

Induction Speech Delivered By
Mr. Rudolph J. Merab,
President, Liberia Timber Association (LTA)
At program marking the induction of
Officers-elect of the Timber Association

Hon. Joseph N. Boakai, Vice President, Republic of Liberia, Hon. J. Alex Tyler, Speaker of the House, Hon. Armah Jallah President Pro-Temp of the Liberian Senate, His honor Francis S. Korkpor Chief Justice, Supreme court, R,L; Hon. Harrison Karnwea Managing Director Forestry Development Authority, Rev. Dr. John G. Innis Resident Bishop LAC/UMC, other officials of Government here present, Her Excellency Madame Tiina Intelmann Ambassador of the European Union and other members of the diplomatic corps, Heads of various institutions, members of the fourth estate, invited guest, my colleagues of the Timber Association, Ladies and gentlemen;

I am humbled and grateful to my fellow members and colleagues of the LTA for re-electing me with my new corps of officers for the next two (2) years. We accept the mandate giving us and can assure you all that we are committed to serve the association with renewed enthusiasm, commitment and dedication for the overall good of its members.



Vice President, Joseph N. Boakai (left) inducting LTA officers into office at the Royal Grand Hotel

It has been twelve (12) years since the cessation of the hostility and the establishment of this present Government yet the Timber Industry has not reach its full potential in helping meet neither the need of our development agenda nor the benefits of our people. We had high hopes that by this time around the industry would have evolved and become one of the engines of growth, contributing to nation building by providing jobs, creating downstream investment, education, infrastructure development and become a major contributor to the nation's Income generation.

The obvious question to ask ourselves then, is why these dreams or expectation have eluded us thus far. The answer to that question are due to several factors that hinder or stifle the progress and development of the sector and these are, but not limited to:

- a) The prevailing environment;



Guest attending the induction ceremony of officers of the Liberia Timber Association (LTA)

- b) Taxation;
c) Legal constraints;
d) Lack of proper facilities and infrastructure

The prevailing Environment:

We believe the conditions we set create the environment that will allow a business to succeed or fail. We strongly feel that certain external forces have pressured the Government to believe that commercial logging is detrimental to the country and every effort is being made to frustrate its development and progress. The industry has been viewed in a negative way and with suspicion. It is an actual fact, that with proper policies and regulation in place, this will encourage the success of the industry in a transparent and accountable manner.

Taxation:



LTA staff/officials and their guest at the program

The taxes imposed on the sector are higher than most other timber producing country. For a country coming out of crisis; with the poor conditions of its infrastructure, it is strange to believe that we will impose the same or higher taxes than countries that have had over more than thirty (30) years of continuous activities, where all of their investment have been amortized. This makes our commodity not to be competitive with these countries. Added to this is the additional cost that we have to expense in order to meet all the new legal requirements (i.e. Chain of custody using GPS, VPA & LEITI preparedness etc.). The government needs to re-look at its tax policies and come up with a more conducive tax structure that will attract more direct investment in this sector.

Legal Constraints:

As we improve the governance issues surrounding the Forestry Sector, we should be reminded that the Laws are the frame work around which we all have to work. The Government, Civil Society, Communities, Private Sector and our International Partners will all have to be held to the Law. Any action by any party should be according to the Law; The Government and any other Institution or Government cannot enter into any agreement outside the guidelines of the Law and expect that agreement to be legal. Also the actions we take to remedy any action we presume contrary to the Law needs to follow the rule of Law. When we realize that portions of the law has ambiguity we should not be afraid to seek amendments. We all agree that we are reforming the sector from the way things were; and reform is a process and not an event. Mistake and missteps will take place; we should have the wisdom to mutually work for improvement. An Executive Order cannot and should not be the medium for correcting issues of law.

Lack of facilities and Infrastructures:

It is no secret that our infrastructures are in a deplorable state. Our road network needs continuous repair, bridges need replacement; more work needs to be done on our ports. Electricity is not available or too expensive for industry such as processing facilities. This all add to the cost of production and limits productivity. Concessions (Forest Management Contracts) are given with no maintenance of the major highways. The timber companies are expected to maintain these highways without any compensation, while at the same time paying full taxes to Government. At ports there are no places to

serve as Log Park; logs will have to be stored miles away from these ports increasing the cost of timber companies in handling. There need to be some compromises!



Forestry Development Authority (FDA), Deputy Managing Director, Darlington S. Touagben makes remark

It is our hope that we will begin constructive engagement with Government to improve the relationship with all stakeholders; to seek ways of improving how the industry is perceived as we follow the Rule of Law and allow for due process.

Conclusion:

It is our fervent hope that with the new corps of officers within the LTA, we can engage the government and all stakeholders in constructively seeking new avenues in improving the industry for the betterment of society as a whole.

To our international partners, we want to thank you for your support through the VPA-SU and also your continuous support to the Government. We can assure you of our, the LTA, support of the VPA and its implementation.

To the members of the timber association we want to assure you that we are going to work in your best interest. We ask for your full support and understanding as we serve you. We will want all of us in this industry engaged to the fullest. When meeting and training workshops are called, please let us be in attendance.

To our Government and the Forestry Development Authority, we want to assure you of our commitment to work within the frame of the law and that given the chance we will be the partner you desire. We are going to manage the forest in the most sustainable way.

When we work together there is nothing that will be too difficult for us. Let's move the economy together for the good of our people and nation!

Thank you and God Bless!

Officers inducted are: Mr. Rudolph J. Merab, President, Mr. John M. Barter, First Vice President, Mr. John S. Deah, Second Vice President, Mrs. Eliza D.J Kronyahn, Treasurer, Mr. Augustine B.M. Johnson Secretary, and Macdonald Wenton.

.