and economic development of the country but that this is done in a way that will ensure the availability of these resources for future generations;

WHEREAS, in 2009, the Government of Liberia issued its first Concession Agreements to operators, permitting them to begin the production of timber within the framework of the new legislation and regulations.

WHEREAS, the "chain of custody system" constitutes the core of the regulatory framework that enforces the sustainability criteria with strict limitations on harvesting.

WHEREAS, the implementation of that system proved complex and time consuming and delayed the build-up of the industry considerably.

WHEREAS, under the provisions of the Concession Agreements, the Government is responsible for the provision of the core infrastructure for the industry, principally roads, bridges, ports & port facilities.

WHEREAS, the Government has not had the resources to meet those resource requirements which has hampered the growth of the industry dramatically, thus

causing harvest and processing volumes to be way below the original industry plans.

WHEREAS, limited transportation and port facilities combined with the fact that the industry has over the past few years suffered financial losses have precluded the build-up of a significant processing industry.

WHEREAS, the current tax regime for the forestry sector is also a major contributor to the anemic growth of the sector, and does not support investment decisions in favor of industrial processing.

WHEREAS, the lack of profitability of the industry also does not support the capital formation that is required to stimulate the necessary investment in the equipment and logistics infrastructure to enable the emergence of a globally competitive tropical woods industry.

WHEREAS, the Government has realized that the emergence of an industrial processing sector for forestry is critical for employment and to stimulate overall economic growth in remote areas of Liberia.

NOW THEREFORE, it is enacted by the Senate and the House of Representatives of the Republic of Liberia, in Legislature Assembled:

Section 1: Title Of The Act

This Act may be referred to as the **FORESTRY INDUSTRIAL DEVELOPMENT AND EMPLOYMENT LAW**.

Section 2: Amendments

2.1 Provisions relating to bid premium payment of all Forest Management Contracts entered into between the Government of Liberia, represented by the Forestry Development Authority and Contractors are amended as follows:

2.1(a) All bid premium payments outstanding to the Government of Liberia shall be suspended for a period of 3 years from the date of passage of this Act.

2.1(b) All investments made over the past two years in the wood processing sector by the concessionaires or will be made over the next 36 months from the date of passage of this Act shall be credited against the outstanding bid premium payment;

2.1(c) Any remaining bid premium payment outstanding after deduction of the dollars invested in the wood processing sector, shall be settled in 4 installment payments in the period 37 to 48 months from the date of passage of this Act.

2.1(d) Investments in the wood processing sector shall be retroactively and prospectively authorized by the FDA for crediting and deduction against the outstanding bid premiums ("accepted investments") based on the intent and meaning of this Act to promote the growth of the timber processing industry associated with the FMC forest concessions.

2.1(e) All investments deducted from the outstanding bid premium payments shall be subject to the customary documentation, including customs documentation of the equipment imports. Peripheral equipment and services provided to enable an industrial solution for timber processing, such as power, storage, container shipment and equivalent critical inputs or process steps, shall also be treated as "accepted investments" under the terms of this bill.

Section 3 Effective Date:

This Act shall take effect immediately upon passage into handbills.

ANY LAW TO THE CONTRARY, NOT WITHSTANDING.

-2017-

SIXTH SESSION OF THE FIFTY-THIRD LEGISLATURE OF
THE REPUBLIC OF LIBERIA

SENATE'S ENGROSSED BILL NO. 11 ENTITLED:

"AN ACT TO GOVERN THE FORESTRY INDUSTRIAL
DEVELOPMENT AND EMPLOYMENT REGIME"

On motion, Bill read. On motion, the Bill was adopted on its
first reading and sent to Committee Room on Tuesday,
August 29, 2017 at the hour of 13:34 G.M.T.

On motion, Bill taken from the Committee Room for its
second reading. On motion, under the suspension of the
rule, the second reading of the Bill constituted its third and
final reading and the Bill was adopted, passed into the full
force of the law and ordered engrossed today, Tuesday,
August 29, 2017 at the hour of 14:16 G.M.T.



SECRETARY, LIBERIAN SENATE, R.L.

-2017-

SIXTH SESSION OF THE FIFTY-THIRD LEGISLATURE OF
THE REPUBLIC OF LIBERIA

HOUSE'S ENDORSEMENT TO SENATE'S ENGROSSED
BILL NO. 11 ENTITLED:

"AN ACT TO GOVERN THE FORESTRY INDUSTRIAL
DEVELOPMENT REGIME"

On Motion, Bill read. On Motion, the Bill was
adopted on its first reading. On Motion, under the
suspension of the rule, the first reading of the Bill
constituted its second, third and final reading and the
Bill was adopted, passed into the full force of the
law and ordered engrossed today, Tuesday,
September 5, 2017 at the hour of 12:58 G.M.T.



CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.

-2017-

ATTESTATION TO:

"AN ACT TO GOVERN THE FORESTRY INDUSTRIAL
DEVELOPMENT AND EMPLOYMENT REGIME"

PP *Amh*

VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/
PRESIDENT OF THE SENATE

[Signature]

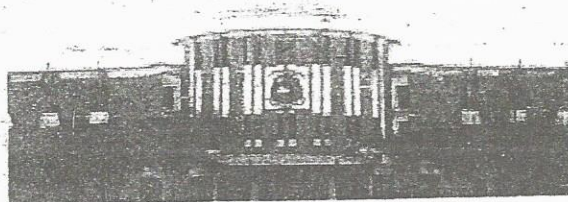
SECRETARY, LIBERIAN SENATE

[Signature]

SPEAKER, HOUSE OF REPRESENTATIVES, R.L.

Mildred N. Gayon

CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.



The Liberian Senate
CAPITOL BUILDING, CAPITOL HILL, MONROVIA, LIBERIA
WEST AFRICA

**SIXTH SESSION OF THE FIFTY-THIRD
LEGISLATURE OF THE REPUBLIC OF LIBERIA.**

SCHEDULE OF SENATE'S ENROLLED BILL NO. 8 ENTITLED:

AN ACT TO GOVERN THE FORESTRY INDUSTRIAL DEVELOPMENT AND
EMPLOYMENT REGIME.

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR
EXECUTIVE APPROVAL.

APPROVED THIS 9th DAY OF OCTOBER A.D. 2017

AT THE HOUR OF 12:45 PM

George Weah
THE PRESIDENT OF THE REPUBLIC OF LIBERIA