



National Benefit Sharing Trust in the Forestry Sector of Liberia

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Background

- **The Forest Reform Act- 2006** built on three conceptual pillars, Commercial Forestry, Conservation, and Community Forestry
- **Chapter 14 of the 2006 Reform Law** provides that 30% of the land rental fees collected by Government are to be allocated to communities
- **Forestry Regulation 106-107**, stipulates the establishment of the
 - National Benefit Sharing Trust and
 - The Community Forestry Development Committees as the representatives of the community interests.
- **Based on the mandate**, on April 30, 2009, an ad hoc committee on community benefit sharing scheme was formed.

Stakeholders Composition

The follow are institution involve in developing the benefit sharing procedure:

- Forestry Development Authority (FDA),
- Central Bank of Liberia (CBL),
- Ministry of Internal Affairs (MIA),
- INGO & Partners (IUCN, FFI, WB, USAID)
- NGO (GA, SDI, LDI, etc)
- CSOs Networks
- Committee Forestry Development Committee (CFDC).

Composition of the Benefit Sharing Trust Board

- **Constitute 14 members:**
 - 2 Paramount Chiefs;
 - 1 representative of the Forestry Development Authority (FDA);
 - 1 representative of civil society organizations;
 - 1 logging industry representative;
 - 1 representative of the Ministry of Finance;
 - 1 representative of the Ministry of Internal Affairs;
 - 6 representatives of the Union of Community Forestry Development Committee
 - 1 Representative of The International donor organizations and the international non-governmental organizations

Functions of the Trust Board

The Trust Board shall:

- Hold in trust, manage, and supervise the land rental fee funds received for the benefit of Affected Communities.
- Receive and review applications for funds needed by Community Forestry Development Committees on behalf of Affected Communities.
- Disburse funds to Community Forestry Development Committees for projects/programs approved for the Affected Communities.

Draft procedures (by-law) of the Trust Board

- Elect a Trust Board Members
- Organize administration
- Establish fund manual and templates, including monitoring and evaluation, accounting reporting procedure
- Establish the Trust escrow account within the CBL
- Ensure CFDCs are in good standing, with Articles of Incorporation, by-laws, elections and bank accounts; Undertake needs self-assessment, drawing upon resources such as the Forest Land Use

Database mandated by Forestry Regulation 102-07.

- Initiate public outreach campaign via radio, print media to inform public of the procedures, opportunities, results.
- Undertake capacity building needs and identify strategic partners to assist

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Forest Concessions Lessons Learnt

- **The Social inclusion of community** in all aspect of the Forestry sector has built stronger relationship between the communities and the Government as relates to social and financial benefits.
- **Communities own** the land and forest concessions are a suitable model for BSM.
- **Governance.**
 - Communities are organizing themselves establishing a CFDCs in eleven counties or structural region.
 - LEITI Platform
 - VPA Process initiated
 - Public participation in the awarding of concession contracts, the development of Liberia R-PP process through an extensive consultation process.
 - The chain of custody system track the timber for legal source of origin (SGS- independent timber consultant firm)

Forest Concessions Lessons Learnt Cont.

Transparency:

- Full CSOs participation in concessions awarding process, which includes pre-qualification of companies, bid evaluation, etc.
- Full disclosure of revenue from Forest concessions

Community Participation:

- Community involvement in contract allocation
 - social Agreement
 - Employment
 - Benefit sharing from forest revenues

Governance

- The establishment of the CFDC
- The establishment of the BS Trust Board
- The establishment of the Committee Assembly
- The establishment of the County and District Forest Forum

Forest Concessions Lessons Learnt Cont.

◆ Financial mechanism

- 30% of the area fees- land rent to community
- 30% to Counties
- 40% goes to Central Government
- US\$1.50 per cubic meter in FMC area from production
- US\$1.00 per cubic meter in TSC from production
- All deposited in separate account and manage by the Trust Board (chaired by CSO). Social indirect benefits, such school, bridges, road...

◆ Land Tenure

- The land is own by the community but, the forest is held in trust by the government (NFRL 2006)
- CRL- give community absolute rights to manage and own the forest i.e. the carbon belong to the community.

Forest Concessions Disadvantages in Liberia

- ◆ **High Regime**
 - Liberia tax to timber operation is consider to one of the highest as compare to other countries in the sub- region.
- ◆ **Poor infrastructure**, such as roads, port facilities, etc
- ◆ **Community expectation** on social agreement are demanding and high
- ◆ **The process of awarding one contract** has multiple steps
- ◆ **Capacity building in IFM** for communities and government is inadequate.
- ◆ **The operational process** is own by concessionaries the company

Thanks

