



West Africa Forest
Programme Office

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A GUIDE FOR THE TIMBER EXPORTER AND IMPORTER FROM GHANA AND LIBERIA



ACP
FLEGT

Support Programme



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A Guide for the Timber Exporter and Importer from Ghana and Liberia



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Foreword

The desire to eliminate illegal forestry activities and associated trade and to achieve sustainable forest management has been on the agenda of the international community and various governments of West Africa. Achieving this goal has however been elusive to many countries in the West Africa sub-region with a consequent loss of valuable biodiversity, increasing threat to local communities' livelihoods as well as threat to long-term sustainability of forestry businesses.

Although forest certification has been widely accepted as one important tool to help forest managers to achieve sustainable forest management, its adoption has rather been slow due largely to the absence of enabling conditions in West Africa. However, efforts of WWF Global Forest and Trade Network (GFTN) are yielding results as a number of industry leaders are now pursuing some level of certification in the sub-region.

Shifting legal landscape in international timber markets as a result of the introduction of EU's Forest Law Enforcement Governance and Trade and its associated Voluntary Partnership Agreements, the EU Timber Regulation and the US Lacey Act among others is creating a situation where individual timber suppliers and buyers are placed in a position to remove timber of questionable sources from their supply chains.

This document - which is a product of collaboration between WWF – West Africa Forest Programme Office in Ghana, Forestry Commission of Ghana and the Forest Development Authority of Liberia - has an objective to provide the requisite information to concerned stakeholders to set the ground for implementation of actions towards ensuring the production of legal wood and subsequently the sustainable management of the remaining forests of Ghana and Liberia.

I sincerely hope that this document will help timber importers or exporters and other stakeholders to easily identify key documents that should be obtained and checked to ensure a basic level of legal compliance within Ghana and Liberia. This will set the stage for sustainable management of our forests.



*Mustapha Seidu,
Programme Coordinator,
WWF – West Africa Forest
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List of Acronyms

ACP	– African Caribbean and Pacific
CFDC	– Community Forestry Development Committee
CITES	– Convention on International Trade in Endangered Species of Wild Fauna and Flora
COCS	– Chain of Custody System
D A	– District Assembly
E C	– European Commission
E I A	– Environmental Impact Assessment
EPML	– Environmental Protection Management Law
E U	– European Union
EU TR	– European Union Timber Regulation

F A O	– Food and Agriculture Organization of the United Nations
F C	– Ghana – Forestry Commission of Ghana
F D A	– Liberia – Forestry Development Authority of Liberia
FLEGT	– Forest Law Enforcement Governance and Trade
F M C	– Forest Management Contract
F S D	– Forestry Services Division of the Forestry Commission of Ghana
GFTN	– WWF's Global Forest and Trade Network
ILMCC	– Import Log Measurement and Conveyance Certificate
IMCC	– Inter-Ministerial Concession Committee
LAS	– Legality Assurance System

LEITI	– Liberia Extractive Industries Transparency Initiative
L I	– Legislative Instrument
L I F	– Log Information Form
L L L	– Liberian Labour Law
LMCC	– Log Measurement and Conveyance Certificate
L V D	– Liberia Verification Department
MDF	– Medium – Density Fibreboard
MIDB	– Market intelligence data base
MLNR	– Ministry of Lands and Natural Resources, Ghana
MOCI	– Ministry of Commerce and Industry

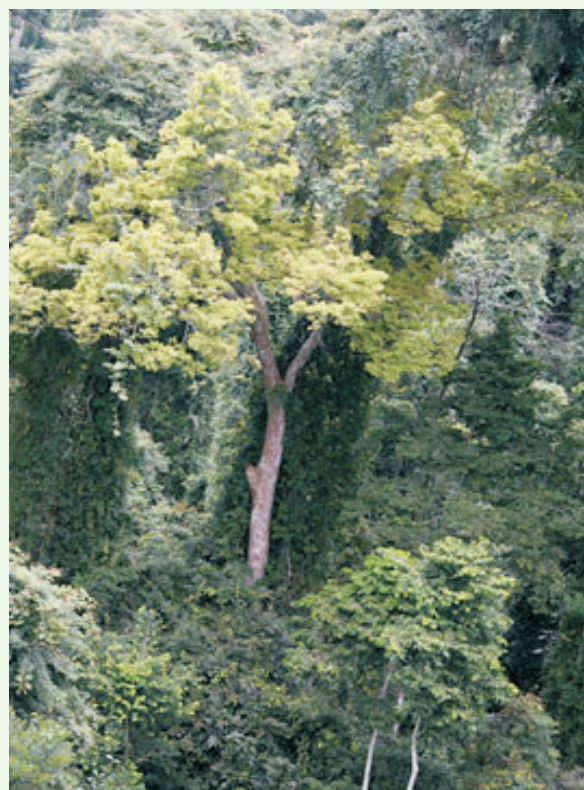
MOFA	– Ministry of Foreign Affairs of Liberia
MOFEP	– Ministry of Finance and Economic Planning, Ghana
MOP	– Manual of Procedures
NSSWC	– National Social Security & Welfare Corporation
PLMCC	– Plantation Log Measurement and Conveyance Certificate
PPCA	– Public Procurement & Concessions Act
PUP	– Private Use Permit
RMSC	– Resource Management Support Centre
SRA	– Social Responsibility Agreement
T SC	– Timber Sale Contract

TIDD	– Timber Industry Development Division of the Forestry Commission of Ghana
TIF	– Tree Information Form
TRAU	– Timber Resources Allocation Unit
TUC	– Timber Utilization Contract
TVD	– Timber Verification Department
VPA	– Voluntary Partnership Agreement
WAFPO	– WWF's West Africa Forest Programme Office
WTS	– Wood Tracking System
WWF	– World Wide Fund for Nature

Introduction

In the not-too distant past, the Guinean Moist Forest of West Africa was a WWF priority ecoregion and considered one of the world's 25 biodiversity hotspots. This ecoregion still ranks first in terms of mammalian species diversity. It was especially of interest in terms of the flagship species of forest elephants, apes and commercial timber species. The forest sector of the sub-region in terms of policy direction, industrial processing and practical conflict between forestry and agriculture still represent an opportunity for learning by, and experience sharing with other regions of the world.

Although with steady decline in timber production capacity, West Africa, one of the Global 200 ecoregions, is a leader in the export of sawn wood and remains a key source of timber for many European markets which faces increasing public and regulatory scrutiny. Furthermore, China and India are the second and third most important export markets outside the sub region for timber products.



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In recognition of the centrality of Europe to the timber trade in West Africa, the three most forested countries (Cote d'Ivoire, Ghana and Liberia)

have all engaged the EU in the negotiation and implementation of the FLEGT/VPA in order to improve the legality and, somewhat, the long-term sustainability of the remaining forest. The West African timber sector is considered to be a front runner, a learning place and inspiration to neighboring producer countries. Individual countries in West Africa have a lot to learn from each other as volumes in trade within the sub-region increases.

The passing of the EU timber regulation which becomes effective in March 2013 compels countries and suppliers to put in measures to avoid the supply of illegally sourced materials on the European market.



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WWF - West Africa Forest Programme Office based in Accra is mainly implementing WWF's Global Forest and Trade Network Programme and related activities. The Global Forest and Trade Network is WWF's initiative that aims to eliminate illegal logging and drive improvements in forest management while transforming the global market place into a force for saving the world's valuable and threatened forests. By facilitating links between



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companies committed to achieving and supporting responsible forestry, the GFTN creates market conditions that help conserve forests while providing economic and social benefits for the businesses and people that depend on them. As one of the WWF's global priority programmes, GFTN's vision underpins WWF's forest conservation work



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as well as directly supporting other priority programmes and Global Initiatives, responding to the conservation of priority places and species and reduction of footprint in the areas of energy/carbon, commodities and water while tackling a set of global priority drivers.

Changing global markets

Most major consumer markets have passed or are developing policies or regulations aimed at excluding illegally harvested timber. The European Union and the United States have prohibited the sale of illegally harvested timber while Japan's Green Purchasing Law requires its government agencies to buy legal timber products. The adoption of the EU Timber Regulation in 2010 was preceded by a 2008 amendment to the US Lacey Act, which made it an offence to market, processor transport illegally harvested timber in the United States. Australia has released draft legislation, the "Illegal Logging Prohibition Bill 2011", which prohibits the importation of regulated timber products that contain illegally logged timber. China, a major importer of timber and exporter of timber products, and also a fast-growing consumer market, is considering a system to verify the legality of its timber imports and exports. A number of other countries are expected to follow suit.

The timber legality guide

Ghana and Liberia have signed the Voluntary Partnership Agreement (VPA) with the EU in 2009 and 2011 respectively. These steps have been taken to address the canker of trade in illegally sourced timber from these countries. In countries where VPAs have been signed, challenges of implementation have arisen due to factors such as gaps in capacity of implementation organizations and individuals as well as access to requisite information. This document presents some guidelines on the EU Timber Regulation prepared by the GFTN support Unit and simplified versions of the Legality Assurance Matrices of Ghana and Liberia. Key individuals of the Forestry Commission of Ghana and Forestry Development Authority of Liberia provided information for the matrices. It also contains links to sources of information relevant for timber exporters and importers from Ghana and Liberia.



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Notes on the EU Timber Regulation

Introduction

Placing timber from illegally harvested forests and products derived from such timber will be prohibited in the European Union from March 2013 under the new European Union Timber Regulation (EU TR). Importers and exporters of such wood based products to the EU market, as well as traders within the EU, will need to understand and implement the required measures to comply with this legislation.

This briefing note aims to explain what the EU TR is, who is affected, how they are affected and guidance on how compliance might be achieved in the longer term.

Note that further clarification and development of detailed rules are still being developed by the European Commission and Member States so some modifications are likely to occur over the next twelve months. More details can be found at the European Commission website:

http://ec.europa.eu/environment/forests/timber_regulation.htm



Figure 1 illustrates the key requirements for operators and traders. The application of the Regulation will start from 3rd March 2013 to allow sufficient time for EU operators, traders and Member States, as well as trading partners, to prepare. During this period the Commission will adopt more detailed rules.



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What is the EU Timber Regulation?

Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010, also known as the “EU TR”:

1. prohibits the placing on the EU market of illegally harvested timber and products derived from such timber;
2. requires EU operators who place timber products on the EU market for the first time to exercise 'due diligence'; and
3. once products are on the market, requires traders of products to keep records of their immediate suppliers and buyers.

Who is affected by the EU TR?

Operators are those who place timber products in the EU market for the first time. Some examples of operators are importers, retailers or manufacturers that import wood based products and forest managers that supply timber from an EU based forest. It is prohibited to place in the EU market illegally harvested timber and operators need to set up a due diligence system to avoid the risk of such sources as well as keep records of their immediate customers.

Operators can either use their own due diligence system, adopt a system such that developed by the Global Forest & Trade Network (GFTN), or work with Monitoring Organisations.

Traders are those that buy and/or sell wood based products that were already placed in the EU market (by an Operator). Traders need to keep records of their suppliers and their customer for all wood based products traded. Individual final consumers are not covered by the EU TR. The table below illustrates the specific requirements for Operators and Traders under the EU TR.

A “Due Diligence system” is a framework of procedures and measures to minimise the risk of placing illegally harvested timber, or timber products, on the EU market. The three key elements of the “due diligence system” are:

Key elements	Description	Guidance
1. Information	The operator must have access to information concerning: description of timber and timber products (trade name, type of product, common name of tree species and its full scientific name where applicable), country of harvest (where applicable: sub-region and concession of harvest), quantity (by volume, weight or number of units), name and address of supplier and buyer, information on compliance with national legislation.	<ul style="list-style-type: none"> • Gather information along the supply chain, from suppliers or forest managers. • Check compliance with applicable legislation in country of harvest
2. Risk Assessment	The operator should assess the risk of illegal harvested timber in their supply chain by taking in to account the information identified above as well as: compliance with applicable legislation which may include certification and verification schemes which cover it; illegal harvesting of specific tree species; risk of illegal harvesting, bans, armed conflicts or sanctions in country of harvest; and complexity of the supply chain. Products in compliance with FLEGT VPA and CITES are considered to have been legally harvested.	<ul style="list-style-type: none"> • Check risk of illegal logging by species • Check risk of illegal logging at country of origin • Check lack of governance in country of origin. • Check species listed in CITES • Check international trade sanctions and armed conflicts in country of origin. • Check traceability systems in place to ensure origin of products. <p>Check complex supply chains (e.g. mix-products such as MDF or paper)</p>
3. Risk Mitigation	When the risk of illegal timber in the supply chain is not negligible, adequate and proportionate measures and procedures have to be put in place to effectively minimize that risk	<ul style="list-style-type: none"> • Request additional information and documentation. • Reduce complexity of supply chain. • Use 3rd party legal verification or forest certification. <p>Develop a responsible sourcing program that helps your company to work with your suppliers to map out the supply chain, identify critical points and actions to address illegal logging.</p>

Monitoring Organisations

Will be an organisation (examples could be certification bodies, trade association, etc.) recognized by the European Commission, after consulting the Member State(s) concerned, that shall:

- *Maintain and regularly evaluate a due diligence system as set out in Article 6 and grant operators the right to use it;*
- *Verify the proper use of its due diligence system by such operators;*
- *Take appropriate action in the event of failure by an operator to properly use its due diligence system, including notification of competent authorities in the event of a significant or repeated failure by an auditor.*

The European Commission is currently working on the rules to recognize Monitoring Organisations and how they will operate. They are due to be developed by March 2012.

What is considered illegally harvested timber under the EU TR?

The EU TR, states that: “*illegally harvested*” means harvested in contravention of the applicable legislation in the country of harvest”.

Where “*applicable legislation*” means the legislation in force in the country of harvest covering the following matters:

- “rights to harvest timber within legally gazetted boundaries,
- payments for harvest rights and timber including duties related to timber harvesting,
- timber harvesting, including environmental and forest legislation including forest management and biodiversity conservation, where directly related to timber harvesting,
- third parties' legal rights concerning use and tenure that are affected by timber harvesting, and
- trade and customs, in so far as the forest sector is concerned”.

For some of the major exporting producer countries GFTN has developed lists of the relevant legislation that an exporter and an EU Operator should consider when assessing the risk of non-compliance with the above definition (sourcing.gftn.panda.org).

What are the products covered under the EUTR?

- Solid wood products, flooring, plywood, pulp and paper, the Regulation text has a full listing.
- **Not included** are recycled products, as well as rattan, bamboo and printed papers such as books, magazines and newspapers. The product scope is subject to amendment by the EU in the future.
- The Regulation applies to both imported and domestically produced timber and timber products.
- Timber and timber products covered by valid [FLEGT](#) or [CITES](#) licenses are considered to comply with the requirements of the Regulation.



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Enforcement

Each Member State will appoint a Competent Authority to coordinate the enforcement of the EU TR by June 2011. Competent authorities will provide for regular checks and controls of both monitoring organisations and operators using their own Due Diligence systems.

Penalties

Each Member State shall establish the level of penalties and sanctions, and shall ensure their implementation. The penalties must be effective, proportionate and dissuasive and may include:

1. Fines proportionate to the environmental damage, the value of the timber or timber products concerned and the tax losses and economic detriment resulting from the infringement.
2. Seizure of the timber and timber products concerned.
3. Immediate suspension of authorisation to trade.

What is the current status of the EU TR?

- The law was adopted on October 20, 2010
- The law will be applied from March 3, 2013
- In the meantime, the European Commission will continue to develop “implementing measures” that enable the Regulation to become enforceable law in each Member State.
- The Member States will have to transpose the regulation into national law ready by March 2013 at the latest.



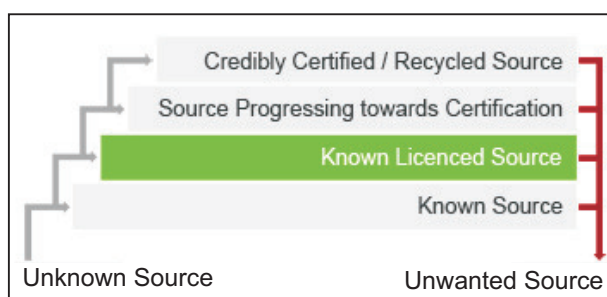
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GFTN and the EU TR

GFTN welcomes the introduction of the EU TR as a mechanism to drive wider adoption of best practices that will ultimately lead to the wider uptake of credible forest certification.

The EU TR introduces concepts and ways of working for business that will be familiar to GFTN participant companies. GFTN will not become a Monitoring Organisation though it will continue to develop its own guidance to its participants with respect to assisting in their compliance. The well established stepwise approach developed by GFTN is an excellent framework

within which companies can demonstrate due diligence as described within the EU TR.





(C) Simone Rawles-WWF

The GFTN (sourcing.gftn.panda.org) website provides much more detailed guidance on tools and systems to exercise due diligence. The stepwise approach to responsible purchasing developed by GFTN is a comprehensive and well used and tested system to demonstrate due diligence in supply chain management.

For further information EUTR contact:

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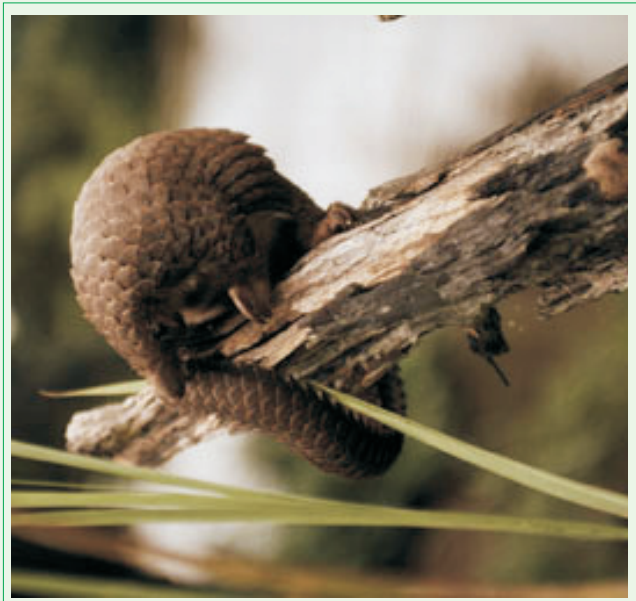
This information is for educational and information purposes only and it is not intended and should not be construed as legal advice. Persons seeking legal advice on future compliance with the EU TR or any other law or requirement should consult a qualified legal professional.

CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)

CITES is an international agreement between governments. Its aim is to ensure that international trade in specimens of wild animals and plants does not threaten their survival.

How CITES works

CITES works by subjecting international trade in specimens of selected species to certain controls. All import, export, re-export and introduction from the sea of species covered by the Convention has to be authorized through a licensing system. Each Party to the Convention must designate one or more Management Authorities in charge of administering that licensing system and one or more Scientific Authorities to advise them on the effects of trade on the status of the species. The species covered by CITES are listed in three Appendices, according to the degree of protection they need.



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Appendices I and II

- Appendix I includes species threatened with extinction. Trade in specimens of these species is permitted only in exceptional circumstances.
- Appendix II includes species not necessarily threatened with extinction, but in which trade must be controlled in order to avoid utilization incompatible with their survival.

Appendix III

This Appendix contains species that are protected in at least one country, which has asked other CITES Parties for assistance in controlling the trade. Changes to Appendix III follow a distinct procedure from changes to Appendices I and II, as each Party's is entitled to make unilateral amendments to it.

A specimen of a CITES-listed species may be imported into or exported (or re-exported) from a State party to the Convention only if the appropriate document has been obtained and presented for clearance at the port of entry or exit. There is some variation of the requirements from one country to another and it is always necessary to check on the national laws that may be stricter, but the basic conditions that apply for Appendices I and II are described below.

Appendix-I specimens



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1. An import permit issued by the Management Authority of the State of import is required. This may be issued only if the specimen is not to be used for primarily commercial purposes and if the import will be for purposes that are not detrimental to the survival of the species. In the case of a live animal or plant, the Scientific Authority must be satisfied that the proposed recipient is suitably equipped to house and care for it.



Martin Harvey/WWF-Canon

2. An export permit or re-export certificate issued by the Management Authority of the State of export or re-export is also required. An export permit may be issued only if the specimen was legally obtained; the trade will not be detrimental to the survival of the species; and an import permit has already been issued. A re-export certificate may be issued only if the specimen was imported in accordance with the provisions of the Convention and, in the case of a live animal or plant, if an import permit has been issued. In the case of a live animal or plant, it must be prepared and shipped to minimize any risk of injury, damage to health or cruel treatment.

Appendix-II specimens

1. An export permit or re-export certificate issued by the Management Authority of the State of export or re-export is required. An export permit may be issued only if the specimen was legally obtained and if the export will not be detrimental to the survival of the species. A re-export certificate may be issued only if the specimen was imported in accordance with the Convention.

2. In the case of a live animal or plant, it must be prepared and shipped to minimize any risk of injury, damage to health or cruel treatment.
3. No import permit is needed unless required by national law.



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Appendix-III specimens

1. In the case of trade from a State that included the species in Appendix III, an export permit issued by the Management Authority of that State is required. This may be issued only if the specimen was legally obtained and, in the case of a live animal or plant, if it will be prepared and shipped to minimize any risk of injury, damage to health or cruel treatment.
2. In the case of export from any other State, a certificate of origin issued by its Management Authority is required.



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3. In the case of re-export, a re-export certificate issued by the State of re-export is required.

There are special rules in these cases and a permit or certificate will generally still be required. Anyone planning to import or export/re-export specimens of a CITES species should contact the national CITES Management Authorities of the countries of import and export/re-export for information on the rules that apply. When a specimen of a CITES-listed species is transferred between a country that is a Party to CITES and a country that is not, the country that is a Party may accept documentation equivalent to the permits and certificates described above.



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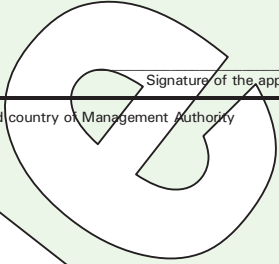

A sample of CITES application form is included in the next pages. Both Ghana and Liberia are member countries to CITES. The Wildlife Division of the Forestry Commission of Ghana and the Forestry Development Authority of Liberia are the Management Authorities of CITES in the respective countries. More information on CITES can be sought from www.cites.org.



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Information on CITES has been solely obtained from www.cites.org

Standard permit/certificate form

 CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA		PERMIT/CERTIFICATE No. <input type="checkbox"/> EXPORT <input type="checkbox"/> RE-EXPORT <input type="checkbox"/> IMPORT <input type="checkbox"/> OTHER:		Original 2. Valid until	
3. Importer (name and address)		4. Exporter/re-exporter (name, address and country)			
3a. Country of import		Signature of the applicant 			
5. Special conditions For live animals, this permit or certificate is only valid if the transport conditions conform to the CITES Guidelines for transport or, in the case of air transport, to the IATA Live Animals Regulations		6. Name, address, national seal/stamp and country of Management Authority 			
5a. Purpose of the transaction (see reverse)		5b. Security stamp no.			
7./8. Scientific name (genus and species) and common name of animal or plant		9. Description of specimens, including identifying marks or numbers (age/sex if live)		10. Appendix no. and source (see reverse)	
				11. Quantity (including unit)	
				11a. Total exported/Quota	
A	7./8.	9.	10.	11.	11a.
	12. Country of origin * Permit no. Date	12a. Country of last re-export Certificate no. Date	12b. No. of the operation ** or date of acquisition ***		
B	7./8.	9.	10.	11.	11a.
	12. Country of origin * Permit no. Date	12a. Country of last re-export Certificate no. Date	12b. No. of the operation ** or date of acquisition ***		
C	7./8.	9.	10.	11.	11a.
	12. Country of origin * Permit no. Date	12a. Country of last re-export Certificate no. Date	12b. No. of the operation ** or date of acquisition ***		
D	7./8.	9.	10.	11.	11a.
	12. Country of origin * Permit no. Date	12a. Country of last re-export Certificate no. Date	12b. No. of the operation ** or date of acquisition ***		
* Country in which the specimens were taken from the wild, bred in captivity or artificially propagated (only in case of re-export) ** Only for specimens of Appendix I species bred in captivity or artificially propagated for commercial purposes *** For pre-Convention specimens					
13. This permit/certificate is issued by:					
Place		Date		Security stamp, signature and official seal	
14. Export endorsement:		15. Bill of Lading/Air waybill number:			
Block	Quantity				
A					
B					
C					
D					
Port of export		Date		Signature	
				Official stamp and title	

CITES PERMIT/CERTIFICATE No.

Instructions and explanations

(These correspond to block numbers on the form)

1. Tick the square which corresponds to the type of document issued (export permit, re-export certificate, import permit or other). If the box "other" has been ticked, the type of document must be indicated. The original number is a unique number allocated to each document by the Management Authority.
2. For export permits and re-export certificates, the date of expiry of the document may not be more than six months after the date of issuance (one year for import permits).
3. **Complete** name and address of the importer.
- 3a. The name of the country must be written in full.
4. **Complete** name and address of the exporter/re-exporter. The name of the country must be stated. The absence of the signature of the applicant renders the permit or certificate invalid.
5. Special conditions may refer to national legislation or special conditions placed on the shipment by the issuing Management Authority. This block can also be used to justify the omission of certain information.
- 5a. The following codes should be used: **T** for commercial, **Z** for zoos, **G** for botanical gardens, **Q** for circuses and travelling exhibitions, **S** for scientific purposes, **H** for hunting trophies, **P** for personal, **M** for medical, **E** for education, **N** for reintroduction or introduction into the wild, and **B** for breeding in captivity or artificial propagation, **L** for law enforcement / judicial / forensic.
- 5b. Indicate the number of the security stamp affixed in block 13.
6. The name, address and country of the issuing Management Authority should already be printed on the form.
- 7-8. Indicate the scientific name (genus and species, where appropriate subspecies) of the animal or plant as it appears in the Convention Appendices or the reference lists approved by the Conference of the Parties, and the common name of the animal or plant as known in the country issuing the permit.
9. Describe, as precisely as possible, the specimens entering trade (live animals, skins, flanks, wallets, shoes, etc.). If a specimen is marked (tags, identifying marks, rings, etc.), whether or not this is required by a Resolution of the Conference of the Parties (specimens originating in a ranching operation, specimens subject to quotas approved by the Conference of the Parties, specimens of Appendix-I species bred in captivity for commercial purposes, etc.), indicate the number and type of mark. The sex and age of the live animals should be recorded, if possible.
10. Enter the number of the Appendix of the Convention (I, II or III) in which the species is listed.
Use the following codes to indicate the source:
W Specimens taken from the wild
R Specimens originating from a ranching operation
D Appendix-I animals bred in captivity for commercial purposes and Appendix-I plants artificially propagated for commercial purposes, as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 4, of the Convention
A Plants that are artificially propagated in accordance with Resolution Conf. 11.11 (Rev. CoP13), paragraph a), as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 5 (specimens of species included in Appendix I that have been propagated artificially for non-commercial purposes and specimens of species included in Appendices II and III)
C Animals bred in captivity in accordance with Resolution Conf. 10.16 (Rev.), as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 5 (specimens of species included in Appendix I that have been bred in captivity for non-commercial purposes and specimens of species included in Appendices II and III)
F Animals born in captivity (F1 or subsequent generations) that do not fulfil the definition of 'bred in captivity' in Resolution Conf. 10.16 (Rev.), as well as parts and derivatives thereof
U Source unknown (**must be justified**)
I Confiscated or seized specimens
O Pre-Convention (may be used with other source codes).
11. The quantity and units indicated should conform to the most recent version of the Guidelines for the preparation and submission of CITES annual reports.
- 11a. Indicate the total number of specimens exported in the current calendar year (including those covered by the present permit) and the current annual quota for the species concerned (for example 500/1000). This should be done for the national quotas as well as for those determined by the Conference of the Parties.
12. The country of origin is the country in which the specimens were taken from the wild, bred in captivity or artificially propagated, except in the case of plant specimens that cease to qualify for an exemption from the provisions of CITES. In such instances, the country of origin is deemed to be the country in which the specimens ceased to qualify for the exemption. Indicate the number of the permit or certificate of the exporting country and the date of issuance. If all or part of the information is not known, this should be justified in block 5. This block must only be completed in case of re-exports;
- 12a. The country of last re-export is the country from which the specimens were re-exported before entering the country in which the present document is issued. Enter the number of the re-export certificate of the country of last re-export and its date of issuance. If all or part of the information is not known, this should be justified in block 5. This block must only be completed in case of re-export of specimens previously re-exported.
- 12b. The "No. of the operation" is the number of the registered captive-breeding or artificial propagation operation. The "date of acquisition" is defined in Resolution Conf. 13.6 and is required only for pre-Convention specimens.
13. To be completed by the official who issues the permit. The name of the official must be written in full. The security stamp must be affixed in this block and must be cancelled by the signature of the issuing official and a stamp or seal. The seal, signature and security-stamp number should be clearly legible.
14. To be completed by the official who inspects the shipment at the time of export or re-export. Enter the quantities of specimens actually exported or re-exported. Strike out the unused blocks.
15. Enter the number of the bill of lading or air way-bill if the method of transport used requires the use of such a document.

The document must be written in one of the three working languages of the Convention (English, Spanish or French) or must include a full translation into one of these three languages. Exported and re-exported specimens should not appear on the same document unless it is clearly indicated which specimens are being exported and which re-exported.

AFTER USE THIS DOCUMENT MUST BE RETURNED TO A MANAGEMENT AUTHORITY OF THE IMPORTING COUNTRY.

Ghana's Voluntary Partnership Agreement

The Voluntary Partnership Agreement (VPA) of Ghana has provided a legal framework and compliance monitoring system aimed at ensuring that all timber imports into the EU from Ghana have been legally acquired, harvested, transported and exported. Ghana expects that the VPA will help further its governance reforms of the forestry sector, contribute to sustainable forest management, provide conditions that encourage investment in forest restoration and thus improve the resource base, realize the full economic value of forests and ensure that the forest sector contributes to poverty alleviation. Ghana decided to enter into a VPA to demonstrate its commitment to good forest governance, and as a means to maintain access to valued markets and open up new markets. With the VPA Ghana also will promote investment in the sector to ensure the future viability of its industry.



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Ghana's legality assurance system

Ghana is in the process of establishing a Legality Assurance System (LAS) to monitor, control and

verify management and use of Ghana's forest resources to ensure that only legal products are produced, sold and exported from Ghana. The LAS applies to all sources of commercial timber and products produced, processed and/or acquired in Ghana including those for non-EU markets, as well as all timber sold on the domestic market. As a major component of the LAS, a Wood Tracking System will incorporate a traceability control system which will monitor timber, starting in

the forest and continuing through the entire production chain. A Timber Validation Department has been established within the Forestry Commission to perform the function of verification against the legal standard for every consignment. The Timber Industry Development Division of the Forestry Commission is designated as the national licensing authority under the VPA. They will issue FLEGT licenses for the export of timber products to the EU market and export permits for non-EU markets. The EU border control authorities will permit import only if shipments are covered by such a license.

Information on page mostly sourced from VPA briefing notes, November 2009, FC Ghana



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Ghana's legality definition

Ghana's definition of legal timber is framed around seven principles covering the essential elements of forest production and processing. These principles are: (1) source of timber(land ownership), (2) allocation of timber rights, (3) timber harvesting operations, (4)transportation, (5) processing, (6) trade, and (7) fiscal obligations. For each principle criteria, indicators and verifiers have been identified in the VPA to demonstrate compliance. The definition includes environmental and social factors relevant to legal compliance. All criteria, indicators, and verifiers must be met for a shipment to be verified as legally compliant and in order for a FLEGT license to be issued.

The information for the next section of this document has been contributed by key staff of the Forestry Commission of Ghana and presents the legality matrix which was agreed by the various parties in Ghana and the EU. Ghana has concluded the pilot wood tracking system and is in preparation to rollout the full wood tracking system which will set the enabling conditions for the issuance of FLEGT licenses.

Exporters are encouraged to use this guide for preliminary self assessment of compliance as they wait for full implementation of the Legality Assurance System. This publication seeks to reach the many stakeholders in Ghana who may not have access to the internet and hence other available information as we prepare for full implementation of the FLEGT.



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Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade – Principles, Criteria and Indicators for Ghana

Indicator	Guidance verifier/legal reference
PRINCIPLE 1: SOURCE OF TIMBER : Timber originated from prescribed sources and concerned, individual, group and owners gave their written consent to the land being subjected to the grant of timber rights	
Criterion 1.1: Forest Management Plan cover strategic plan for all sources of Timber	
Indicator 1.1.1: FSD shall provide strategic management plans with clear statement of objectives to cover timber rights allocated areas	<ul style="list-style-type: none"> ● Reserve & plantation management plan ● Forest maps ● Annual logging plan ● Operational plan <p>Legal references: LI. 1649 PART1: Procedure for grant of timber rights; Subpart1 identification of lands suitable for the grant of timber rights; MOP Section A - Strategic planning (forest reserves)</p>
Indicator 1.1.2: FC ensures that forest zonation based on management objectives that relate to protection, conservation and plantation are well defined and respected	<ul style="list-style-type: none"> ● Forest zonation maps ● Management plans <p>Legal references: LI. 1649 PART1: Procedure for grant of timber rights; Subpart1 identification of lands suitable for the grant of timber rights; MOP Section A - Strategic planning (forest reserves);</p>
Indicator 1.1.3: Inventory is conducted in all identified sources of timber using the prescribed procedures before harvesting and/or extraction of timber	<ul style="list-style-type: none"> ● Forest survey report ● Stock enumeration and yield data ● Felling permit/and administrative letter showing approval of permit <p>Legal references: Legal references: LI. 1649 PART1: Procedure for grant of timber rights; Subpart1 identification of lands suitable for the grant of timber rights; MOP Section C - Timber Production in Forest Reserve;</p>
Indicator 1.1.4: FSD or private operator depending on scenario shall provide evidence of clearly delineated areas from which timber is being sourced Maps with survey descriptive notes or GPS location points	<ul style="list-style-type: none"> ● Maps with survey descriptive notes or GPS location points <p>Legal references: LI. 1649 PART1: Procedure for grant of timber rights; Subpart1 identification of lands suitable for the grant of timber rights; MOP Section C - Timber Production in Forest Reserve; MOP Section F- Controlled timber production off-reserve 2.1 (ii) Identification of TUC areas and 3.7 (C) (off-reserve delineation);</p>

Criterion 1.2: Land owner, individual or group written consent	
<p>Indicator 1.2.1: FSD provides evidence of written consent of concerned individual, group or owners</p>	<ul style="list-style-type: none"> ● Management plans + reserve settlement Commissioner's report (on-reserve) ● Signed/thumb printed pre-felling inspection report (off-reserve) ● Agreed and signed Social Responsibility Agreement (SRA) with the DA, TC and community (plantation) ● Signed/ thumb-printed letter of consent as appropriate (salvage permit) <p>Legal references: Act 547: Timber Resources Management Act section 4, subsection 2 (d); LI1649: Part 1 procedure for grant of Timber Rights, subpart 1: field inspection 2 (d); Subpart II Procedure in relation to lands other than public land and existing forest reserves; MoP Section F (Controlled Timber Production Off-Reserve) - F3.2 - consultation process; MoP Section F, F5.0: Finalisation (endorsements).</p>
<p>Indicator 1.2.2: FSD ensures that written consent is embodied in on-reserve management plans</p>	<p>Written consent attached to management plan</p> <p>Legal references: Act 547: Timber Resources Management Act section 4, subsection 2 (d); LI1649: Part 1 procedure for grant of Timber Rights, subpart 1: field inspection 2 (d); Subpart II Procedure in relation to lands other than public land and existing forest reserves; MoP Section F (Controlled Timber Production Off-Reserve) - F3.2 - consultation process; MoP Section F, F5.0: Finalisation (endorsements).</p>
<p>Indicator 1.2.3: FSD ensures that in off-reserve TUCs land owners, affected farmers and individuals consented to harvesting of resources by endorsing approved documents through writing/initialing or thumb printing</p>	<ul style="list-style-type: none"> ● District notices ● Community consultation minutes <p>Legal references: Act 547: Timber Resources Management Act section 4, subsection 2 (d); LI1649: Part 1 procedure for grant of Timber Rights, subpart 1: field inspection 2 (d); Subpart II Procedure in relation to lands other than public land and existing forest reserves; MoP Section F (Controlled Timber Production Off-Reserve) - F3.2 - consultation process; MoP Section F, F5.0: Finalisation (endorsements).</p>
<p>Indicator 1.2.4:</p> <p>FSD ensures that in the other timber allocation types (i.e. salvage, submerged forests, etc) land owners, affected farmers and individuals consented to harvesting of resources by endorsing approved documents through writing/initialing or thumb-printing</p>	<ul style="list-style-type: none"> ● District notices ● Community consultation minutes <p>Legal references: Act 547: Timber Resources Management Act section 4, subsection 2 (d); LI1649: Part 1 procedure for grant of Timber Rights, subpart 1: field inspection 2 (d); Subpart II Procedure in relation to lands other than public land and existing forest reserves; MoP Section F (Controlled Timber Production Off-Reserve) - F3.2 – consultation process; MoP Section F, F5.0: Finalisation (endorsements).</p>

Indicator 1.2.5: Mechanisms for dispute resolution are respected in the event of any dispute between local communities and forest managers regarding tenure claims and use rights	<ul style="list-style-type: none"> ● Reserve Settlement Commissioner's report ● Record of arbitration of proceedings
	Legal references: CAP 157
Indicator 1.2.6: FSD ensures that there is no evidence of any unresolved dispute of substantial magnitude involving a significant number of interests regarding tenure and use rights	<ul style="list-style-type: none"> ● Reserve Settlement Commissioner's report ● Record of arbitration of proceedings
	Legal references: CAP 157

PRINCIPLE 2: The Logger Held a TUC Issued by the Minister and Ratified by Parliament following the Specified Competitive Process or Logger Held a Salvage Permit Issued by the Forestry Commission

Criterion 2.1: Qualification of loggers for grant of TUC by TREC (Natural Forest and Plantation TUCs)	
Indicator 2.1.1: Records indicating pre-qualification and qualification of applicants for grant of TUC are kept by TRAU	<ul style="list-style-type: none"> ● TREC pre-qualification report and qualification criteria, process and records ● Bidding reports ● Letter of consent ● Copies of correspondences to and from the Minister for the execution of TUC as prescribed by Statute ● Records indicating ratification by Parliament for grant of TUC (Parliamentary Hansard)
	Legal references: LI 1721: Part II: Procedure for Competitive bidding for grant of timber right Q; LI 1649: Terms and conditions of TUC (section 14 Act 547: Ratification by parliament (Section 9).
Criterion 2.2: Salvage Permit: Issuance of Salvage Permit	
Indicator 2.2.1: In the event that there is road construction, expansion of towns or villages or cultivation of farms, and there are economic timber trees in the area, the process of acquiring a salvage permit from FC shall be initiated	<ul style="list-style-type: none"> ● Organization's application for salvage permit ● FSD's inspection report of area to be salvaged of trees ● Salvage permit and terms of permit
	Legal references: Regulation on procedure for salvage timber (Act 547 section 18g); salvage of timber products LI1649 Section 38.
Criterion 2.3: Approved procedures for the grant of certificate of purchase in the case of confiscated timber shall be respected	
Indicator 2.3.1: FC detects, reports and determines the offence for the law court to authorize the sale of confiscated timber product.	<ul style="list-style-type: none"> ● Offence report to the Police ● Court order
	Legal reference: Offences - Act 547 Section 17 (3); and Salvage and disposal of abandoned timber product (LI 1649 Section 37).

Criterion 3.1: Stock surveys (including pre-felling inspections for off-reserve areas) were conducted in accordance with the logging manual; Harvesting plan

Indicator 3.1.1: Written policy/legislation/ MoPs/guidelines for stock enumeration in on-reserve, off-reserve, plantation and submerged forest, salvage timber, confiscated timber are implemented

- On-reserve TUC
- Pre-stock survey compartment inspection form
- Stock survey report
- Digitised stock and yield maps
- Harvesting schedule
- Stock and yield lists
- Check survey validation report

Off-reserve TUC/Permit

- Pre-felling inspection report
- Inspection fee receipt
- Map
- Field inspection of boundaries
- Yield list

Plantation TUC (on-reserve)

- Assessment/inventory report
- Field inspection of area/ boundaries
- Receipts

Plantation TUC (private lands)

- Farmers Register
- Assessment/inventory report

Submerged forest

- Blocking report
- Extractable tree/timber details report

Salvage timber

- Salvage timber inventory details
- Salvage permit

Legal/Regulatory references: Logging Manual (Section 10 of Act 547). Logging Manual means a set of rules intended to guide the activities of persons who harvest timber in the forest as interpreted in Act 547 (Section 20). MoP Section D (Stock Survey and Yield section).

Criterion 3.2: Logging was carried out in accordance with harvesting requirement in areas designated for timber production.

Indicator 3.2.1: Written guidelines for timber harvesting and environmental safeguards are complied with

- RMSC post-harvest audit reports
- FSD Felling inspection report

Legal/Regulatory references: Procedure relating to timber operations (i.e. Harvesting plan) - LI 1649 Section 17; MoP Section E - Preparation of timber harvesting schedules for forest reserve; MoP Section F - Controlled Timber Production Off-reserve (Instruction Sheet F4.3 – The annual logging plan); Other sources of timber production (e.g. Plantation, underwater harvesting) as specified by the contract terms, Logging Manual Section 3 (timber harvesting standards and specification).

Criterion 3.3: Harvesting plans and logging/extraction operations shall be prepared and implemented	
Indicator 3.3.1: Written guidelines/procedure for harvest planning are implemented	<ul style="list-style-type: none"> ● Yield list and serial numbers of tags issued ● Harvesting plan ● Map
	Legal references: Procedure relating to timber operations (i.e. Harvesting plan) - LI 1649 Section 17; MoP Section E - Preparation of timber harvesting schedules for forest reserve; MoP Section F - Controlled Timber Production Off-reserve (Instruction Sheet F4.3 – The annual logging plan); Other sources of timber production (e.g. Plantation, underwater harvesting) as specified by the contract terms, Logging Manual Section 3 (timber harvesting standards and specification).
Indicator 3.3.2: Written guidelines/procedures for tree felling or extraction and log production operation are implemented	<ul style="list-style-type: none"> ● Uploaded Tree and Log data in the central database OR ● Completed Tree and Log information data ● Reconciled tree and log data from central database
	Legal references: Procedure relating to timber operations (i.e. Harvesting plan) - LI 1649 Section 17; Logging Manual Section 3
Criterion 3.4: Timber harvested corresponded to the species and volumes or numbers authorised in the TUC or Salvage permit.	
Indicator 3.4.1: Written guidelines/procedures for data reconciliation are adhered to	<ul style="list-style-type: none"> ● RMSC post-harvesting audit reports ● FSD Felling inspection report ● Tree and log information data ● WTS reconciliation reports (e.g. approved yield vs. felled tree report)
	Legal/Regulatory Reference: LI 1649 Section 23 – Measurement of timber; Marking Logging Manual appendix 5: Logging Control Forms (TIF and LIF).
Criterion 3.5: Stumps and logs were marked and numbered in accordance with the logging manual	
Indicator 3.5.1: Written guidelines/procedures for stumps and log marking/tagging are implemented	<ul style="list-style-type: none"> ● Marked and tagged logs ● Marked and tagged stumps
	Legal/Regulatory Reference: LI 1649 Section 20; Marking and numbering of trees, logs and timber products; Logging Manual Section 3: Timber harvesting standard and specifications (log markings).
Criterion 3.6: The logger executed and complied with the relevant Social Responsibility Agreement.	
Indicator 3.6.1: Written guidelines for SRA are implemented	<ul style="list-style-type: none"> ● SRA document ● FSD report on compliance
	Legal/Regulatory Reference: Section 14 of LI 1721; Logging Manual Sections 3 - code of conduct (on reserve) that recognises the rights of other users and show respect for cultural norms such as taboo days etc;

	and code of conduct - (off-reserve) that recognises the rights of other users and show respect for farming operation etc. Section 4.1 - Monitoring of timber harvesting operation (Social responsibility assessment); 4.2-Penalties.
Criterion 3.7: Compensation was paid to affected farmers in respect of crop damage if any	
Indicator 3.7.1: Written guidelines/procedures for compensation settlement are implemented	<ul style="list-style-type: none"> ● Affected farmer(s) complaints lodge at the FSD-District office about crop damage ● Damage assessment report ● Compensation receipt
	Legal/Regulatory Reference: Logging Manual Section 4.2 (Penalties).
PRINCIPLE 4: Timber was at all times Transported in Accordance with Standards Prescribed by Statute	
Criterion 4.1: Timber was transported with official documentation detailing its origin and corresponding with physical identification of the timber	
Indicator 4.1.1: Timber rights holder shall apply for, receive, be in possession of, and be able to provide documentary proof of, and LMCC or PLMCC for every load of timber transported.	<ul style="list-style-type: none"> ● Uploaded LMCC & PLMCC or ● LMCC/PLMCC labels ● Way bill ● Mill log book
	Legal references: LI 1649 Section 18; Logging Manual Section 3: Timber harvesting standards and logging control appendix 5
Indicator 4.1.2: Written guidelines/procedures for transporting imported timber from harbor to mills are implemented	<ul style="list-style-type: none"> ● ILMCC ● Way bill ● Mill log book
	Legal references: LI 1649 Section 20
Criterion 4.2: Timber was transported within the time periods permitted by law.	
Indicator 4.2.1: Written guidelines/procedures in respect of timber transport times are respected	<ul style="list-style-type: none"> ● LMCC ● PLMCC ● ILMCC ● Way bill
	Legal references: Procedure relating to timber operations (Approved periods of timber operations and transport of forest produce): LI 1649 Section 18.
PRINCIPLE 5: PROCESSING REGULATIONS	
Criterion 5.1 Timber processing facilities have valid licences and registration with FC and complied with all legal requirements	
Indicator 5.1.1: Written guidelines/procedures in respect of licensing and registering timber processing firms are respected	<ul style="list-style-type: none"> ● Valid certificate of registration ● Valid license to operate
	Legal references: Act 571 Section 2.

Criterion 5.2: Industrial relation practices conform to legal standards

Indicator 5.2.1: Industrial relation practices conforming to legal standards shall be demonstrated.

- Evidence of training programme
- Insurance policies
- Accident records

Legal references: Occupational Health, Safety and Environment: Act 651 Labour Act Section 118-124; LI 1833: Health and employment (Section 18-20) and Office and Factories Act.

PRINCIPLE 6: All Vendors/Exporters have Valid License or Permits to Market Timber

Criterion 6.1: Exporters have acquired FC permit

Indicator 6.1.1: Exporter meets her obligation to secure FC permit to sell and export timber products

- Buyers registration certificate
- FC certificate/License to operate
- TIDD approved sales contract
- Tax clearance certificate
- Product inspection certificate/report
- FLEGT clearance report

Legal references: Act 571 Section 2 (i) vetting and the registration of contracts to market timber products and such forest and wildlife products as the commission may determine

Criterion 6.2: Domestic vendors register with FC and have permission to sell timber products

Indicator 6.2.1: Vendors obtain valid license and possess appropriate and valid documentation

- Vendors valid FC registration license
- FC Certificate/License to operate
- Product inspection report

Legal references: Act 571 Section 2 (ii) the establishment of procedures to track the movement of timber, wood and wildlife products. TVD audit reports on supply of wood products to the domestic market.

PRINCIPLE 7: Fiscal Obligations

Criterion 7.1: Logger shall not be in default of stumpage fees or any other fees payable by loggers to the Government of Ghana

Indicator 7.1.1: Written guidelines/procedures that ensure that the timber rights holder is not in default of stumpage fees shall be enforced

- Loggers bill
- Payment receipts
- Exchange control Form A2
- Letters of Credit

Legal references: Procedure relating to timber operation (payment of stumpage) LI 1649 Section 25. TVD audit reports on financial flows reconciliation.

Criterion 7.2: Logger was not in default of ground rents

Indicator 7.2.1: Written guidelines/procedures that ensure that the timber rights holder is not in default of ground rent is enforced

- Logger/Producer's Monthly Statement of Accounts
- Payment receipts

Legal references: Timber stumpage fees and contract area rent- LI1649 PART V Section 27.

Criterion 7.3: Exporter shall not be in Default of Export Levies	
Indicator 7.3.1: Written guidelines/procedures that ensure that the exporter is not in default of export levies is enforced	<ul style="list-style-type: none"> ● TIDD monthly and quarterly reports to MLNR, MoFEP & Accountant General ● Payment receipts
	Legal references: Trees and timber Amendment Act 493 Section 4
Criterion 7.4: Neither Timber rights holder nor Exporter shall be in default of Corporate Income Tax	
Indicator 7.4.1: Written guidelines/procedures that ensures that neither the timber rights holder nor exporter is in default of export levies	<ul style="list-style-type: none"> ● Tax clearance certificate ● Payment receipts
	Legal references: Imposition of Income Tax (Income from a Business): Act 592 Section 7



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LIBERIA'S Voluntary Partnership Agreement

On 15 May 2011 the EU Council took the decision to conclude the Voluntary Partnership Agreement (VPA) with Liberia which the European Parliament had approved on 19 April 2011. The VPA is a legally binding trade agreement between the EU and the Republic of Liberia that sets out the definition for what constitutes legal timber and other wood products and outlines the assurance system that will be used to monitor compliance with that definition. This VPA will apply this legality standard to all wood products. The VPA will enter into force once Liberia has also ratified the agreement, which went to Liberia's Parliament in April 2012. The agreement calls for the required legality assurance systems to be in place by 2014. By 2014, all shipments of wood products to the European Union from Liberia will be required to carry a



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The importance of the EU as an export market for Liberian timber

The Liberian timber industry is rebuilding following the lifting of timber sanctions in 2006. As such, no reliable trade statistics exist to indicate how significant the EU market will be for Liberian timber exports. In the past, trade with Europe had been significant and in 2010 and 2011 shipments resumed to several European countries. From 3rd March 2013, the EU Timber Regulation will come into effect, requiring all companies placing timber on the EU market to demonstrate that they have carried out due diligence in ensuring it has been legally harvested. Under the VPA, Liberia will be issue FLEGT licenses which meet this requirement. From EU

operators' point of view, this may give timber coming from Liberia a competitive advantage over timber from other places that are not able to provide such credible assurance of legality.

Liberia's legality definition

Liberia developed its definition of legal timber through a participatory process of consultations, negotiation and discussions. Representatives of communities, civil society organizations, public



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license certifying their legal origin. The VPA underpins Liberia's ongoing forestry reforms, driven by the Government's commitment to good governance and to ensuring that natural resources contribute to sustainable development. The agreement also gives European consumers the assurance that wood products imported from Liberia, including furniture and wood chips used for bio-fuel, are of legal origin. The Agreement comes as a result of the strong mutual commitment to eradicate illegal logging and to bring more transparency to the timber trade.

agencies and private sector chose and agreed upon the essential legal requirements to underpin the implementation of the VPA. The legality definition forms the basis of Liberia's LAS. It outlines the legislative and regulatory requirements to be systematically verified to ensure that timber products have been legally produced – a requirement for a Liberian FLEGT license. Demonstrating Liberia's commitment to address challenges faced by the sector as a whole, and an almost unanimous decision among Liberian stakeholders, the definition goes beyond the minimum product coverage for a VPA, but covers all sources of timber, including timber and timber products from chainsaw milling and community forests. Liberia's comprehensive definition of legal timber embraces all aspects of timber production, including allocation of harvesting rights, the sharing of benefits, worker rights, and taxes and is framed on eleven principles, which follow the steps of forest management, timber production, processing and export. These are: Legal Eligibility to Operate in the Forestry Sector; Forest resource rights allocation; Social obligations of contractors to local people; Forest management standards for operations and harvesting to ensure sustainability; Environmental obligations; Regulation of timber transport and traceability obligations; Timber processing requirements; Workers rights, health, safety and welfare; on time payments of taxes, fees and other payments; export, and trade requirements; and transparency measures and information disclosure.

Liberia's legality assurance system

Liberia's LAS will ensure the legality of harvesting, transportation, processing and sale of timber, based on the national legislation and existing governmental controls. In designing the LAS through a multi-stakeholder process, Liberia has framed a system that is both comprehensive and workable. It consists of the following five elements:

1. *Legality Definition*
2. *Verification of compliance with the Legality Definition*
3. *Chain of Custody, based on the existing Liber for system*
4. *FLEGT Licensing, which will apply to all exports irrespective of destination*
5. *Independent Audit*

The LAS will apply to all timber harvested, processed, sold in or exported from Liberia, including timber imported from 3rd countries. It covers production from all types of forest holding and by all operators thus applying to large scale operations as well as the informal chainsaw operations.

During negotiations, stakeholders identified areas for reform to streamline and clarify legal requirements. These reforms are meant to address such topics as social agreement between communities and operators, community forestry



regulations, procedures for auctioning seized and abandoned logs, and the maintenance of a list of people barred from activity in the forest sector because of actions in the past to name a few. Liberia faces significant challenges in implementing the LAS and will require international support in order to upgrade systems and capacity. In the initial years, the functions of legality verification and the chain of custody system are expected to be outsourced to an external service provider, overseen by the FDA. In due course, these functions will be transferred to the FDA.



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The information for the next section of this document has been contributed by the Forestry Development of Liberia and presents the legality matrix which was agreed by the various parties in Liberia and the EU. Importers of timber from Liberia can use this legality matrix to aid them in

their quest to mitigate or eliminate risk. Even though the Legislature of Liberia is yet to ratify the VPA, the ratification by the EU parliament makes the document a public document. It however becomes legally binding only after this exercise is completed by the Liberian Legislature. This is however expected before the end of 2012. Recognition is however made to the fact that the legality matrix is a living document and could have some updates in the course of time. Since the EU timber regulation comes into force in March next 2013, exporters are encouraged to use this guide for preliminary self-assessment of compliance as they wait for full implementation of the legality assurance system. This publication seeks to reach the many stakeholders in Liberia who may not have access to the internet and hence other available information.



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Information on this section is mostly sourced from VPA briefing notes, 2011, VPA Secretariat, Liberia

Liberia



Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade - Principles, Criteria and Indicators for the Republic of Liberia

Indicator	Guidance /verifier/legal reference
PRINCIPLE 1: LEGAL EXISTENCE/RECOGNITION AND ELIGIBILITY TO OPERATE IN FORESTRY SECTOR	
The forest contract or permit holder is a legally registered business, community or an individual eligible to operate in the forestry sector.	
Indicator 1.1: The contract or permit holder is a natural or legal person duly registered with the Government of Liberia/ or recognized by the Forestry Development Authority (FDA)	Verifier <ul style="list-style-type: none"> For corporations and partnerships, current annual business registration certificate license issued by the Ministry of Commerce and Industry (MOCI) For corporate entities, articles of incorporation filed with Ministry of Foreign Affairs (MOFA) For holders who are not registered businesses, a certificate or letter of recognition issued by Forestry Development Authority (FDA)
	Legal references: <ul style="list-style-type: none"> General Business Law No. 4.3 to 4.5 Chain of Custody System Standard Operating Procedure No.4
Indicator 1.2: The current owner(s) or shareholders of a contract or permit holder do not include the current President and Vice President of Liberia, Members of the Legislature, Members of the Cabinet, Directors and Managers of FDA, current county superintendents or any other person specifically prohibited from owning a forest contract or an interest in a forest contract	Verifier <ul style="list-style-type: none"> For a contract holder that is a registered business, a notarized affidavit executed by its Chief Executive Officer (CEO) declaring that its owners do not include prohibited persons (apply to all contracts and permit types) · Current FDA prepared list of current senior government officials prohibited from holding forest license pursuant to Section 5.2(b) of the National Forestry Reform Law of 2006. Current list of shareholders and beneficial owners of corporate contract or permit holders.
	Legal references: <ul style="list-style-type: none"> National Forestry Reform Law 2006, Section 5.2b Regulation 103-07(21-22) Regulation 104 -07(62) Public Procurement & Concessions Act (PPCA), Section 44

<p>Indicator 1.3: The contract holder is not barred from bidding or applying for a forest license or any other government contract/concession because of violations of the Public Procurement & Concessions Act (PPCA)</p>	<p>Verifier</p> <ul style="list-style-type: none"> Public Procurement Concession Commission develops and maintains a debarment list of persons found guilty of violating the PPC Act and or the rules and guidelines established thereunder <p>Legal references: PPC Act, Section 44</p>
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PRINCIPLE 2: FOREST ALLOCATION

The forest use rights covered by the contract was awarded pursuant to the National Forestry Reform Law of 2006 and the Community Rights Law

<p>Indicator 2.1: All communities within 3.0 kilometres of the proposed concession area (called “affected communities”) have been consulted by FDA and have given their informed consent to the proposed concession.</p>	<p>Verifier</p> <ul style="list-style-type: none"> FDA –prepared socio-economic survey report Written notices of the consultation meeting(s) (radio or newspaper announcements) Minutes and attendance list of the meetings showing key points discussed and agreements reached. Letter of good faith signed by communities undertaken to negotiate in good faith with any eventual contract. <p>Legal references:</p> <ul style="list-style-type: none"> National Forestry Reform Law of 2006 Section 4.1-4.5 Regulation 102-07(21-22) Regulation 104-07(62) PPC Act, Section 87
<p>Indicator 2.2: Prior to allocation of forest contract FDA has Obtained a Concession Certificate from the Ministry of Planning and Economic Affairs approving the concession plan submitted by FDA and conforming that the proposed Concession is consistent with National Development objectives</p>	<p>Verifier</p> <ul style="list-style-type: none"> Concession plan presented by FDA to the Ministry of Planning and Economic Affairs in favour of the contract holders’ concession; Concession Certificate or written approval issued by the Ministry of Planning and Economic Affairs to FDA, authorizing FDA to commence concession or contract allocation activity for the specified forest area. <p>Legal references:</p> <ul style="list-style-type: none"> Regulation 104-07Section (5.2)(a)(i) PPC Act, Section 46
<p>Indicator 2.3: The contract holder did comply with statutory pre-qualification requirements and was duly qualified by FDA to (1) operate in the forest sector, and in the case of Timber Sale Contract (TSC) and Forest Management Contract (FMC), (2) bid for the contract</p>	<p>Verifier</p> <ul style="list-style-type: none"> Report of the Prequalification Committee regarding the prequalification process Valid prequalification certificate issued the contract holder Tax clearance showing no tax arrears at date of submission Liquidity guarantee from reputable bank at date of submission Business registration certificate predate prequalification certificate

	<p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Section 5.2(a)(i) ● Regulation 103-07 (41-46)
<p>Indicator 2.4: The forest contract was tendered in accordance with the competitive bidding process and rules established by the Public Procurement and Concession Act and Regulations issued by the FDA.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Public Tender notice ● Concession bid evaluation report ● Due Diligence report by FDA ● Final report of bid evaluation panel to the Inter-Ministerial Concession Committee (IMCC) ● IMCC recommendation to the President <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Sections 3.3 & 5.2(a) ● PPC ACT, Section 115(1) & (2) ● Regulation 104, Section 31-36
<p>Indicator 2.5: In the case of a Private Use Permit (PUP), the contract was awarded upon the written permission of the verified land owner.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● The valid deed of the private land owner ● The written permission of the private land owner <p>Legal reference:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Section 5.6
<p>Indicator 2.6: In consultation with the stakeholders and based on its socio-economic survey report, the FDA has prepared an integrated Map showing the contract area and adjacent land areas such as other concession, protected forest areas and private land.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● FDA map showing the subject concession and indicate adjacent lands ● FDA enforcement report (FDA Compliance Audit Report) <p>Legal references</p> <ul style="list-style-type: none"> ● Chain of Custody System (COCS) ● Standard Operating Procedure (7,8,19, 20 & 21) ● Regulation 109-07
<p>Indicator 2.7: The forest contract holder has submitted a bidder's bond along with its bid for the forest contract to the FDA.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Bidder's bond receipt issued the contract holder by FDA <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 104-07 (43 & 61)(b) ● Chain of Custody System (COCS) Standard Operating Procedure (9)
<p>Indicator 2.8: The contract holder posts an initial performance bond within the period specified by the law after conclusion of contract negotiations.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Copy of performance bond posted within 90 days of conclusion of negotiations (for FMC) ● Copy of performance bond posted within 30 days of conclusion of negotiations (for TSC) <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 104-07(61)(b) ● Chain Custody System Standard Operating Procedure (9)

<p>Indicator 2.9: The forest contract has been signed by the contract holder and the FDA and, where applicable, duly ratified in keeping with the law.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● The Act ratifying the forest contract, which is signed by the President and printed into hand bills ● Contract signed by the contract holder and the Managing Director of FDA. <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Section 5.3 ● Regulation 104-07 (62) ● Chain of Custody System SOP (5)
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PRINCIPLE 3: SOCIAL OBLIGATION AND BENEFIT SHARING

Contract holder is in compliance with the social obligations and benefit sharing requirements established by law

<p>Indicator 3.1: The contract holder has negotiated a social agreement with authorized representatives of affected communities within 3.0 kilometres of the proposed concession permit area following advanced notice to these affected communities.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Meeting minutes reflecting actual discussions and agreements reached by contract holder and authorized representatives of affected communities earlier identified by the FDA during its socio-economic survey ● Delivered or published notice of intent to negotiate with affected communities (Radio announcement or Newspaper advertisements) ● Evidence that no complaint has been filed with FDA by an affected community alleging exclusion from negotiation or failure of contract holder to negotiate <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 105-07 (31 & 32) ● National Forestry Reform Law of 2006, Section 5.6(d)(vi)
<p>Indicator 3.2: A mutually negotiated social agreement has been signed between the contract holder and All affected communities through their authorized representatives, and agreement becomes effective prior to the start of felling operations.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Executed Social agreement signed by contract holder and each affected community through its Community Forestry Development Committee (CFDC) ● Social Agreement that predates Annual Harvesting Certificate of contract holder ● List of CFDC identified by or registered with FDA <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 105-07(31)
<p>Indicator 3.3: The terms of the social agreement between the contract/permit holder and the affected communities include a code of conduct governing parties to the agreement and dispute resolution mechanism, plus (i) a description of amounts of financial benefits payable to the community by the contract holder and (ii) a requirement that contract/permit</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Code of conduct that governs the rights and responsibilities of affected communities and contract/permit holder ● Description of the minimum cubic metre fee that the contract/permit holder will pay on a quarterly basis to the affected communities (if there are others, specify) ● Bank book or other records of the required interest-bearing escrow account opened by

holder pays the amounts quarterly in an interest-bearing escrow account that the contract/permit holder shall maintain in trust on behalf of all affected communities.	<p>the contract/permit holder in trust for the affected communities</p> <ul style="list-style-type: none"> ● Dispute resolution mechanism established <p>Legal reference:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, (5,3(b) & 5.6(d)) ● Regulation 105-07(33)
Indicator 3.4: The social agreement between the contract holder and the community or communities has been attested to by the FDA.	<p>Verifier</p> <ul style="list-style-type: none"> ● FDA-attested social agreement between contract holder and affected community <p>Legal references</p> <ul style="list-style-type: none"> ● Regulation 105-07 (36) ● COCS SOP (9)
Indicator 3.5: The stipulated fees owed to the communities by the contract holder under the social agreement are paid by the contract holder (i) within the prescribed time period and (ii) into and escrow account opened by the contract holder for his purpose.	<p>Verifier</p> <ul style="list-style-type: none"> ● Authenticated quarterly bank statement of escrow account ● FDA Compliance Audits <p>Legal references</p> <ul style="list-style-type: none"> ● Regulation 105-07 (36) 10 ● Regulation 107-07 (33)

PRINCIPLE 4: FOREST MANAGEMENT OPERATIONS AND HARVESTING

Forest management operations and harvesting complies with all applicable laws

Indicator 4.1: The contract or permit holder has completed an annual operational plan and where applicable, a forest management plan	<p>Verifier</p> <ul style="list-style-type: none"> ● Annual harvesting Certificate ● Approved annual operational plan ● Approved Forest Management plan ● Written permission from land owner <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006 (4.5, 5.3, 5.3, 5.6) ● Regulation 104-07 (62a) ● Environmental Protection Management Law (23) ● COCS SOP (9)
Indicator 4.2: The contract or permit holder complies with terms of its annual operational plan and requirements of law regarding the species and quantities it is permitted to harvest.	<p>Verifier</p> <ul style="list-style-type: none"> ● Approved annual blocks ● Compartment and annual coupe ● Felled trees data verification (SOP) ● Annual compliance audit report of FDA <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006 (3.2, 3.4) ● COCS SOP (7-11)

PRINCIPLE 5: ENVIRONMENTAL OBLIGATIONS

Contract holder and timber processor have met all environmental obligations required by law

Indicator 5.1: The contract or permit holder and timber processor has completed an Environmental Impact Assessment that is approved by EPA.	<p>Verifier</p> <ul style="list-style-type: none"> ● Environmental Impact Assessment report prepared by or for the contract holder or timber processor ● Environmental Impact License issued by EPA to contract holder or timber processor prior to commencement of harvesting operations
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	<ul style="list-style-type: none"> ● Environmental Impact Permit issued by EPA to the contract holder or processor stating the condition (s), if any, of the Environmental Impact License listed as Verifier 5.1.2
	Legal references: <ul style="list-style-type: none"> ● Environmental Protection Management Law (EPML) (6, 21-23) ● Regulation (105-107) ● COCS SOP (9)
Indicator 5.2: The contract or permit holder or timber processor implements the mitigating measures identified in its EIA as indicated in EI permit.	Verifier <ul style="list-style-type: none"> ● EPA environmental monitoring reports ● FDA EIA inspection report
	Legal references: <ul style="list-style-type: none"> ● Environmental Protection Management Law (EPML) (24-27), EPAA
Indicator 5.3: Contract or permit holder or timber processor has disposed of equipment, fuel, wood refuse and related waste arising from its operations in a lawful and environmentally appropriate manner.	Verifier EPA inspection report FDA Annual compliance audit report
	Legal References: <ul style="list-style-type: none"> ● EPML (24-27), EPAA
Indicator 5.4: Contract holder has maintained buffer between its harvesting operations and water courses, and has specifically not felled trees that could threaten the flow and stability of the water course (s)	Verifier <ul style="list-style-type: none"> ● EPA inspection report ● FDA Annual Compliance Audit Report
	Legal References: <ul style="list-style-type: none"> ● EPML (parts IV & V) ● Code of harvesting Practices (3.1; 3.2; 4 et al)
Indicator 5.5: The contract or permit holder has in place procedures (i) to ensure compliance with rules regarding wildlife conservation, and (ii) to avoid harvest or trade in endangered or threatened plants and animals species.	Verifier <ul style="list-style-type: none"> ● EPA inspection report ● FDA Annual Compliance Audit Report
	Legal References: <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Section 9.11 & 9.12 ● EPML (parts IV & V) ● Code of harvesting Practices (3.1; 3.2 et al)

PRINCIPLE 6: TIMBER TRANSPORTATION AND TRACEABILITY

The contract or permit holder or timber processor meets all of its obligations required by law for the transportation and traceability of timber products.

Indicator 6.1: Transportation of logs, timber and other timber products is accompanied by a waybill identifying chain of custody numbers/references and a named destination	Verifier <ul style="list-style-type: none"> ● Completed waybill including place of harvest, chain of custody ID numbers, date and place were loaded and destination ● Completed waybill for imported logs or timber product indicating country of harvest, chain of custody ID numbers, date and place logs were loaded, and destination
	Legal references: <ul style="list-style-type: none"> ● COCS SOP (13-17, 19 & 20)

<p>Indicator 6.2: All logs properly marked and entered in the chain of custody system in accordance with standard operating procedures of the FDA.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Log data form (SOP 13) ● Log data verification form (SOP 14) ● Waybill for transportation of logs and timber products (SOP 16) <p>Legal references: COCS SOP (13-17, 19 & 20)</p>
<p>Indicator 6.3: All logs, timber products harvested or transported by the contract or permit holder originate from the concession area of the contract or permit holder.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Log data form (SOP 13) ● Standard form 14 (verification of cross cutting, dressing, and invoicing for Stumpage) ● Annual compliance audit of FDA <p>Legal references: ● COCS SOP (13-15)</p>
<p>Indicator 6.4: All logs, timber, or timber products imported (not in transit) into Liberia have complied with applicable legislation and regulations of the country of harvest.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Evidence of legal compliance with laws of country of harvest <p>Legal references: ● Regulation 108-07 (44(d))</p>
<p>Indicator 6.5: All logs or timber products in transit are (i) physically segregated from domestic or imported timber, and (ii) custom-controlled at all times while in Liberia.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● Customs documents from country of harvest ● Completed waybill indicating country of harvest and country of export <p>Legal references: ● Regulation 108-07 (44(a)-(c))</p>
<p>Indicator 6.6: The FDA has completed with legal requirements for (i) seizure and or (ii) auctioning of abandoned logs wherever found.</p>	<p>Verifier</p> <ul style="list-style-type: none"> ● FDA petition to court of competent jurisdiction for seizure and court decree authorizing seizure ● FDA petition to court of competent jurisdiction for auction and Court Decree of Auction ● Auction certificate ● Letter or statement verifying winning bidder ● Registration of abandoned logs (SOP 37) <p>Legal References: ● Regulation 108-07 (51(d) & (e))</p>

PRINCIPLE 7 TRANSFORMATION AND TIMBER PROCESSING

Timber processors have complied with the relevant Liberian laws and regulations

<p>Indicator 7.1: A timber processor has applied for and obtained required sawmill permit (either Class A, B, or C operator permit) following payment of required fees and prior commencement of its operations.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Processor's application for sawmill permit ● Payment of initial annual sawmill registration fees that predates sawmill permit ● Environmental plan approved by the EPA ● Sawmill permit issued by FDA to the operator <p>Legal references: ● Regulation 107-07 (46) COCS SOP (26)</p>
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<p>Indicator 7.2: All logs harvested in Liberia and logs imported from 3rd countries for processing are accompanied by their chain of custody ID numbers.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Bar code issue report SOP ● Verification of transported logs and wood products (SOP 17) ● Sawn wood registration report (SOP 15) <p>Legal references:</p> <ul style="list-style-type: none"> ● COCS SOP (15, 19 & 20)
<p>Indicator 7.3: The timber processor has in place a system of recording timber products through the mill or processing activity to ensure their traceability.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Logging verification report ● Production report ● Sawmill log input form and sawmill output form (SOPs 31 and 32) <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006, Section 13.5 ● COCS SOP (15)
<p>PRINCIPLE 8 WORKERS RIGHTS, HEALTH SAFETY AND WELFARE</p>	
<p>The contract permit or holder processor meets its obligation under the Labour Law and any collective bargaining agreements of the timber industry.</p>	
<p>Indicator 8.1: Liberian nationals are given preference by contract/permit holders and timber processors in the employment of skilled and unskilled workers in keeping with Liberian Labour Law.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Employment records or quarterly reports submitted evidencing local employment and preference of Liberian workers ● Quarterly report submitted by contract holder or timber processor to the Ministry of Labour ● Employment records, including register or employees along with their nationalities ● Attestation of compliance issued by the Ministry of Labour in favour of contract holder or timber processor <p>Legal references:</p> <ul style="list-style-type: none"> ● Liberian Labour Law (LLL), (54 to 60, 75, 1503) ● Code of harvesting Practices
<p>Indicator 8.2: The contract/permit holder or timber processor pays to all its employees no less than the minimum wage established by law.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Published minimum wage ● Payroll ● Annual inspection reports and/or letter of compliance ● Workers payslip <p>Legal references:</p> <ul style="list-style-type: none"> ● LLL(500-513) ● Code of Harvesting Practices (12.2)
<p>Indicator 8.3: The contract/permit holder or timber processor complies with the maximum hours of work, leave and rest periods laid out in law.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Working hour schedule ● Leave records ● Payment of overtime <p>Legal references:</p> <ul style="list-style-type: none"> ● LLL (700-706,9060)
<p>Indicator 8.4: The contract/permit holder or timber processor has neither employed anyone under the age of sixteen nor engaged in the practice of forced labour.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Quarterly reports submitted to Ministry of Labour ● Ministry of Labour inspection report <p>Legal references:</p> <ul style="list-style-type: none"> ● LLL (74)

<p>Indicator 8.5: The contract/permit holder or processor pays its (employer's) contributions to the employee pension and social security funds established by Liberian Law.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Quarterly report submitted to Ministry of Labour ● Ministry of Labour inspection reports ● Attestation from National Social Security & Welfare Corporation (NSSWC) <p>Legal references:</p> <ul style="list-style-type: none"> ● LLL (2500 to 2501) ● NSSL (89.9)
<p>Indicator 8.6: The contract/permit holder or timber processor has observed legal requirements concerning housing and sanitation as well as operational hygiene and general workers safety pursuant to the code of harvesting practices and guidelines issued by the FDA.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● FDA Compliance Audit Report <p>Legal references:</p> <ul style="list-style-type: none"> ● Code of harvesting Practices (3.0 and 4.0)

PRINCIPLE 9 PRINCIPLE 9: TAXES, FEES AND ROYALTIES

The contract holder or timber processor is current in its compliance with all fiscal obligations including payment of taxes and fees

<p>Indicator 9.1: The contract/permit holder or timber processor has settled all tax arrears prior to the signing of the contract or the issuance /renewal of the sawmill permit</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Tax clearance by the Ministry of Finance evidencing settlement of all tax arrears at the time of signing of the contract or the issuance/renewal of sawmill or timber processor permit. ● Report of any authorized representative of FDA. <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 107-07
<p>Indicator 9.2: The contract/permit holder or timber processor has paid the initial annual area fee (in case of contract holder) or annual registration fee (in case of timber processor) prior to the signing of the contract or the issuance/renewal of the permit</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Receipt of payment for area fee by any authorized representative of FDA ● Receipt of bid premium payment. ● Receipt of annual registration fee payment. ● Copy of Manager's check <p>Legal references:</p> <ul style="list-style-type: none"> ● COCS SOP (9)
<p>Indicator 9.3: The contract or permit holder has been cleared by the Ministry of Finance upon paying all taxes and fees required of it by law and in keeping with the terms of contract.</p>	<p>Verifier:</p> <ul style="list-style-type: none"> ● Tax clearance from the Ministry of Finance ● Receipt of Stumpage fees ● Receipt of payment of contract administrative fees ● Receipts of payments of annual coupe inspection fees ● Receipts of payment of waybill fees ● Proof of payment of chain of custody fees <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 107-07 (61-63) ● COCS SOP (9)

Indicator 9.4: The contract/permit holder or timber processor has filed its annual tax return with the Ministry of Finance no later than March 31st of each year.	<p>Verifier:</p> <ul style="list-style-type: none"> ● Tax return. <p>Legal References:</p> <ul style="list-style-type: none"> ● Revenue Code of Liberia 109 (c) (d) (e)
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PRINCIPLE 10 EXPORT, PROCESSING AND TRADE REQUIREMENTS

All contract and permit holders as well as timber processors have complied with export, processing and trade requirements

Indicator 10.1: Any person exporting logs, timber and/or timber products is duly registered with the FDA annually.	<p>Verifier:</p> <ul style="list-style-type: none"> ● Valid Exporter Registration <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 108-07 (41)
Indicator 10.2: All shipments of logs, timber, or timber products loaded for export have been entered into the chain of custody system	<p>Verifier:</p> <ul style="list-style-type: none"> ● Application for a FLEGT license ● Export shipment specification log (SOP 20) ● Export specification for sawn timber (SOP 21) ● Log export volume report ● Proof of payment of export fees (SOP 26) <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 108-07 (42) ● COCS SOP (20-21)
Indicator 10.3: Any load of logs, timber, or timber products has been priced according to current market information gathered, sorted and maintained by the LVD.	<p>Verifier:</p> <ul style="list-style-type: none"> ● Reference price as found in market intelligence data base (MIDB) maintained by LVD <p>Legal references:</p> <ul style="list-style-type: none"> ● Regulation 108-07 (43) ● COCS SOP (18 & 21)

PRINCIPLE 11 TRANSPARENCY AND GENERAL DISCLOSURE

Indicator 11.1: The contract or permit holder has published bi-annually in a newspaper of general circulation, a list of the amounts and dates of all payments and consideration provided the Government of Liberia in respect of specified contract area.	<p>Verifier:</p> <ul style="list-style-type: none"> ● Copy of newspaper containing the publication <p>Legal references:</p> <ul style="list-style-type: none"> ● National Forestry Reform Law of 2006 (5.8)
Indicator 11.2: The contract or permit holder is currently participating in the Liberia Extractive Industries Transparency Initiative (LEITI).	<p>Verifier:</p> <ul style="list-style-type: none"> ● LEITI Report ● LEITI Attestation <p>Legal references:</p> <ul style="list-style-type: none"> ● LEITI Act (4.1 & 5.4)
Indicator 11.3: Copies of the contract, license, permits, records of payment made to Government as well as the bid evaluation report of its successful bid are made public and accessible by FDA in keeping with the Freedom of Information Act of Liberia.	<p>Verifier:</p> <ul style="list-style-type: none"> ● FDA publication scheme listing the contracts and other documents of contract or permit holders it holds and are available for public access ● Evidence of the publication of the contract holder's contract on the LEITI website

	Legal references: <ul style="list-style-type: none"> ● LEITI Act (4.1 & 5.4) ● Freedom of Information Act (Section 2.6)
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Key Legal references:

1. National Forestry Reform Law of 2006
2. National Forest Management Strategy
3. An Act Adopting the National Wildlife Conservation and Protected Area Management Law of Liberia
4. Community Rights Law of 2009
5. National Forestry Policy and Implementation Strategy
6. Code of harvesting Practices
7. FDA Ten Code Regulations
8. Guidelines for Forest Management Planning
9. Legality Assurance System (LAS) of Liberia
10. Legality Definition (LD) of Liberia
11. Chain of Custody System (COCS) Standard Operating Procedures
12. General Business Law
13. Public Procurement and Concession Act (PPCA)
14. Environmental Management Protection Law (EMPL)
15. Revenue Code of Liberia
16. Liberian Labour Law
17. National Social Security Law



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This document is for educational and informational purposes only and is not intended and should not be construed as legal advice. Persons seeking legal advice and compliance with the EU Timber Regulation or any other law; or requirement should consult with a qualified legal professional.

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- ensuring that the use of renewable natural resources is sustainable
- promoting the reduction of pollution and wasteful consumption.

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