

EXECUTIVE ORDER No. 16

**MORATORIUM ON THE EXPORTATION OF
UNPROCESSED NATURAL RUBBER**

WHEREAS, Article 5 (c) of the Liberian Constitution provides that the Republic shall take steps, by appropriate legislation and executive orders, to eliminate the misuse of government resources and all other corrupt practices; and

WHEREAS, the Liberian rubber industry has been part of the national economic heritage for over 80 years, providing the highest single source of annual revenue for the Government and providing more employment nationwide than any other single economic sector, but having been greatly affected by abuse, misuse, abandonment and especially theft as a result of the recently ended civil war; and

WHEREAS, the Liberia rubber industry has been, and continues to be, depleted by illicit tapping, observed to be increasing. In addition to having massive economic consequences on employment and Government revenue, the theft situation has major security implications throughout the country; and

WHEREAS, in order to deal with the depreciating situation obtaining in the Liberian rubber industry, the Government believes that further strategy is necessary, so that proper policies can be developed and an appropriate institutional and regulatory framework established to curb retrogression, sustain development of the industry and stimulate growth; and

WHEREAS, in the meantime, the Government believes that, in the national interest, urgent action is necessary in order to stem the current decline in the industry, and as part of this an immediate pause in the exportation of unprocessed natural rubber is required,

NOW, THEREFORE, with the intention of taking immediate steps to curb the decline in the Liberian rubber industry until appropriate policies and frameworks can be put in place to improve the situation of the rubber industry in the longer term in order to ensure redevelopment, new development, increased production, increased job opportunities and increased revenue to government, it is hereby ordered as follows:

Section 1. That from the date of this Order, there shall be no exportation of unprocessed natural rubber from Liberia until otherwise advised. Unprocessed natural rubber shall be defined as the raw material tapped from rubber trees, not having gone through any processing to change its physical or chemical composition; or natural latex, coagulum, cup lump, tree lace, bark scrap, ground scrap and any other form of unprocessed or processed natural rubber (including concentrated latex and dry rubber produced or derived from the latex produced by rubber trees).

For purposes of this Executive Order, “processed rubber” shall mean latex concentrate, technically specified rubber (“TSR”) and other dry rubber or grades of rubber that are generally considered to be processed rubber by the natural rubber industry worldwide.

Section 2. That the Ministry of Commerce and Industry, Ministry of Finance, or any other government agency shall not issue or authorize the issuance of any export permit for unprocessed natural rubber from Liberia.

Section 3. That within 30 days of the issuance of this Order, the Ministry of Commerce and Industry in conjunction with the Ministry of Agriculture shall make special effort to provide access to domestic markets for Liberian rubber farmers in remote areas who rely primarily on cross-border trade in unprocessed natural rubber.

Section 4. That all custom officers and law enforcement authorities at points of entry and exit to and from the Republic of Liberia whether by land, sea, or air shall stop and prohibit the exportation of all consignments of unprocessed natural rubber from the Republic of Liberia.

Section 5. That transporting or moving unprocessed natural rubber outside of rubber plantations between the hours of 8:00 pm and 6:00 am shall be prohibited. Individuals found transporting or moving unprocessed natural rubber during those hours shall be stopped by plant protection force or law enforcement authorities. Any persons found to be in violation of this Order shall be prosecuted by the Ministry of Justice.

Section 6:
PROCESS

RESPONSIBILITIES OF MAJOR ACTORS IN THE RUBBER BUYING

- a. **Processor:** processors may nominate a buying Agent(s) to act on behalf of and in the interest of Processor. In the instance where an agent buys stolen rubber and it is proven that a processor's agent(s) was responsible, and that said rubber was in fact sold to said processor, the processor shall be responsible to refund the value and cost of recovery to the victim.
- b. **Agent:** an agent is a person employed or engaged by a processor and who represents that processor(s) in dealings with a third person. Agents must apply for a license, subject to new requirements, through the Ministry of Agriculture. When an agent is found to be in violation of this Order by a court of law, such agent shall be banned from acting as an agent to any processor in the country. The name of such agent shall be submitted to the Ministry of Justice and placed on a list of banned agents.
- c. **Farmer:** a processor of unprocessed natural rubber who may sell his or her rubber directly to the buying agent or processor and shall not accept or sell any other farmer's rubber.

Section 7. That within 30 days of the effective Date, Government must issue Guidelines which set forth legally acceptable procedures all agents, processors, and farmers must follow for the purchase, sale, and trade of unprocessed natural rubber in Liberia. Any person found to be acting in violation of the Guidelines shall be subject to arrest and prosecution by the Ministry of Justice, in accordance with Law.

Section 8. That any and every agent must buy rubber at buying stations or at farmer's collection points. No agent shall buy any rubber along the highway, other pathways, or any other location other than at buying stations and farmer collection points. If an Agent knowingly buys rubber that the Ministry of Justice determines to be stolen, the agent must pay the victim the value of the stolen rubber and the cost of recovery, particularly if the agent did not sell or report the rubber to his or her appointing authority (the processor); or follow written instruction(s) and guideline(s) from the processor consistent with this Order.

Section 9. That as of the effective date of this Order, all broker activities relating to the purchase, sale, or trade of unprocessed rubber in the Republic of Liberia must cease

and agents shall be the only persons to act on behalf of or for a processor or to act as intermediaries between farmers and processors in transacting the unprocessed natural rubber trade.

- Section 10. That all contracts between any broker and any farmer entered into prior to issuance of this Executive Order, shall be submitted for review to a body constituted by the Government which shall include Ministry of Agriculture, Ministry of Justice and other stakeholder representatives. Within one year of the Order's Effective Date, the review body shall conduct a review and determine whether contract terms and obligations are fair and equitable, if the review body determines that a contract is inequitable, the review body shall cause such contract to be made null and void.
- Section 11. That all rubber buying stations and names of persons responsible for the operation of such stations in Liberia shall be registered with the Ministry of Agriculture. Any other unregistered and unauthorized buying station engaged in rubber trade shall be subject to seizure in accordance with law. Any person operating prohibited or unauthorized buying stations shall be subject to arrest and prosecution.
- Section 12. That under no circumstances shall a processor build or place a buying station within a five (5) mile radius of a competitor's plantation. Violation of this zone shall subject the offending party to seizure of the buying station and its assets in accordance with law, including stockpiles of unprocessed rubber which shall be turned over to the competitor plantation by the Minister of Agriculture. The Minister of Agriculture is duly empowered to administer this Order in collaboration with the Minister of Justice.
- Section 13. That while it is true that crimes committed under this Executive Order are bailable, the presiding magistrate or judge shall be required to take into account, in approving bail, the tonnage of rubber involved and the extent of damage done to the rubber tree(s). For each offense, the violator will be subject to a minimum fine of US\$1,500 per ton of stolen rubber and US\$1,500 per acre of rubber trees damaged, unless otherwise prescribed by the Liberian Penal Law.
- Section 14. That any person found to be acting in violation of this Order shall be subject to arrest and prosecution by the Ministry of Justice, in accordance with Law.

GIVEN UNDER MY HAND AND SEAL OF THE REPUBLIC
OF LIBERIA, THIS 10th DAY OF NOVEMBER, A.D 2008

Ellen Johnson Sirleaf
PRESIDENT
REPUBLIC OF LIBERIA