



## 5<sup>th</sup> Report of the LTA Secretariat For the period • October 22-November 17, 2015



Since the last sitting of this body on October 21, 2015, the Secretariat has undertaken and/or implemented the following activities:

### A. ADMINISTRATION

- 1) **Staffing:** During the period under reviewed, the staff of the Secretariat continued to enjoy a cordial working relationship with each other. Meanwhile the Secretariat continues to enjoy a cordial working relationship with members of the Executive Committee as well as most of the member companies.
- 2) **Electricity & Internet:** We have continued to benefit from almost a regular and steady supply of these utilities since we secured them. Except for recently, the office has been electrified by LEC. Over the last week we have had to depend on the generator. The reason for this is that the wire connected us to the power grid was damaged during the clearing of the back part of the compound where we are located. We are currently working with all parties concerned in order to ensure that we are reconnected as soon as possible. We are also still trying to come to some form of arrangement, with those that have agreement with the LTA to occupy some portion of its office space, with regards to the cost-sharing of these utilities, as well as janitorial services and others.
- 3) **Membership Directory:** The completed membership directory of the LTA was finally approved during the last sitting of this body. You can find in your folder said directory. The Secretariat is working on ensuring that an updated listing of a directory of what it consider key stakeholders/partners of LTA is done as a supplement to this. We have already started releasing the LTA membership directory to some of those stakeholders/partners.
- 4) **Registration of members:** During the period under reviewed, no additional member registered with the Secretariat. There is still a large number of those listed in the directory that hasn't as yet register with the Secretariat. Registration Completed Certificates is ready and will be given out today to companies who have completed their registration. According to our records, eighteen (18) companies have completed their registration. Below are companies who have completed their registration for the year 2015 and will be awarded certificates on today:

S/N	COMPANY NAME	AMOUNT PAID (US\$)
1.	Atlantic Resources Ltd.	1,000.00
2.	Alpha Logging & Wood Processing Company	1,000.00
3.	Akewa Group of Companies	250.00
4.	International Consultant Capital	1,000.00
5.	Geblo Logging	1,000.00
6.	Redwood Enterprise	250.00
7.	E J & J Invest. Corp	500.00
8.	Liberia Hardwood Corporation	250.00
9.	LTTC Incorporated	500.00
10.	Forest Venture Incorporated	1,000.00
11.	D.C. Wilson	250.00
12.	Mandra Forestry Liberia Ltd.	1,000.00
13.	TUTEX Wood Management Corporation	250.00
14.	Association of Logging Eng.	200.00

15.	Euro Liberia Logging	1,000.00
16.	Global Timber Company	250.00
17.	LCM	250.00
18.	BODECO	250.00
	<b>Grand Total</b>	<b>10,200.00</b>

We are also encouraging members who have not register to please make good their payments as soon as possible.

- 5) **The LTA’s Act and Other Legal Documents:** The Secretariat is still in search of the LTA’s Act but in keeping with the decision of this body during its last sitting the Secretariat begun the engagement of the service of someone to have an Article of Incorporation (AOI) prepare for this body. The draft of said AOI can be found in your respective folder for revision. Once said draft is endorsed, the AOI will be notarized and filed with the Liberia Business Registry (LBR). Meanwhile the Forestry Development Authority (FDA) has written an open letter of introduction for the LTA that can also be used as a legal document for business purposes. Please be informed also that, the final version of the Memorandum of Understanding has been printed and members have begun signing it, in keeping with the decision of this body during its last sitting. We are requesting that those present today who hasn’t yet sign to kindly do so before the end of this meeting. We are now seeking your approval and endorsement for us to begin contact with a legal minded person in order to engage in a contract for the writing and submission of a new Act to the Legislatures for enactment and a LTA’s Code of Conduct. This request is based on our belief that even if the Act is located it will be out-dated and won’t ably address the current day realities.
  
- 6) **LTA Personnel Manual & Code of Conduct:** Work on the Personnel Manual has been a bit delay for several reasons beyond our control but it is still ongoing and hoped to be completed on or before the December’s Monthly Meeting of this group. Work on the Code of Conduct for LTA member companies has not yet begun as we are still awaiting your endorsement to contact someone to do it.
  
- 7) **Company Export Information Form & Company Profile Form:** While all members were encouraged during the last meeting to fill out these two forms and return them to the Secretariat as soon as possible, we have not as yet received any. We cannot over emphasis the need to have these forms fill out by members and file with the Secretariat therefore we have reprinted these forms and placed them in your folders with the hope that they will today be filled out and left here.
  
- 8) **Company Operations Disclosure Form:** In order to comply with Section 5.8 (Publication of Payments) of the New Forest Reformed Law (NFRL) and based on the instruction of the President of the LTA, the Secretariat has developed a form called “Company Operations Disclosure Form”. In keeping with Section 5.8, each holder of a Forest Management Contract (FMC) or a Timber Sale Contract (TSC) shall, no later than on March 15 (for the months of July through December) and September 15 (for the months of January through June), ensure that a notice containing the following information is published in a newspaper of general circulation in Monrovia: a. The Holder’s name; b. A brief description of the area covered by the holder’s forest resources license; c. A listing of all payments as well as other considerations provided by the holder to the Government under the Forest Resources License; and d. The date of each payment.” It is our hope that this form will be endorsed today and a resolution will be passed

- 9) **LTA's Communication Strategy:** In keeping with the decision of this body, said document was sent out to all members of the LTA requesting them to submit their comments on or before the 27<sup>th</sup> of October however no one did. We are now requesting that said document be endorsed or a small committee be set up to review same and report back to the entire body during its monthly meeting in December.
- 10) **LTA's Training & Documentary Proposal:** In keeping with the decision of this body, said document was submitted to the VPA-SU for possible funding. We are currently in negotiation with the VPA-SU on this but from indications this same to be highly possible for same to be done as we have been assured by the Team Leader of the VPA-SU that in principle this is okay except for a few things that need to be sought out. We must mention here that at the close of the deadline, the 5<sup>th</sup> of November, the Secretariat didn't receive any comment from any member of the LTA on this document.
- 11) **LTA's Local Travel Policy:** Based on the instruction of the President, the Secretariat has developed a local travel policy for your review and endorsement during this sitting. Said policy, inclusive of suggested rate for DSA, is in your respective folder.
- 12) **LTA's Official Position on GOL's Letter of Intent with Norway:** In keeping with the directive of this body, the Secretariat worked along with Mr. Kwabo and Mr. Deah in the developing of the LTA's official position on the GOL's Letter of Intent with Norway. Said position statement was presented to the Forest Management Advisory Committee (FMAC) by Mr. Deah, our representative on it,
- 13) **Networking:** During the period under review, the Secretariat under the guidance of the Executive Committee engaged in several networking activities. Find below a brief description of the various types of networking activities that we were engaged in:

**SGS Office:** The Secretariat is still actively engage with this Office. During the period under review, we received an invitation from Mr. David Rothe to meet with him to discuss the turning over of the Chain of Custody program from the SGS to the FDA. However, up to the hosting of this meeting, said meeting with Mr. Rothe couldn't be held due to reason beyond our control.

**European Timber Trade Federation and Timber Legality Programme Management:** We are still actively engaging Mr. Andre de Boer, Secretary General of the European Timber Trade Federation and Mr. Christian Sloth of the Timber Legality Programme Management for some form of cooperation and collaboration between their respective organization and the LTA.

**National Benefit Sharing Trust (NBST) Board's Meeting:** Between the 27<sup>th</sup> and 30<sup>th</sup> of October, the NBST Board held its retreat in Gbarnga, Bong County. The LTA holds the treasurer-ship in said Board and is represented by its Treasurer, Mrs. Eliza D. J. Kronyanh. Due to her illness, the Head of Secretariat, who originally had been designated to go along with her as a backup, was requested to deputize for her. Major decisions taken during said retreat are as follow:

- The setting up of the two standing committees of the Board ( the Project Technical Review Committee and the Monitoring & Evaluation Committee). The LTA holds the chairmanship of the Project Technical Review Committee and is a member of the Monitoring & Evaluation Committee;;

- The development and adoption of a one-year work plan for the Board as well as a simple proposal template was approved for communities to use to access their fund;
- The development and adoption of a shared and agreed analysis of the initial one million dollars deposited in the account of the Board for onward distribution to the various affected communities; and
- The elections of which of the Board's members who will be serving a two or three year tenure respectively in accordance with the Section 7 of the regulation governing the Board, among others.

In your respective folder is the resolution of the NBST Board as adopted on the 30<sup>th</sup> of October 2015 as well as a listing of the distribution of the initial one milion.

**LEITI Secretariat:** On the 13<sup>th</sup> of November the Secretariat received a check, in the tune of 4,000.00US\$ from the LEITI for the purpose of hosting a two-day workshop/retreat to increase the forest sector stakeholders knowledge of their role in the LEITI process and to refresh LTA member companies of existing laws and regulations regarding the forest sector. The Secretariat is currently working with the 2<sup>nd</sup> Vice President, Mr. Deah, who was instrumental in accessing said funds from the LEITI and is our permanent representative on its Multi-Stakeholders Group (MSG), for the execution of said workshop/retreat. The 3<sup>rd</sup> and 4<sup>th</sup> of December have been earmarked for the hosting of said workshop. Meanwhile kindly be informed that the total cost of execution of this project is about US\$5,180.90 and the LTA is expected to cover the difference. The difference in the cost of the execution of said project and the amount given by the LEITI is due to the selection of a caterer that is offering a better quality of service but whose price is higher than what is stated in the project proposal among other things, including the fact that at the earlier stage of the proposal writing, the economic and other factors were not taken into consideration. Based on prices of commodities, we have to recalculate the amount presented by the committee. It is our hope that this issue will be discussed and the remaining amount can be paid by the LTA. Each member company is to be represented by one representative at said workshop/retreat.

**The Liberia Chamber of Commerce (LCC):** During the period under review we were informed by the LCC that our application for re-admittance into the LCC has been approved. We are currently working with the Secretariat of the LCC in order to identify the requirements that the LTA has to fulfil in order for this readmission to full materialize. It is hope that same will be completed within the next two weeks and a report will be made to the Executive Committee of the LTA.

**Forestry Development Authority (FDA):** During the period under review the Secretariat received an invitation from the FDA to participate in its National Forest and Landscape Forum (NFLF). Said forum was held on the 29<sup>th</sup> of October and the LTA was represented by its Administration & Finance Officer, Miss Henra G. Baysah. Issues that were raised during said forum were but not limited to:

- Importance of landscape coordination
- Ensure sustainable forest management
- Involvement of concession management
- Implementation of Reform Forest Law
- Community collaboration with FDA to control & manage their forest.
- Ensure reduction of production and improvement of food security
- Inter-sectoral deliberation, coordination and collaboration

- Monitoring and Evaluating
- Mechanism to coordinate forest sector

Meanwhile, it was decided that at the end of 2015, the NFLF will plan a workshop in the following three countries: Lofa, Nimba and Bomi in order to establish communities awareness.

**Ministry of Justice (MOJ)/Forestry Development Authority (FDA):** During the period under review the LTA received invitations from both the MOJ and the FDA to participate in the Forest Governance Capacity Building Workshop. Said workshop was help from the 9<sup>th</sup> thru 12<sup>th</sup> of November at the Cape Hotel in Mamba Point. The workshop was split into two parts but both parts dealt with the same topics but they were looked at from different prospective. The first two-days was dedicated to looking at things from the FDA’s prospective while the last two-days was dedicated to looking at things from the MOJ’s prospective. The LTA was represented by its Head of Secretariat, along with its 1<sup>st</sup> Vice President and Mr. Akkari. Presentations from the workshop have been emailed to each member of the LTA by the Secretariat. Meanwhile what is to be noted is that the FDA intends to conduct a compliance audit of the various holders of concession agreements with the Government of Liberia in the very near future, in keeping with the NRFL.

- 14) **Budget Support:** During the period under reviewed, the Secretariat continued to receive the regular monthly support from the VPA-SU in the amount of Three thousand nine hundred fifty United States Dollars (US\$3,950) for the month of September. Monthly contributions from member companies are still not forthcoming. As of this moment, only few companies have fully paid their respective monthly contributions for the months of July to September. The Secretariat, while realizing the difficulties being confronted by members, is appealing to everyone to please pay, as these funds are badly needed to maintain the office and do other things.
- 15) **Support from the VPA:** As can be seen from the below financial report, the major source of income for the running of the Secretariat during this reporting period under review was from the VPA-SU as monthly dues from member companies and other expected sources of income weren’t fully forthcoming during the period under review.

## **B. FINANCIAL REPORT FOR the Periods October 22-November 17, 2015**

Analysis of the receipt book and deposit slips reveal the following:

### **Income**

➤ Receipts (10/21/2015) Euro Liberia Logging	US\$ 2,000.00
➤ Receipts (10/21/2015) Liberia Hardwood Corp.	US\$ 600.00
➤ Receipts (10/30/2015) VPA Monthly Support (September)	US\$ 3,950.00
➤ Receipts (11/13/2015) LEITI Project	<u>US\$ 4,000.00</u>
<b>Total</b>	<b><u>US\$ 10,550.00</u></b>

### **Expenditure**

➤ Salaries & Transportation Allowances (October 2015)	US\$ 3,322.61
➤ Local travel to Gbarnga, Bong County (10/27/2015)	US\$ 100.00
➤ Operational Cost (11/3/2015)	US\$ 1,248.00
➤ Processing and filing of Article of Incorporation for LTA (11/4/2015)	<u>US\$ 280.00</u>
<b>Total</b>	<b><u>US\$ 4,950.61</u></b>

**Balance** **US\$ 5,599.39**

1. **Financial Narrative:** A total of US\$ 4,950.61 was disbursed during the period October 22,-November 4, 2015. Of this amount, USD 3,322.61.00 was used for Salaries and transportation allowances. USD 1,248.00 was used for Stationery and Electricity as well as other office's needs. US\$ 100 was used for augment of transportation and DSA for local travel to Gbarnga, Bong County to attend the National Benefit Trusting Board Meeting and US\$280 was used for processing and filing LTA's Article of Incorporation.
2. **Outstanding Obligations:** The payments of withholding taxes to the Liberia Revenue Authority (LRA) on behalf of employees as well as the payments to the National Social Security & Welfare Corporation (NSSWC) of the 3% deduction from staff salaries and the 4.75% payment requirement of every employer are still the major outstanding obligations of the LTA. At this moment the LTA is indebted to the LRA for withholding taxes in the amount of US\$3,157.86. The LTA is also indebted to the NSSWC in the amount of US\$594.00 representing the 3% deduction made from staff salaries plus the amount of US\$940.50 representing the required 4.75% from employers. These three figures make a grand total outstanding obligation of US\$4,692.36. This figure covers a six month period (June to November 2015). The monthly figures are US\$99.00 for the 3% deduction from staff, 156.75US\$ for the 4.75% requirement for employer, and 526.31US\$ for withholding taxes. The Secretariat has been trying to get this done but haven't achieved any result as the LTA doesn't have a Tax Identification Number (TIN) and can't get one without producing some legal document justifying its existence. We are finalizing discussion with the guys at the Liberia Business Registry (LBR) concerning this and hope start said payment on or before the beginning of the new year, 2016.
3. **Personnel Expenses:** According to our records the total cost of maintaining the staff in the Secretariat monthly is US\$4,106.75, inclusive of the 4.75% required employer's payment to NSSWC. The VPA-SU is supplementing this monthly salary with the amount of US\$3,500.00. This leaves the amount of US\$606.75 that needs to be raised every month to augment the monthly payroll of the Secretariat.

### **C. HINDERANCES AND SETBACK**

During the period under review, the Secretariat continued to be plagued with the issue of lack of needed office equipment and logistics to carry out the various tasks that were assigned to it. Most often than not, cartridges have to be refilled instead of being purchased due to the limited funds allocated for monthly stationaries. The Secretariat is without an official vehicle to move around to carry out the various tasks assigned to it. The amount of time spent waiting for a taxi is a serious steal away from productive office hours. Due to serious financial setback cause by the slow payments of dues by its members which can rightly be attributed to the slump in the market; the LTA hasn't yet been able to do some of the key things it had original earmarked to do under its work plan and budget.

### **D. FUTURE OUTLOOK AND IMPLEMENTATION**

The Secretariat has received an invitation from the VPA-SU to participate in the planning and execution of the NUCFDC's elections, which is due to be held from the 25<sup>th</sup> thru 27<sup>th</sup> of November in Gbarnga, Bong County. The Secretariat also received a request from the VPA-SU to arrange a meeting for Mrs. Marieke Wit with the members of the LTA. Said meeting with Mrs. Wit is scheduled for Tuesday, the 24<sup>th</sup> of November, here at the LTA office. For itself, the Secretariat during the ensuring period hopes to continue working with the Executive Committee in striving to implement the goals and objectives of the LTA. We hope to complete the developing of a policy of Foreign Travels for your review and endorsement. It is also envisaged that we will finalize with SGS our access to its monthly report on the internet, execute the LEITI's sponsored workshop/retreat, as well

as begin the process for the execution of the documentary activities. We will also be developing a community engagement plan, which we intend to discuss with the VPA-SU for possible support. It is also hope that we will continue networking with those that are listed in this report and that we will be able to begin work on the new Act, the Code of Conduct for Members, among others.

Respectfully submitted: \_\_\_\_\_

E. Ekema A. Witherspoon, I.  
**Head of Secretariat, LTA**