

PREAMBLE

Whereas, the natural rubber industry has and continues to be the single most economically viable agricultural commodity in the Liberian economy,

Whereas, the rubber industry has demonstrated a very high degree of resilient during the civil crisis and now majority of the economic activities,

Now therefore, it is hereby enacted by the National Transitional Legislative Assembly in Legislative Assembled a Public Corporation name and styled, the Liberia Rubber Development Authority (LRDA).

ARTICLE I

It is hereby established a corporate body of the Government of the Republic of Liberia pursuant to the Public Authority Law of the Republic of Liberia, named and styled the Liberia Rubber Development Authority herein after known as (LRDA), formerly the Liberian Rubber Development Unit (LRDU), established 1978 as a technical arm under the Ministry of Agriculture by the National Transitional Legislative Assembly (NTLA) in Legislative Assembled.

ARTICLE II

The principal offices of LRDA shall be located in the City of Monrovia, County of Montserrado, Republic of Liberia, with the right to establish, maintain, and terminate any other offices and branches anywhere within the Republic of Liberia.

ARTICLE III

OBJECTIVES

The primary objectives of the Liberia Rubber Development Authority shall be:

- a. Engage in scientific research relating to all aspects of production and distribution of rubber;
- b. Engage in the rehabilitation of rubber farms;
- c. Conduct management training programs for Liberia Rubber Planters, and offer technical assistance to Liberia Rubber Planters so as to strengthen the Liberian-owned rubber industry, and aid in improvement of their product;
- d. Engage in the establishment and organization of cooperatives;
- e. Assist in the processing and exportation of rubber;
- f. Development of efficient rubber extension services

ARTICLE IV

POWER OF THE LIBERIA RUBBER DEVELOPMENT AUTHORITY (LRDA):

In addition to the powers enshrined in the Public Authority Law of the Republic of Liberia, LRDA shall have the following powers:

- a. Serve as the technical arm of the Government of the Republic of Liberia in the field of rubber;
- b. Engage in rehabilitation of rubber farms;
- c. Engage in planting/replanting of rubber farms; especially Liberian owned rubber farms;
- d. Conduct management training programs for Liberian rubber sector when expedient; and offer technical assistance to the rubber sub-sector so as to strengthen the rubber industry particularly the Liberian – owned small and medium holder sector and aid in the improvement of their product;
- e. Engage in scientific research relating to all aspects of production, processing and distribution of rubber with the sole purpose of strengthening and sustaining the rubber industry;
- f. Engage in the establishment and organization of cooperatives relative to rubber;
- g. Provides standard in the production, processing and distribution of rubber from the Republic of Liberia;
- h. Provide efficient rubber extension services; which include the establishment of research, educational and training facilities;
- i. Provide guidelines and enforce all laws and regulations relatives to the rubber industry;
- j. Seek funds locally and internationally to enable the Authority to execute its mandates;
- k. To set up a revolving fund mechanism for small rubber farmers who may otherwise be unable to obtain loan from the commercial banks.

- l. To assist Liberian rubber sector in all aspects of the production of rubber, and management of their farms;
- m. To prescribe the form of all licenses, permits, agreements and other instruments dealing with the production, processing and exportation of rubber;
- n. To control the insurance of such instruments, and determine the conditions under which they may be granted, exercised, produced, revoked or returned;
- o. To promulgate rules and regulations require to insure the accomplishment of all the policies and objectives of the Authority;
- p. To open and operate a main and subsidiary banking accounts, as well as to receive and expend monies;
- q. To commission and carry out feasibility studies;
- r. To negotiate, raise, and make loans and to benefit from Development Funds from the Ministry of Planning and Economic Affairs.
- s. To issue, amend and rescind existing rubber regulations;
- t. As a principal or in conjunction with other to operate rubber farms, tap, process and export rubber; to trade in raw, process or manufacture states and to engage in all other operations directly or indirectly connected with the trade in rubber;
- u. To make by-laws for its internal administration;
- v. To sue and be sued whenever necessary.

ARTICLE V

GENERAL REGISTRATION REQUIREMENTS FOR RUBBER FARMS, BROKERS AND EXPORTERS

The general registration requirements for rubber farms, brokers and exporters as renewable each year as are follow:

I. RUBBER FARMS

- a) From one acre to thirty acres a fee of US\$75.00 is levied.
- b) From thirty one acres to one hundred acres US\$150.00
- c) From one hundred and one acres to five hundred acres US\$300.00.
- d) Above five hundred acres US\$1,000.00

II. RUBBER BROKERS:

All Rubber Brokers must pay the amount of US\$250.00 for permit

III. RUBBER EXPORTERS:

All institutions that do not have farm or farms but are engaged solely in the exportation of rubber must paid an exporter fee of US\$1000.00 for permit.

ARTICLE VI

PENALTY FOR VIOLATION OF RULES AND REGULATION:

Any person who contravenes any rule or regulation made under count (o) of Article IV or fails to comply with the conditions made a part of any license, permit, agreement, other instrument issued or entered into any such rule or regulation for which no penalty is expressly provided in the rules and regulations is guilty of a violation and punishable by a fine not exceeding US\$500.00 (Five Hundred United States Dollars) or subject to imprisonment until the fine is paid into Government's Revenue.

ARTICLE VII

BOARD OF DIRECTORS:

- a. The policies of the Authority shall be formulated by a Five Man Board of Directors, appointed by the President of the Republic of Liberia.
- b. The Managing Director of the Liberia Rubber Development Authority shall serve as the Secretary to the Board of Directors.
- c. Quorum: The quorum of any meeting of the Board shall be a simple majority of its members.
- d. Voting By Board Members Without Meeting: The Board may by regulation establish a procedure whereby the Managing Director may obtain a vote of the Board Members on special question(s) without calling a meeting of the Board.
- e. Board Fees: The Member of the Board, in their capacity as such, shall not receive salaries, but they may receive from the Authority a Board Fee for each meeting attended.

ARTICLE VIII

OFFICERS:

- a. The Liberia Rubber Development Authority shall have the following officers appointed by the President of the Republic of Liberia;

Managing Director

Deputy Managing Director for Administration

Deputy Managing Director for Operations and

Deputy Managing Director for Planning, Research & Training

- b. All other appointments shall be made by the Management.

ARTICLE IX

COLLECTION OF REVENUE

The Authority shall be responsible for the collection of its revenues and settlement of its liabilities. 10% of its Annual Revenue be deposited with the Central Bank of Liberia for use by the Liberian Government and the remaining 90% goes to the development of the Rubber Industry in Liberia through the Liberia Rubber Development Authority.

ARTICLE X

PERFORMANCE BOND AND MINIMUM EXPENDITURE

A rubber concessionaire shall be required to deposit with the Central Bank of the Republic of Liberia an amount of One Hundred and Fifty Thousand United States Dollars (US\$150,000.00) as Performance Bond or Manager's Check in favor of the Government of the Republic of Liberia warranting that the concessionaire shall faithfully and promptly commence operations and performance of all the terms and conditions of the Rubber Concession Agreement within two years and shall within two-years period after the effective date of the Agreement between the concessionaire and the Government of Liberia spend a sum not less than US\$500,000.00 on the development of rubber and the construction

and installation of a processing plant. In addition, a concessionaire shall compensate the community with 10% of its monthly profit that is to be used to provide safe drinking water, the building of schools, clinics, recreation centers and other facilities that is to be monitored and supervised by the Liberia Rubber Development Authority. In case of breach of performance, as per the aforementioned, the concessionaire forfeits the Performance Bond/Manager's Check of US\$150,000.00 deposited with the Central Bank of the Republic of Liberia. The amount forfeited shall be used for the purpose of development of rubber within the locality of the Concession, monitored and supervised by Liberia Rubber Development Authority in collaboration with the Ministry of Planning & Economic Affairs, the Ministry of Agriculture, the Ministry of Finance, and the Central Bank of the Republic of Liberia.

ARTICLE XI

PROTECTION OF LIBERIAN OWNED RUBBER FARMERS:

No law, Executive Order, or regulation shall be passed depriving Liberian citizens of their right to own, operate and administer rubber farms.

ARTICLE XII

IMPORT DUTIES:

The concessionaire shall be granted duty free privilege for the importation into Liberia during the first 12 months upon coming into force of the Rubber Concession Agreement signed between the Concessionaire and Government of the Republic of Liberia on any equipment, machinery or similar item of a capital nature having a useful life of not more than 7 years for use in the harvesting processing, and transporting of rubber products; provided, however, that all such items to be exempted from duties quality are not obtained in Liberia. Notwithstanding, the foregoing, the period of exemption of the payment of Import Duties (12 months), shall not be granted for renewal after the expiration of the said 12 months period.

ARTICLE XIII

DURATION:

The existence of the Liberia Rubber Development Authority shall be perpetual.

ARTICLE XIV

AUDITS:

The accounts of the Authority shall be subjected to public audits by the Government of the Republic of Liberia. The accounts of the Authority shall also be audited annually by a firm of independent accountants appointed by the Board of Directors.

ARTICLE XV

REPORTS:

The Authority shall submit an Annual Report to the President of Liberia and such other periodic reports as he may from time to time require. Such reports set out in detail facts describing the operation and fiscal transactions of the Authority during the preceding year, its financial condition and a statement of all receipts and disbursements during such year.

ARTICLE XVI

FORM AND CONTENT OF RUBBER CONCESSION AGREEMENT:

In all negotiations concerning the awarding of Rubber Concession Agreement between the Government of the Republic of Liberia and a prospective concession, the Government of Liberia shall be represented by the Liberia Rubber Development Authority (LRDA), and other Government's designees.

ARTICLE XVII

GENERAL REGULATIONS:

All rubber traders, dealers/brokers, exporters, and rubber farmers shall register with the Liberia Rubber Development Authority (LRDA) and shall be in possession of Permit, License, and/or Certificate issued by the Liberia Rubber Development Authority.

ARTICLE XVIII

This Act shall take effect immediately upon publication in Hand Bills.

Any Law to The Contrary Notwithstanding.