

**Liberia – EU FLEGT Voluntary Partnership Agreement
AIDE MEMOIRE
FIFTH MEETING OF THE JOINT IMPLEMENTATION COMMITTEE
Monrovia April 5-7, 2017**

Introduction

1. The Fifth Joint Implementation Committee Meeting (JIC) to oversee the implementation of the FLEGT Voluntary Partnership Agreement (VPA) between Liberia and the EU, took place in Monrovia on April 5th – 7th, 2017. The meeting was co-chaired by Sister Mary Lauren Browne, OSF, Chair of the Board of Directors of the Forestry Development Authority, Republic of Liberia, and Ambassador Tiina Intelmann, Head of the EU Delegation to Liberia. A participant list is attached as Annex 1 to this Aide Memoire.
2. The EU congratulated Hon. Darlington Tuagben for his appointment as the new Managing Director of Forestry Development Authority (FDA). The EU also acknowledged the progress made on VPA Implementation under the previous FDA Managing Director, Hon. Harrison Karnwea.
3. During the JIC, it was highlighted that the majority of current EU/DFID funding around VPA Implementation in Liberia will come to a close, by the end of 2017. Although EU/DFID recognize that additional support is needed, and there are planned discussions about potential future support, the EU highlighted that the Government of Liberia would need to take an important step to incorporate forestry into their key priority areas. The EU advised this, as it is anticipated that future support from the EU, once structured, would come from the EU's pool of funds dedicated to overall direct budget support. The EU/DFID also highlighted that future support would specifically require direct links and more in-depth engagement of the Ministry of Finance, at the senior levels, around the VPA Implementation Process.

Overview and Status of VPA Implementation - Overarching Issues not detailed in Forward Planner Summary

4. The 5th JIC meeting introduced a more informal panel structure, to allow for larger technical discussions around topics from the 4th JIC meeting Aide Memoire, and priorities agreed in the Forward Planner. It was agreed that the action points captured in the annex to the aide memoire will be included in the forward planner and that during future JIC meetings, the Summary Table of the Forward Planner (Annex 2 of this Aide Memoire), will be updated with targets set before the next JIC meeting so that all agreed milestones and tasks can be more closely tracked.
5. The EU noted that for future JIC and Technical JIC meetings, efforts should be made by presenters to increase their use of the tool, by creating more clear links between JIC discussions/presentations and the required updates around implementation milestones and tasks outlined in the Forward Planner. In future JIC meetings, discussions should better focus on

updating the parties on implementation milestones and tasks agreed in the tool, and offering key recommendations around challenges in delivering on those tasks since the last JIC meeting.

6. The pace of VPA implementation to date is still slower than expected, due to key factors like human capacity and financial constraints. Although FLEGT Licensing in Liberia is currently targeted for 2020, the EU acknowledged that this can only be possible, if there is sustained engagement, financial investment from the Government of Liberia, and an intensified work schedule around agreed milestones in the Forward Planner.
7. Considering this intensified schedule, both the EU and Liberia agreed that this should be complemented by more structure and engagement between JICs, to follow up on implementation tasks as agreed in the Forward Planner (Annex 2). It was recommended that two quarterly Technical JIC meetings be held before the next JIC meeting.
8. After a detailed presentation from the Deputy Commissioner of the Liberia Revenue Authority, the EU noted that this exemplified the value of high level government engagement in the VPA Implementation process. The EU and Liberia highlighted the importance of sustaining this high level engagement as fiscally, the forest sector generates significant revenue, and employment in Liberia. Based on Liberia Revenue Authority's presentation, the JIC agreed that there is an immediate need for FDA to dedicate responsibility to a team for the completion of a case building exercise/competitive proposal for FDA, in preparation for the 2017/2018 budget cycle.
9. The JIC agreed, as highlighted in the Forward Planner Summary Table (Annex 2) that the Government of Liberia should initiate a missing document investigation exercise in efforts to provide a status and trigger a decision on this issue at the next JIC meeting. Details of the agreed exercise are provided below from the 5th JIC meeting discussions, as the Annexed table is a high level summary :
10. FDA and SGS in consultation with the LIC will structure a missing document investigation exercise, and provide an updated list /proposal to the next JIC meeting, so that there is a better understanding of Liberia's current document gap. Once this information is made available, the 6th JIC meeting will be able to recommend next steps. It was outlined at the 5th JIC meeting, that the exercise should go through document requirements under Principles 1 and 2, and also cross check the records of line ministries/agencies involved in document collection. The records of private companies should also be cross checked.
11. The Government of Liberia agreed to begin this exercise by distinguishing between documents that can be collected and documents that will not be available, ever. The exercise will also clarify where assumptions can be made around documents that would have had to have been prepared, in order for other documents to exist. Recurrent documents will also be identified in the exercise. Documents that are currently being collected but not required in the legality matrix, should also be highlighted.
12. Once all this information is collected, efforts should be made to highlight where companies currently fall in terms of compliance, i.e. information should also be presented by company. It was agreed at the JIC meeting, that amendments to the legality matrix cannot be considered until this missing document exercise is completed and the JIC has concluded on this issue. FDA

also agreed to make recommendations for better archiving, storage and documentation for the future, especially considering upcoming allocations of Community Forest Management Agreements.

13. It was agreed that community forestry, and the issue of Community Forestry Management Agreements (CFMA), need to be considered very carefully, as support to process the allocation and monitoring of more CFMAS is put into place. FDA's capacity to operationally execute their mandate around CFMAS and how the legality matrix will be revised to incorporate CFMAS needs to be considered very carefully.
14. The EU and Liberia participated in a pre-JIC meeting field Trip where the private sector and forest community stakeholders were consulted on various aspects and concerns around VPA implementation. The opportunity to see the positive results of the current benefit sharing process, was especially recognized by both Liberia and the EU: through the visit to the newly constructed youth training center by a Community Forestry Development Committee via a disbursement of \$46,000 by the National Benefit Sharing Trust Board.
15. After additional discussions during the JIC meeting around forest sector legality accusations, the JIC also expressed its overall appreciation for continued engagement of civil society around the VPA process.

Communications and Transparency Measures

16. The European Forest Institute communications team will work on their stakeholder consultations and strategy in Q2 of 2017 around how the VPA and progress on the agreement will be communicated in Liberia and abroad. (See Annex 2 for key Communications milestones in the Forward Planner). Documents presented at the 5th JIC meeting will be made available to all attendees.

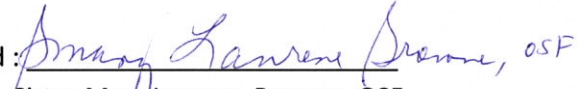
Legality Assurance System and the Independent Audit

17. SOFRECO was awarded the contract to audit the Legality Assurance System and will execute this function over the course of the next three years. The Team Leader for the Independent Audit is currently in Liberia consulting with VPA stakeholders, and recruiting in-country staff and partners.

Date of the next JIC meeting

The 6th meeting of the JIC is scheduled for the first week of December 2017 in Monrovia. Liberia will take the lead in organizing the next meeting.

Signed: 
Ambassador Tiina Intelmann
EU Delegation to Liberia

Signed: ^{OSF}
Sister Mary Laurene Browne, OSF
Chair of the FDA Board of Directors

Date: April 7, 2017

Date: April 7, 2017

Annex 1

5th Sitting of the JIC Attendance and Stakeholder Groups

Stakeholder Groups:

Government of Liberia Institutions

1. Forestry Development Authority (FDA)
2. Ministry of Finance & Development Planning (MFDP)
3. National Authorizing Office - MFDP
4. Environmental Protection Agency (EPA)
5. Ministry of Justice (MoJ)
6. Liberia Revenue Authority (LRA)
7. National Bureau of Concessions (NBOC)
8. Liberia Extractive Industry Transparency Initiative (LEITI)

Private Sector

1. Liberia Timber Association (LTA)
2. Liberia Chainsaw & Timber Dealers Union (LICSATDUN)

Civil Society Organizations

1. NGO Coalition of Liberia
2. National Union of Community Forest Development Committees (NUCFDC)

International Partners

1. European Union (EU)
2. Department for International Development (DFID)
3. Development Alternatives International (DAI)

4. European Forestry Institute (EFI)
5. The Palladium Group
6. SOFRECO

Support Team

1. VPA Support Unit
2. VPA Secretariat/FDA
3. SGS
4. FLEGT Facilitation

Observers

1. World Bank (WB)
2. United Nations Missions in Liberia (UNMIL)

Attendance Listing

LIBERIAN DELEGATION		
No.	Name	Position & Institution
1	Sr. Mary Laurene Browne, OSF	Chairperson, FDA Board & VPA LIC
2.	Hon. Darlington S. Tuagben	Managing Director, FDA
3.	Hon. Kendrick Johnson	Deputy Managing Director for Adm. & Finance, FDA
4.	Hon. Deontee King-Sackie	Deputy Commissioner General, LRA
5.	Hon. Kou Dorliae	Assistant Minister, MOJ
6.	Hon. Martus W. Bangalu	Deputy National Authorizing Officer (NAO), MFDP
7.	Mr. Matthias Yeanay	Facilitator, NGO Coalition
8.	Mr. Rudolph J. Merab, Sr.	President, LTA
9.	Mr. J. Augustus Kwalah	President, NUCFDC
10.	Mr. Isaac Kipi	Financial Manager, FDA
11.	Mr. Joseph J. Tally	Technical Manager, FDA
12.	Atty. Yanquoi Z. Dolo	In –House Lawyer, FDA
13.	Mrs. Gertrude W.K. Nyaley	Technical Manager, FDA
14.	Mr. Myer Jargbah	Manager, FDA
15.	Mr. Richie Grear	Manager, FDA
16.	Mr. Edward S. Kamara	Manager, FDA
17.	Victoria Cole	Manager, FDA
18	Mrs. Jarsa V. Okai	EPA

No.	Name	Position & Institution
19.	Mr. Ekema A. Witherspoon, Sr.	LTA
20.	Mr. Maxwell B. Dogba	LRA
21.	Mr. Shelton Gonkerwon	FDA
22.	Mr. Mullar Pantoe	NBOC
23.	Mr. Augustine Teekloh	LRA
24.	Mr. Rex A. Henry	FDA
25.	Mr. Musa O. Lymas	FDA
26.	Mr. Ivan L. Hart	MFDP
27.	Ms. Vanessa Togba	IREDD
28.	Mrs. Julie T.B. Weah	FCI
29.	Mr. Francis Colee	Green Advocates
30.	Mr. Edward Q. Teah	CFDC Rep. (Southern Region)
31.	Mr. Michael Robert	CFDC Rep. (Western Region)
32.	St. Solomon Peters	CFDC Rep. (Central Region)
33.	Mr. Lawrence Moore	Green Advocates
34.	Mr. Andrew Y.Y. Zelemen	NUCFDC
35.	Mr. Roland P. Harris	CS-IFM
36.	Mr. Benjamin Koffie	Atlantic Resources
37.	Mr. James W. Quaye	NBSTB
38.	Mr. Oscar B. Toe	NHRM
39.	Mr. Neal Robert	CSO
40.	Mr. D. Siaffa Morris	NCSCL
EU DELEGATION		
41.	Amb. Tiina Intelmann	Head of Delegation, EU
42.	Mr. Alberto Menghini	EU Delegation
43.	Mr. Hubert Blom	EU Delegation
44.	Mr. Thomas de Francqueville	EFI
45.	Ms. Muriel Treibich	EFI
46.	Ms. Madam Merieke Wit	DFID - PMST
SUPPORT PROJECTS		
47.	Mr. Frederic Teppe	SGS
48.	Mr. Shiv Panse	SGS
49.	Mr. Mark Davidson	SGS
50.	Mr. Theodore Nna	SGS
51.	Mr. Simulu Kamara	LVD/FDA
52.	Mr. Jessie Varnie	LVD/FDA
53.	Mr. Eric Doetien	LVD/FDA
54.	Mr. Febien Kieh	LVD/FDA
55.	Mr. Abraham M. Sheriff	LVD/FDA
56.	Mrs. Oona Burke-Johnson	FLEGT Facilitation Office
57.	Mrs. Rose Johnson- Blidi	FLEGT Facilitation Office
58.	Mr. Nick Benitos Goll, II	VPA Secretariat/FDA
59.	Mrs. Queta R. J. Hessou	VPA SU
60.	Mr. Ikem Eronini	VPA SU
61.	Mr. Abraham Guillen	VPA SU

62.	Mr. Wolfgang Thoma	VPA SU
63.	Mr. Donald Lunan	DAI
64.	Mr. Antoine De La Rochefordiere	SOFRECO
INTERNATIONAL OBSERVERS		
65.	Mr. Zinnah Mulbah	World Bank
66.	Mr. Nalin Kishor	World Bank
67.	Mr. Kofi Ireland	UNMIL
68.	Ms. Helen Finlay	Consultant

ANNEX 2

Principles	JIC Decisions/ Outcomes
<p align="center">Legal establishment (P1)</p>	<p>1) FDA and SGS, in consultation with the LIC, will structure a missing document investigation exercise, and provide an updated list/proposal to the next Technical JIC. The Technical JIC will convene to decide on the current document gap, and establish next steps. The document investigation exercise should involve cross checking the records of line ministries/agencies involved and cross checking with companies (see more detail in Aide Memoire description). The documents should be sorted into categories: a) documents that should exist and can be collected b) documents where additional efforts or JIC discussions need to take place to agree on the way forward.</p> <p>2) Once information is collected, efforts should be made to highlight where companies currently fall in terms of compliance: i.e. information should also be presented by company.</p> <p>3) Amendments to the legality matrix cannot be considered until this exercise is complete and the JIC has concluded on this issue.</p> <p>4) FDA to make a recommendation for better archiving, storage of documentation in the future, especially considering upcoming volume of CFMAs.</p> <p>5) MOJ - FDA committee under MOU to meet coordinate inter GOL consultations on debarment listing and present findings to next Technical JIC meeting.</p> <p>6) Upcoming concession review to start soon (ongoing recruitment of the team).</p>
<p align="center">Resource rights (P2)</p>	<p align="center">See Principle 1 above.</p>

	<p>1) Clarify where production volumes shall be made available and on what frequency.</p> <p>2) SGS Revenue information should be made available on a regular basis on the FDA website. Financial update tables provided by SGS to be completed to display the figures of taxes due and paid by company.</p> <p>3) National Benefit Sharing Trust Board (NBSTB) Facebook page could be used for communities to post weekly updates on projects</p> <p>4) Discuss at next NMSMC putting in place audit process of CFMBs, CFDCs and NBSTB to provide reassurance on transparency. Clarify for the JIC the mechanism to systematically track the use of the funds.</p> <p>5) NBSTB - A number of financial and narrative templates have been established for community projects, and will be shared with the communities. Clarify and agree on the means and frequency to publish the information.</p> <p>6) It is proposed that the National Union of Community Forest Development Committees (NUCFDCs) and NBSTB collaborate to review current fiscal and monitoring processes. Recommendations from this review should be fed into forward planner and legality matrix.</p> <p>7) Mechanism for monitoring the payment and the use of cubic meter fees to be discussed at the technical level.</p> <p>8) Monitoring of the implementation of social agreement to be discussed at the technical level. Consider what training might be needed for the communities to monitor the implementation of Social Agreement obligations.</p>
<p>Social obligation (P3)</p>	
<p>Forest Management and harvesting obligations(P4)</p>	<p>1) Deadline to be set for submission of Annual Operational Plans or for subsequent verification of blocks prior to approval for 2017/18 harvesting season.</p> <p>2) FDA to make final decision on Region 3 structure (organogram and staffing). Deadline to be set for Region 3 to be fully staffed and operational.</p>

	3) Felling data to be declared in compliance with regulatory timeline to ensure accuracy of stumpage invoices and payment of cubic meter fees.
Environmental obligations (P5)	Ongoing piloting in Region 3.
Transport and Traceability (P6)	<ol style="list-style-type: none"> 1) Production data to be made available for the calculation of the cubic meter fees. 2) Regulation on confiscated and abandoned logs to be in force. 3) Confiscation of abandoned logs in the concession to take place.
Timber processing obligations (P7)	1) Schedule a discussion during the next Technical JIC meeting regarding saw mills.
Labor obligations (P8)	1) Checklist to be discussed at the technical level.
Fiscal obligations (P9)	<ol style="list-style-type: none"> 1) Schedule discussion at the next Technical JIC meeting regarding market intelligence - in order to equip LRA and FDA with their respective needs. 2) Enforce the payment of the full amount of stumpage fee for export, not only stumpage on the timber being exported. 3) Payment schedule and tracking of invoice reference to be clarified at technical level during SGS/LRA/FDA monthly meetings
Export obligations (P10)	See financial sustainability below

	<p>1) FDA Website is being restructured and FDA is committed to continuing to update and make all information available.</p> <p>2) National Benefit Sharing Trust Board to provide a template for the information that they are looking for to be shared at next Technical JIC.</p> <p>3) Information to be shared regarding the use of the funds managed by NBST on FDA website.</p> <p>4) LRA can provide revenue information on-demand, with authorization from companies. LRA can also attest the accuracy of published SGS revenue reports which are published on the FDA website.</p> <p>5) Government of Liberia to publicize that an agreement is in place with companies for the payment of tax arrears on the land rental, "bid premium" fee. Payments are ongoing and are published in the monthly revenue updates on the FDA website.</p> <p>6) Technical JIC to discuss further steps in insuring compliance with the Principle 11 requirement that companies publish the taxes that they pay in the newspaper, on a bi-annual basis (indicator 11.1).</p> <p>7) LIC to engage LEITI in the discussion around the above points (1 to 6) and report to the technical JIC.</p>
<p>Transparency (P11)</p>	<p>JIC Recommendations/ Outcomes</p>
<p>Cross Cutting Issues</p> <p>Regulatory framework completion</p>	<p>1) EU will update GOL on the status of their comments on the regulations on Imported timber and Timber in Transit</p> <p>2) The Terms of Reference for the Concession Review has been approved and will be publicized for bidders to submit proposals.</p> <p>3) Legality matrix review needs to take place to include requirements for community forestry.</p>

	<p>4) EU and Liberia to consider an evaluation of the need for, and feasibility of, monitoring the forest sector, considering the potentially large number of CFMAs to be allocated.</p>
	<p>1) Establish Technical JIC meeting quarterly (two times between JICs) to include all key stakeholders, and improve technical oversight between JIC meetings / agree on priorities.</p> <p>2) FDA to prioritize the budget aspects of absorbing the VPA Secretariat.</p> <p>3) The VPA Secretariat should prioritize sustaining government engagement and participation.</p> <p>4) FDA to develop an outline and maintenance plan of how heavy duty equipment currently in the VPA Secretariat's budget (printers, etc) will be maintained.</p>
VPA Structures	
	<p>1) Technical JIC to discuss potential capacity impact of 10 new CFMAs to be allocated by end of 2017. FDA to assess this against LVD capacity.</p> <p>2) FDA to expedite the process of gazette of the harmonized regulations related to the Community Rights Law. The regulations need to be approved by the President of the Republic of Liberia before being publication in the gazette.</p> <p>3) Technical JIC to discuss prioritization of the review of the VPA legality matrix to incorporate requirements for community forestry.</p>
Community Forest integration into LAS	
	<p>1) The National Multi-Stakeholder Monitoring Committee (NMSMC) shall make public the results of the two investigations that were conducted around chainsaw logging activities taking place within Forest Management Contracts (FMCs).</p> <p>2) NMSMC to remain fully engaged in following discussions on issues related to chainsaw logging activities in Liberia.</p> <p>3) LIC to trigger conversation between LRA and FDA on how revenue currently collected from chainsaw industry might be indirectly legitimizing illegal activity.</p>
Chainsaw Logging	
Domestic market	See Chainsaw Section Above

<p>Impact Monitoring</p>	<p>1) EFI will review status of work together with the EU and GoL and recommend next steps for IM work at the next Technical JIC meeting (considering current priorities and resources).</p> <p>1) Technical JIC to discuss mechanism for objectively determining where Liberia and SGS are in the LVD transfer.</p> <p>2) FDA to refer staff for help desk and driver functions so that appropriate trainings can be scheduled.</p> <p>3) FDA to render decision to VPA SU on whether suggested restructuring in Region 3 will be put in place or not (also above). FDA to verify how FDA will sustain systems beyond 2018 without restructuring.</p> <p>4) FDA - SGS to develop draft MoU for takeover of SGS staff after contract ends in 2018.</p> <p>5) Advanced training for FDA webmaster needed to ensure maintenance.</p> <p>6) FDA / SGS to agree on how to provide further training to forest operators on LiberTrace. LVD has recognized that 75% of companies would require additional training, due to trainee retention issues from training to training.</p>
<p>Financial sustainability</p>	<p>1) FDA engages as soon as possible with the Ministry of Finance and Development Planning to ensure sustainability of finances.</p>
<p>Information system</p>	<p>1) FDA to officially inform companies of the establishment of LiberTrace as the new Information system covering Chain of Custody and Legality assurance. Deadline to be set.</p>
<p>Non-compliance</p>	<p>1) Management of non-compliances will be discussed at the technical level, using the recently developed compliance and enforcement handbook.</p> <p>2) Process to be discussed and outlined by the next technical JIC discussion.</p>