

LIBERIAN FORESTRY BRIEF



March 2009 No. 1

Status of the awarding and start-up of timber contracts

The Four FMCs

The Bid Event for four Forest Management Contracts (FMCs) in the SE of Liberia was conducted on 19 February at the Corina Hotel in Monrovia.

23 prequalified companies purchased 47 bid documents. Of the 23 prequalified companies that bought bid documents, 11 submitted bids on either one or two concessions, totaling 16 bids on the four concessions.

For FMC F (Grand Gedeh and River Gee—254,583 ha), of the three bids, one did not meet or exceed the reserve bid.

Four bids were submitted for FMC I (Grand Gedeh and Sinoe—131,466 ha). One company, Keita Brothers, neither met the reserve bid, paid the bid bond, nor had the bid notarized. Universal Forestry Corporation also did not have its bid notarized. FMC I's highest bid of \$15,10 also repre-

sents the highest bid among all 16 bids.

FMC K (Grand Gedeh, Nimba and River Gee—266,910 ha) is the largest of the four FMCs and attracted the most bids — five. Here again, Keita Brothers failed to meet the reserve bid, pay the bid bond and have its bid notarized. Global Wood Industries did not specify that it was making its bid to be paid every year over the 25-year life of the contract or only once.

Four bids were submitted for FMC P Grand Kru, Maryland and River Gee—119,344 ha). Again, Global Wood Industries did not specify that it was placing its bid to be paid annually or once. And again, Universal Forestry Corporation did not have its bid notarized.

The Bid Evaluation Panel is in the process of reviewing the bids and the bidding companies. To assist with this process, the FDA made an

effort to outsource the due diligence investigation to an internationally recognized expert in the field., but was unsuccessful in attracting interest in such a contract. In lieu of this, attempts are currently being made to solicit the interest of a Liberian company to perform due diligence.

The Three FMCs

The first three FMCs were signed by President in late January. These FMCs are in Gbapolu and Lofa (FMC A) and in River Cess (FMCs B and C). The contracts are presently being presented for ratification by the Legislature. Once these are ratified, the contracts will be legal.

The TSCs

Of the three Timber Sales Contracts that have been signed, the contract holder of a TSC in Grand Bassa (Tapeh Timber), is on the verge of moving timber to the port of Buchanan.

Inside this issue:

<i>Status of the awarding and start-up of timber contracts</i>	1
<i>SGS and the FDA to implement a world-class timber tracking system</i>	1
<i>The GoL moving ahead on VPA negotiations</i>	2
<i>Community forestry: challenges and opportunities</i>	2
<i>Civilian Conservation Corps Project</i>	3
<i>Livelihoods and landscapes strategy: better lives, better forests</i>	3
<i>New opportunities emerging that capture more forest values</i>	5
<i>On the horizon</i>	6

SGS and the FDA to implement a world class timber tracking system

In collaboration with Liberia's Forestry Development Authority and with support from USAID, an internationally recognized leader in product verification, SGS, starts field operations this month. This will signal the restart of legal logging in Liberia since the end of the civil war in 2003.

With the first Harvesting Certificate granted this month

by the FDA in Grand Bassa County, the Swiss company Société Générale de Surveillance (SGS) "activates" the Liberfor Chain-of-Custody system. The implementation of this system is the product of a five-year contract with the Government of Liberia, supported by a \$1.64 million grant from the US Government and launched in

January 2008. Under the technical guidance of the US Forest Service and in collaboration with the Forestry Development Authority, Liberfor will allow for the near real-time back-to-stump tracking of each and every log harvested under the forest contracts allocated areas.

LiberFor is built on the association of a web-based



FDA staff operating a hand-held computer in the field

SGS and FDA to implement a world class timber tracking system (cont'd from pg. 1)

information system, using GPS and barcode technologies that have been developed by the software company Helveta. In the mid-term, access will be provided to the Ministry of Finance and the Central Bank to monitor the payment of forest-related fees.

LiberFor intends to establish offices throughout the country at ports, selected border crossings and close to forest contract areas. It is anticipated that LiberFor will record up to 50 million trees over the contract

lifespan through systematic forest inventories, establishing a unique database informing Liberia's forest policy. Other direct project impacts include the introduction of best-practice in sustainable forest management, the fair contribution of the forest industry to the Liberia reconstruction effort, the establishment of an enabling environment for investment in the forest sector and the handover of the Chain-of-Custody System to the Government of Liberia at the end of the contract.



Marcelain Tanga of SGS-Cameroon training about 20 people from the FDA and Tarpeh Timber Company in Grand Bassa County on scaling and grading techniques

The GoL moving ahead on VPA negotiations

On 27 March, the Government of Liberia signed a Joint Statement with the European Commission, launching the formal process to negotiate a Voluntary Partnership Agreement. At Monrovia's City Hall, Luis Riera, Director of DG Development of the European Commission, and Christopher Toe, Liberia's Minister of Agriculture and Board Chairman of the FDA, declared their respective governments' commitment to de-

termine the specific conditions under which Liberian timber will enter the markets of European Union member countries.

The ceremony capped two weeks of activity, catalyzed by the presence of a delegation from the EC. Activities during this time included a DFID-funded, European Forestry Institute-conducted gap analysis of the chain-of-custody system and several fruitful meetings with VPA stakeholders. In the lead-

up to the signing of the Joint Statement, helpful overview presentations on the significance of the chain-of-custody system and on the international demand for Liberian timber were given by Thomas Pichet (SGS-Liberfor) and Herve Bourgignon (IFIA), respectively.

On the verge of becoming activated, the GoL's chain-of-custody system goes a long way in demonstrating that

Liberian timber destined for European markets is sourced legally. It is a necessary step that is required before a Forest Law Enforcement, Governance and Trade, or FLEGT, license can be issued and bilateral trade can begin. The Joint Statement represents the beginning of a process that will likely take one year or longer in length.

Community forestry: challenges and opportunities

The Forestry Development Authority (FDA), in collaboration with Community Forestry Working Group partners, seeks to establish a practical framework for communities to undertake and benefit from sustainable management of Liberia's forest lands. A range of challenges and opportunities is evident.

- **Complexity and Diversity.** Institutional arrangements for governance of land and natural resources within communities, between communities and between national and local (statutory and customary) government are complex, often unclear and are evolving in a

variety of reform processes. This backdrop calls for a flexible and adaptive approach to community forestry that learns from current pilot programs and allows for a range of solutions in differing ecological and socioeconomic settings.

- **Livelihoods and Benefit-sharing.** Forests provide massive long-term economic and other benefits, yet most forest communities are poverty-stricken. Historically, short-term exploitation of timber was how forests in Liberia enriched small elite groups. Communities living in and around these forests typically lost out. An array of potential livelihood

benefits for community members are under development ranging from improved local land use and marketing of agricultural and non-timber forest products through to community benefit-sharing from timber and conservation concessions and carbon sequestration. These latter benefit-sharing mechanisms are new and need great care to ensure equitable, transparent and predictable governance.

- **Protected Areas (PAs).** Liberia has problems with communities in and around its two biodiversity conservation PAs. In these cases, and in

planned expansion of the PA network, partners will support FDA in examining a range of co-management and benefit-sharing options.

- **Technical and Managerial Capacity.** After years of conflict, although potential is great, Liberia's human resources lack breadth and depth in educational and experiential capacity for addressing the preceding challenges from community to national agency levels. FDA's development partners are providing various capacity-building inputs, but there is currently a lack of comprehensive support to overcome these defi-

Community forestry: challenges and opportunities (cont'd from pg. 2)

ciencies in a systematic fashion.

A Community Rights Law with respect to Forest Lands (CRL) is expected to provide a legal basis for communities to assume defined tenure rights over their forest resources. For effective and

sustainable management, CRL should provide enough flexibility to enable communities and FDA to address this range of challenges, rather than closing options, to ensure that all citizens benefit from Liberia's forest endowment. Finding the optimal balance of rights, responsibilities and benefits is the

challenge. FDA is working with several partners using somewhat different pilot approaches to community forestry. These programs actively exchange information, to enable Liberia to determine the best opportunities for meeting the challenge.



USAID's Land Rights and Community Forestry Program staff engage community members near East Nimba Nature Reserve

Civilian Conservation Corps project

The USAID-funded Civilian Conservation Corps (CCC) project implemented by Conservation International (CI) and its partners offered potential to provide real development benefits connected to the protection of key biodiversity areas in Liberia. The Project, conducted in six communities bordering Sapo National Park (SNP), served as a pilot for exchanging livelihood incentives for community cooperation in the Park management. The absence of alternative livelihood opportunities in this area, particularly internally displaced people and returnees from other countries, threatens the very existence of the Sapo National Park.

Provision of Alternative Livelihood, SNP

CI worked with its implementing partner, Actionaid Liberia, and the Forestry Development Authority to ensure successful provision of alternative livelihoods to the six project communities. Five

of the six communities (Jalay, Putu Jarwodee, Chebioh, Ducor Free and Keh) including 25 persons from each community received micro-loans, assorted goods, seeds and tools for the production of vegetables. The gardens will augment the low supply of vegetable in and around the communities and provide alternative income.

TOT Behavior Change Communication Training

CI conducted a 5-day training workshop in behavior change communications for 39 key project stakeholders, representing 16 conservation organizations at the SNP.

Collaboration and Assessments

CI, in collaboration with Afrique Nature International, a Canadian based organization conducted a Biological Preliminary Assessment (BIOPA) in the East Nimba Nature Reserve (ENNR). Results are forthcoming, but may include the discovery of new species that may be of significant con-

cern to conservation and/or new to science. CI will provide updated results as soon as final results are analyzed. Scientists/experts from Europe, Ivory Coast, Guinea, Ghana and Liberia were involved. Representative Scientists from Guinea, Ivory Coast and Liberia initiated discussion on joint management of Nimba Mountains. To begin this consultation, CI through the CCC project facilitated a cross-border exchange program between Guinean and Liberian protected area managers shortly in Gbakore, Guinea in February 2009.

It is hoped that lessons learned from the CCC livelihood interventions with communities in and around Sapo National Park can be applied to other Protected Areas in Liberia. As Liberia's network of Protected Areas expands from two to five, with more in the pipeline, it is critical that this happens.

“The absence of alternative livelihood opportunities in this area, particularly internally displaced people and returnees from other countries, threatens the very existence of the Sapo National Park.”



Lowland tropical forest covers about 30% of Liberia and comprises 43% of the remaining Upper Guinean Ecosystem of West Africa. Sapo National Park was the first ever designated Protected Area in the country.

Livelihoods and landscapes strategy: better lives, better forests

The Livelihoods and Landscapes Strategy (LLS) aims to contribute to the improvement of the livelihoods of rural people through the sustainable management of multi-functional forested landscapes (see text box on following page). The

strategy, developed by the International Union for the Conservation of Nature (IUCN), is based on the idea that achieving improved livelihoods and better managed landscapes requires paying attention to several separate but related elements (or

themes). These include: poverty reduction through income generation from the sale of forest products; supporting better development of market linkages and arrangements to enable greater profits from forest product marketing; se-

curing effective rights to land, trees and forest products; improved governance of forests including effective forest law; and restoring forests and forest landscapes as assets for rural livelihoods.

LLS operates in “pilot”

Livelihoods and landscape strategy: better lives, better forests (cont'd from pg. 3)

landscapes in 29 countries globally in Asia, South, Central America and Africa. The 14 countries in Africa includes Liberia Ghana. These landscapes help LLS to test their approaches through action learning. Work at the landscape level feeds into policy processes aimed to influence national policies which will enable lessons from LLS to be scaled up.

LLS is a direct response to achieving two of the major challenges facing sustainable development: (i) To find practical ways to support governments and donors in ensuring that the benefits of national poverty reduction strategies reach the rural poor, and in particular those who are highly dependent on natural resources including forests and trees. Here LLS explicitly aligns with nationally determined development priorities and seeks to broaden the range of actors, notably civil society and private sector partners. (ii) By strengthening the relationship between forests and rural poverty reduction, the Strategy responds to a second global challenge, of how to reverse the lack of momentum in implementing international commitments on sustainable forest use and conservation, and therefore address the slippage of forests-related issues within international development.

LLS is increasing the understanding of forest and livelihood linkages at the landscape level, and strengthens the development and application of specific national poverty reduction strategies linked with biodiversity conservation. Understanding how important nature resources are for local livelihoods livelihoods and their economic importance demonstrates their importance both

at the household level and as a key approach for livelihood improvement. This will help reduce extreme poverty and increase household incomes. The poverty tool kit has been used in Ghana and Indonesia to create a participatory base line in the understanding of pov-

products. LLS is testing approaches to catalyse pro-poor forest policy reform in respect of forest and tree-related tenure, market access and the rights of communities and individuals, to retain and re-invest forest-related income, with special attention to women and other

building, documenting and sharing of information and lessons. This supports as to how national and sub-national tripartite activities on law enforcement and governance reduce rates of illegal logging. For example, through its work on promoting improved forest governance, opportunities are being explored on how to foster better institutional arrangements to improve forest quality and serve as local conflict avoidance mechanisms, particularly in post-conflict situations such as those in Liberia and the Democratic Republic of Congo. In the Mekong region, LLS value-added support includes joint activities with government agencies, civil society and the private sector within a "tripartite" framework to support the translation of the Asia-FLEG Bali Action Plan into implementation of National Action Plans. In Brazil activities range from generating baseline indicators to support decision-making on fair and practical ways to curtail illegal logging in Acre Province to supporting the development of capacity among national actors with respect to improving forest governance. LLS is working with Ghana and Liberia to pilot the VPA process, while in East Africa LLS is working with the East African Community to domesticate the Yaoundé Ministerial Conference on FLEG at the sub-regional level.

Fundamental to LLS, are the forests and trees which communities and governments have and manage. LLS is introducing, reinforcing and supporting approaches and methodologies for the restoration of forests and forest landscapes, with a particular focus on community lands. In addition LLS is developing, testing

What is a landscape?

A landscape is a mosaic of different types of land-use such as agriculture, forests, pastures and conservation areas. Managed as a whole, a landscape serves a variety of needs for different stakeholders. The LLS vision of a landscape is of multiple and complementary land uses based on negotiation rather than centralized planning. Landscapes do not exist in a isolation, but are influenced by a variety of external factors including remote physical features such as dams, and policies and economic conditions. Addressing landscape management issues often requires interventions outside the landscape.

erty. Re-use of the tool kit in coming years will help detect and monitor changes taking place.

To enhance the benefit flows to rural people, the strategy influences, through the promotion of best practices and partnerships with the private sector, the development of markets for forest products and ecosystem services. This is being achieved through facilitating sustainable local trade in forest products for the poor, for example of Gum Arabic in Sudan, Allanblackia in Ghana, and Honey in Uganda.

Rural people desperately need secure rights to their lands, including tenure rights in order to benefit from the livelihood and income generating potential of forest and tree

marginalised groups. The essence of rural communities being able to exercise their rights and benefit from them is the ability to make choices and decisions. Decentralized governance is key to this. In Ghana LLS, has supported the issuing of tree planting certificates, while in many countries studies on tenure and tree rights are being carried out. This will result in the area of land under some form of secure tenure (e.g. owned, leased, long-term management agreement) for local populations over forest-related resources being increased significantly.

Linked to rights, LLS promotes more effective processes and actions related to Forest Law Enforcement and Governance (FLEG) at the global and national levels, through capacity

Livelihoods and landscape strategy: better lives, better forests (cont'd from pg. 4)

and disseminating practical and easy-to-use tools and approaches that enable communities, managers and decision-makers to explore scenarios and agree and monitor agreed outcomes for landscape scale natural resource management interventions. Simple mapping (present and future vision maps) enables rural communities to discuss and negotiate (and own) what needs to be done. This is happening in Sudan with refugee hosting areas, where LLS is working with FNC (Forest National Corporation) to strengthen policy arrangements that promote participatory and decentralised forest management. In the Great Lakes region of Central Africa, LLS is building on 15 years of experience in post-conflict situations to sup-

port landscape-level negotiation with a range of primary stakeholders and with a view to helping balance land-use trade-offs and enhance the supply of key forest-related goods and services in a way that contributes to improving local livelihood security and rural incomes.

LLS in Liberia

IUCN plans to commence implementation of LLS in Liberia by applying the landscape approach on two pilot sites. In order to obtain a picture of some of the diversity of existing local natural resource management systems, especially forest management systems, a study ("Understanding diversity: A study of livelihoods and forest landscapes in Liberia") has been undertaken in seven

landscapes. The study was based on the assumption that community forestry interventions should be based on an understanding of what already exists and operates on the ground. This study was intended to identify differences as well as possible similarities in the selected sites. The case studies explored the social environment as well as the physical environment of each site in order to describe livelihood systems in forested landscapes. Consistent with the landscape approach, it is assumed that forests are a part of wider landscapes and that forest use needs to be understood in the context of other land-uses. Some of the issues addressed by the study include forest and tree-based incomes in the communities as well as

traditional forest management systems.

A workshop has been held in Monrovia on 10 February, 2009, to discuss the preliminary findings of the study. The participants included community forest practitioners in Liberia in addition to community representatives from the study areas.

The emphasis of the LLS program in Liberia will be on applying the landscape approach in two pilot landscapes sites, in order to improve local livelihoods, expand economic opportunities of the rural poor as well as to influence policies that can reduce poverty and conserve forests. The two pilot landscapes will be selected from the seven case study landscapes examined in the study.

New opportunities emerging that capture more forest values

Global warming is perhaps the greatest problem facing the world today. Correspondingly, several large-scale initiatives have recently been launched to mitigate climate change, with potentially significant implications for Liberia.

"REDD-Readiness"

With the Kyoto Protocol set to expire in 2012 and the Reduced Emissions from Deforestation and Forest Degradation in Developing Countries Program (REDD) projected to come online a few years later, the World Bank is providing bridging funding to countries that demonstrate a political commitment to reduce the effects of climate change from deforestation. In 2008, Liberia was selected as a recipient of

funding from the Forest Carbon Partnership Facility. The funds (\$200,000 to develop an action plan and \$3.6M for its implementation) are aimed at building the capacity of the GoL to reduce deforestation and to compensate the GoL for the benefits that would come from commercial logging. Liberia's Forest Carbon Working Group is in the process of putting together an activity timetable to realize and utilize FCPF funds.

Norway and the PRP

The Government of Norway and the Prince's Rainforest Project of the UK have recently pledged to reinforce the REDD and "REDD-readiness" programs. These governments potentially offer funds to cover

both the opportunity costs of maintaining forests and the costs to design and implement actions that will maintain forests. The GoN has pledged up to \$500M globally and the PRP has offered to work at high levels of government to leverage other funds.

At the December 2008 COP Meeting in Poznan, Poland, representatives from the GoL and GoN began a dialogue on the possibility of entering into a bilateral agreement on the management of Liberia's forests as they relate to carbon storage. As the dialogue continues, challenges a deal have surfaced. The GoN, for example, prefers that all large-scale logging activities cease, whereas the

GoL favors a more mixed-use management approach to Liberia's forests.

The WB, CI and others have been assisting the FDA to formulate a position on the GoN and PRP offers that would be formally presented at the next COP Meeting in Copenhagen. Whatever the GoL's position, however, it is clear that opportunities to monetize avoided deforestation will not alleviate the current pressure on the GoL to make Liberia's forests work for the people of Liberia. With the need to engage in high-level negotiations and to formulate at least a regulation on carbon, implementation of such schemes is likely to be at least two years away.



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More information on the LFI is also available at:

<http://www.fao.org/forestry/29020/en/>

On the horizon

- Developing “community forestry as a business” training module (April)
- Market studies to develop the value chains of NTFPs (April)
- Social Agreements assessment (April)
- IUCN workshop on livelihood activities in five communities (April)
- FAO Community Forestry Enterprise Development Project (April)
- Consultancy to devise a sustainable forest management plan hand-book (April-June)
- LFI stock-taking retreat (May)
- Gazettement of the Lake Piso Protected Area (May)
- An FFI, IUCN, WB study on illegal chain sawing (June)
- Publication of the IUCN Strategic Environmental Assessment (June)
- Public vetting of the Wildlife Law (ongoing)
- Developing a “REDD-readiness” plan (ongoing)

In 2004, the US State Department engaged a number of US agencies, including the US Forest Service, US Agency for International Development and the US Treasury, as well as NGOs, to launch the Liberia Forest Initiative. Shortly thereafter, the World Bank and other organizations joined, giving the LFI a strong multilateral and multinational character. The LFI aims to provide coordinated support to the Liberian forest sector. It is particularly focused on assisting with reforms that will allow for the transparent management of forest resources and will ensure that benefits from forests are equitably shared by all Liberians. The LFI is committed to helping the Government of Liberia balance competing demands on forests. Although an informal coordinating mechanism, the LFI seek to form a common position among its partners and with other stakeholders on forestry issues. LFI achievements include • a review of the state of forestry in 2004-2006 • the design of a roadmap for reform • the passage of the 2006 National Forestry Reform Law • 10 Core Regulations • the drafting of the Code of Harvesting Practices • helping the FDA to become a more functional, performance-driven agency • technical and organizational support to draft a Community Rights Law • the activation of the nationwide chain-of-custody log-tracking system • significant improvements in the contract tendering and awarding process.

