

AN ACT CREATING THE FORESTRY DEVELOPMENT AUTHORITY

*Approved November 1, 1976
December 20, 1976*

AN ACT CREATING THE FORESTRY DEVELOPMENT AUTHORITY

*It is enacted by the Senate and House of Representatives of the
Republic of Liberia, in Legislature Assembled:*

- § 1. Repeal of certain sections of the Natural Resources Law.
- § 2. Creation of the Forestry Development Authority.
- § 3. Objects of the Forestry development Authority.
- § 4. Powers of the Forestry Development Authority.
- § 5. Penalty for violation of rules and regulations.
- § 6. Board of Directors.
- § 7. Officers.
- § 8. Appointment of Assistant Managing Director.
- § 9. Collection of revenues and expenditures.
- § 10. Duration.
- § 11. Audits.
- § 12. Reports.
- § 13. Power of Forest Officer to arrest offenders.
- § 14. Power of Forest Officer with regards to trees.
- § 15. Advisory Conservation Committees.
- § 16. Form and contents of Forest Utilization Agreement.
- § 17. Performance Bond and minimum expenditure.
- § 18. Protection of Liberian Salvage Permit Holders.
- § 19. Land rental fee.
- § 20. Import duties.
- § 21. Payment of forestry fees in U.S. Currency.
- § 22. Wood processing.
- § 23. Employment of professional Liberian Foresters.

§ 1. Repeal of certain sections of the Natural Resources Law.

Chapters 1 through 4 of the National Resources Law with respect to the Bureau of Forest Conservation, the Conservation of Forests, National Parks and the Conservation of Wild Life are hereby

repealed.

§ 2. Creation of Forestry Development Authority.

An authority to be known as the "Forestry Development Authority" is hereby created as a corporate body pursuant to the Public Authorities Law. As used in this Act, the term "Authority" means the authority hereby created.

§ 3. Objects.

The primary objectives of the Authority shall be to:

- (a) Establish a permanent forest estate made up of reserved areas upon which scientific forestry will be practised;
- (b) Devote all publicly owned forest lands to their most productive use for the permanent good of the whole people considering both direct and indirect values;
- (c) Stop needless waste and destruction of the forest and associated natural resources and bring about the profitable harvesting of all forest products while assuring that supplies of these products are perpetuated;
- (d) Correlate forestry to all other land use and adjust the forest economy to the overall national economy;
- (e) Conduct essential research in conservation of forest and pattern action programs upon the results of such research;
- (f) Give training in the practice of forestry; offer technical assistance to all those engaged in forestry activities; and spread knowledge of forestry and the acceptance of conservation of natural resources throughout the country;

- (g) Conserve recreational and wildlife resources of the country concurrently with the development of forestry program.

§ 4. Powers.

In addition to the powers conferred upon an authority by the Public Authorities Law, the Authority shall have the following powers:

- (a) To take all actions necessary to create and establish Government Forest Reserves, Native Authority Forest Reserves, Communal Forests, and national parks;
- (b) To administer all such reserved areas to fulfill the policies and objectives set out in Section 3 of this Act;
- (c) To enforce all laws and regulations for the conservation of forests and the development of their resources;
- (d) To assist the owners of timber land in applying sustained yield forest management;
- (e) To carry out a program for the wise use and perpetuation of the forest, recreational, and wildlife resources of the country except that regulations for the zoning of hunting grounds and the restriction of hunting to stated periods shall be promulgated by the President;
- (f) To prescribe the form of all licenses, permits, agreements, and other instruments dealing with the use of forest resources;
- (g) To control the issuance of such instruments, and determine the conditions under which they may be granted, exercised, produced, revoked or returned;
- (h) To control the transportation or export of forest products by

land, water, or air;

(i) To be responsible for the collection of all fees payable under the rules and regulations promulgated under the authorization of this Section;

(j) To promulgate rules and regulations required to insure the accomplishment of all the policies and objectives of the Authority;

(k) To open and operate a main and subsidiary banking accounts, to receive and expend monies;

(l) To continue existing services and to initiate new services, such as:

- (i) To establish a unit for market cost-component analysis;
- (ii) To monitor real timber prices and production costs;
- (iii) To commission and carry out feasibility studies;
- (iv) To establish research, education and training facilities;
- (v) To levy fees on other components of the wood-using industries for purposes connected with the Authority's functions;

(m) To negotiate, raise and make loans;

(n) The power to issue, amend and rescind forestry regulations;

(o) The power to engage in commercial undertakings as a principal or in conjunction with others, to enter into contracts, to sue and be sued;

(p) As a principal or in conjunction with others to fell trees and

prepare them for export or to have them processed locally, or both; to trade with such timber in the raw or processed state and to engage in all other operations directly or indirectly connected with the trade in forest products;

(q) To make by-laws for its internal administration.

§ 5. Penalty for violation of rules and regulations.

Any person who contravenes any rule or regulation made under Sub-section (j) of Section 4 or fails to comply with the conditions made a part of any license, permit, agreement, other instrument issued or entered into, under any such rule or regulation for which no penalty is expressly provided in the rules and regulations is guilty of a misdemeanor and punishable by a fine not exceeding five hundred dollars or by imprisonment for not more than one year. If any person shall be convicted of any offense under this Act, the court may in addition to or in lieu of the imposition of any fine or term of imprisonment, order that the whole or any part of the forest product or wildlife resource with respect to which the offense was committed, be confiscated and forfeited to the Government to be sold or otherwise disposed of in such manner as the Managing Director may prescribe.

§ 6. Board of Directors.

1. Composition. The policies of the Authority shall be formulated by the Board of Directors consisting of:

- (a) The Minister of Agriculture as Chairman, the Minister of Finance, the Minister of Local Government, the Minister of Planning and Economic Affairs, the Minister of Commerce, Industry and Transportation, and the President of the Liberian Bank for Development and Investment;

(b) The Managing Director of the Authority, to be appointed by the President.

(c) Two Liberian nationals, one with experience in the field of law, and the other with experience in the field of business, to be appointed by the President.

2. *Voting by Board Members without meeting.* The Board may by regulation establish a procedure whereby the Managing Director, when he considers such action in the best interest of the Authority, may obtain a vote of the Board members on a special question without calling a meeting of the Board.

3. *Quorum.* A quorum for any meeting of the Board shall be a majority of its members.

4. *Financial interest.* No Director or member of his immediate family shall hold any financial interest in a forestry concession or in any auxiliary undertaking in Liberia.

5. *Reimbursement.* The members of the Board, in their capacity as such, shall not receive salaries, but they may receive from the Authority a stipend for each meeting attended and reimbursement for all expenses they incur in discharging their duties to the Authority.

§ 7. Officers.

The Authority shall have a Managing Director and such other officers and staff as the Board may determine to be necessary or desirable for carrying out its lawful functions. The Managing Director shall be professionally qualified in forestry. He shall be responsible for the conduct of the general operation of the Authority and for that purpose shall exercise all powers delegated to him by the Board. Subject to the approval of the Board with

regard to senior officers and staff, the Managing Director shall be responsible for the organization of the staff and the appointment and dismissal of the officers.

§ 8. Appointment of Assistant Managing Director.

The President shall appoint an Assistant Managing Director for administration and finance who shall be a qualified financial controller and administrator rather than a professional forester.

§ 9. Collection of revenues and expenditures.

The Authority shall be responsible for the collection of its revenues, settlement of its financial obligations and all other matters connected with the collection and disbursement of funds of the Authority.

§ 10. Duration.

The existence of the Authority shall continue until it shall be terminated by the Legislature. Upon the termination of the existence of the Authority, all its rights and property shall rest in the Republic.

§ 11. Audits.

The Accounts of the Authority shall be subject to periodic audits by the Government. The accounts of the Authority shall also be audited annually by a firm of independent accountants appointed by the Board.

§ 12. Reports.

The Authority shall submit an annual report to the President and such other periodic reports as he may from time to time require.

Such reports shall set out in detail facts describing the operation and fiscal transactions of the Authority during the receding year, its financial condition and a statement to all receipts and disbursements during such year.

§ 13. Power of Forest Officer to arrest offenders.

Every Forest Officer is hereby authorized and empowered to arrest any person whom he finds or reasonably suspects of violating any of the provisions of the statutes or regulations relating to conservation of forests. On arrest, he shall immediately take such person before the court of the County Superintendent, County Commissioner, Tribal Authority, or Justice of the Peace who shall immediately forward the matter to a court of competent jurisdiction in the county in which the reserve is located.

§ 14. Power of Forest Officer with regards to trees.

A Forest Officer may fell, cut, damage, tap, or destroy trees within Government Forest Reserves, Native Authority Forest Reserves Communal Forests, and national parks, and make clearing or remove timber therefrom for the purpose of planting trees, improving the growth of trees, or for the general better management of reserved forests.

§ 15. Advisory Conservation Committees.

An Advisory Conservation Committee shall be appointed within each county with the County Superintendent or County Commissioner as Chairman. The purpose of the Committees shall be to provide means of communicating to the Forestry Development Authority the ideas, desires and opinions of the people in matters pertaining to forest and wildlife conservation and to exercise general supervision of the enforcement of forest and wildlife regulations.

§ 16. Form and Content of Forest Products Utilization Agreement.¹¹

In all negotiations concerning the awarding of a Forest Product Utilization Agreement between the Government of the Republic of Liberia shall be represented by the Managing Director of the Forestry Development Authority and the Minister of Finance. Upon the successful conclusion of said negotiations, the Minister of Finance and the Managing Director of the Forestry Development Authority shall sign for and on behalf of the Government of Liberia, attested by the Minister of Justice and the prospective forest user by an authorized representative. Notwithstanding the above, the Forest Product Utilization Agreement shall be valid only upon the approval of the President of Liberia and subsequent ratification by the Legislature of the Republic of Liberia.

§ 17. Performance Bond and Minimum Expenditure.

A Forest Concessionaire shall be required to deposit with the Forestry Development Authority a Performance Bond or a Manager's Check of US\$150,000 in favour of the Government of Liberia warranting that the Concessionaire shall faithfully and promptly commence survey and other operations and performance of all the terms and conditions of the Forest Product Utilization

11. Sections 16 through 23 were added to the Act by an Act of the Legislature amending the Forestry Development Authority Act, entitled "AN ACT TO AMEND AN ACT CREATING THE FORESTRY DEVELOPMENT AUTHORITY BY REPEALING SECTION 16 THEREOF AND ADDING THERETO EIGHT NEW SECTIONS", approved July 21, 1988 and published August 2, 1988.

The amendment provided at Section 1 that "Section 16 of An Act creating the Forestry Development Authority is hereby repealed."

The amendment provided at Section 2 "That from and immediately after the passage of this Act, an Act entitled "An Act Creating the Forestry Development Authority" is hereby amended by adding thereto eight new Sections to be Sections 16 through 23 to read as follows:

Agreement within two years and shall within two year period after the effective date of the Agreement between the Concessionaire and the Government of Liberia spend a sum not less than \$500,000 on the construction and installation of a processing plant. Any Concessionaire who on the coming into force of the Act has already complied with the old regulation on performance bond shall not be retroactively affected by the provisions of this Section. A Salvage Permit Holder shall be required to deposit with the Forestry Development Authority a Performance Bond or Property Valuation of US\$50,000 of Manager's Check of US\$50,000 in favour of the Government of Liberia, and shall be required to invest not less than US\$200,000 within two years of the operation.

§ 18. Protection of Liberian Salvage Permit Holders.

No law, executive order or regulation shall be passed depriving Liberian citizens of the right to apply and be granted forest salvage permits from the Forestry Development Authority if such category of forests is available for leasing.

§ 19. Land Rental Fee.

The Concessionaire shall in respect of the Concession granted under the Forest Product Utilization Agreement, pay to the Government of Liberia in advance an annual surface land rental fee of US\$.50 cents per acre or pro rata for part thereof for all land held by the Concessionaire. In the case of the forest salvage permit holders, the annual land rental per acre of the exploitation area to be paid shall be US\$.30 cents per acre or pro rata for part thereof for all land held by the permit holders, and said amount shall be paid in advance to the Government.

§ 20. Import Duties.

The concessionaire shall be granted duty free privilege for the

importation into Liberia during the first two years upon coming into force of the Forest Product Utilization Agreement signed between the concessionaire and the Government of Liberia, any equipment, machinery or similar items of a capital nature having a useful life of five years or more for use in the harvesting, processing, transportation and marketing of timber products; provided, however, that all such items to be exempted from duties shall be exempted only if items reasonably comparable in price and quality and not obtainable in Liberia; it being understood Forest Salvage Permit Holders shall also be granted duty free privilege for the importation into Liberia equipment, machinery or similar items of capital nature to last for a period of not less than two years. Notwithstanding the foregoing, the period of exemption from the payment of import duties (two years), shall not be extended nor renewed after the expiration of the said two (2) years period.

§ 21. Payment of Forestry Fees in U.S. Currency.

The Concessionaire and the forest salvage permit holders shall pay all their respective forest fees in U.S. currency after assessment by the Forestry Development Authority (FDA).

§ 22. Wood processing.

The concessionaire shall comply with the requirements of the Forestry Development Authority regarding the percentage of total production to be sawn or otherwise processed in Liberia and that the export of logs and processed wood shall be in accordance with the Forestry Development Authority Regulations; however, the percentage of processed wood for export shall be a maximum of 5% (five percent) of export logs during 1988 and 1989. Beginning 1990, the percentage of processed wood for export shall be a minimum of 5% (five percent) and a maximum of 10% of export logs, it being understood that all Forest Salvage Permit Holders shall process at least 5% (five percent) of their total log production

for either local or export market.

§ 23. Employment of professional Liberian Foresters.

A concessionaire having a valid Forest Utilization Agreement shall be required to employ a maximum of four (4) trained Liberian Foresters while a Salvage Permit Holder shall employ at least one (1) trained Liberian Forester.

T I T L E 31

Public Contracts Law

NOTE: STILL AWAITING LEGISLATIVE ACTION. SHOULD INCLUDE THE METHOD AND PROCEDURES FOR CONCLUDING CONTRACT BETWEEN THE REPUBLIC OF LIBERIA OR ANY AGENCY THEREOF, PREVIOUSLY FOUND UNDER OTHER TITLES, INCLUDING PROCEDURES FOR BIDS.