



FORTY-THIRD SESSION  
5-10 November 2007  
Yokohama, Japan

**DECISION 5(XLIII)**

**APPLICATION OF ARTICLE 33 OF ITTA, 1994 (RELIEF FROM OBLIGATIONS)  
TO THE GOVERNMENT OF LIBERIA**

The International Tropical Timber Council,

Aware that paragraphs (1) and (2) of Article 33 of the International Tropical Timber Agreement, 1994, "Relief from Obligations" state: "1. Where it is necessary on account of exceptional circumstances or emergency or *force majeure* not expressly provided for in this Agreement, the Council may, by special vote, relieve a member of an obligation under this Agreement if it is satisfied by an explanation from that member regarding the reasons why the obligation cannot be met," and "2. The Council, in granting relief to a member under paragraph 1 of this article, shall state explicitly the terms and conditions on which, and the period for which, the member is relieved of such obligation, and the reasons for which the relief is granted,"

Recalling that the International Tropical Timber Council, at its Thirty-eighth Session held in Brazzaville, Republic of Congo, in June 2005, recommended, in view of the dire state of economy as a result of the prolonged civil war in Liberia, that if a formal declaration was received by the Government of Liberia, of the application of *force majeure* with documented justifications, it should consider whether to apply Article 33 of the International Tropical Timber Agreement, 1994;

Acknowledging that the Government of Liberia, through the letter of the Minister of Foreign Affairs of 30 May 2006, indicated that Liberia has emerged from a prolonged conflict and experienced fourteen years of civil war, which hampered the performance of the forestry sector in meeting its financial obligations to the International Tropical Timber Organization (ITTO) and other International Organizations; referred to the possibility that the ITTO provide technical and financial assistance to Liberia's forestry sector if the debt relief is granted by the International Tropical Timber Council; and requested the International Tropical Timber Council to initiate discussion of the waiver of Liberia debt and to unconditionally waive the Government of Liberia's financial obligations to a way forward.;

Recalling also that the International Tropical Timber Council, at its Forty-first Session held in Yokohama, Japan, in November 2006, decided that the Secretariat initiate consultations with the Government of Liberia and visit the relevant authorities in Monrovia with the view to the following:

- (a) ensuring as far as is possible that a member of the Government of Liberia attends the next Council Session to provide relevant information on the debt relief request;
- (b) gathering information from the Government of Liberia that allows for the updating of the information available as a result of the ITTO Country Mission held in 2005;
- (c) determining on the basis of the contact held with Government of Liberia, the need for another technical Country Mission; and
- (d) exploring the possibility of full participation of Government of Liberia in the activities of the ITTO under the International Tropical Timber Agreement, 1994, and gathering information on the intention of Government of Liberia regarding its ratification of the International Tropical Timber Agreement, 2006;

Recalling furthermore the recommendations of the Committee on Finance and Administration at its Twenty-first Session at the Forty-second Session of the International Tropical Timber Council in Port Moresby, Papua New Guinea in May 2007, relative to the previous request by the Government of Liberia for a debt waiver for the period 1986 – 2006 in accordance with Article 33 of the International Tropical Timber Agreement, 1994; and the conclusion of the Committee that the four recommendations of the Committee on Finance and Administration at its Twentieth Session held in November 2006, Yokohama, Japan, had been satisfactorily met;

Further recalling that the Committee on Finance and Administration, at its Twenty-first Session, concluded that the provisions of Article 33 of the International Tropical Timber Agreement, 1994, are applicable to the Government of Liberia;

Noting also the recommendation of the Committee on Finance and Administration, at its Twenty-first Session, that the Government of Liberia shall become eligible for the funding of Projects and Pre-Projects, provided that its settlement of contributions to the Administrative Account is not in arrears from 2007 onwards;

Welcoming that after careful deliberations the Committee on Finance and Administration recommended to the Council at its Forty-second Session in Port Moresby, Papua New Guinea that:

- a) The interest on the assessed contributions from 1986 – 1996, total of US\$35,295.35 be waived immediately,
- b) The Government of Liberia presents a repayment plan to settle the assessed contributions from 1989-2001, and
- c) The Government of Liberia settle the assessed contributions for 2002, 2006 and 2007 prior to the Council meeting in Yokohama, Japan in November, 2007;

Recognizing the International Tropical Timber Council's desire to facilitate and solicit funding and technical assistance to Liberia's forestry sector once it reached consensus on a debt rescheduling for the Government of Liberia;

Taking note that the Government of Liberia, following the recommendations of the International Tropical Timber Council at the Forty-second Session, has settled its contributions to the Administrative Budget for the year 2002 (US\$57,200.00), 2006 (US\$67,650.00) and 2007 (US\$69,412.00), totaling US\$194,262.00;

Acknowledging also that in the period 2003 – 2005 no revenues were generated by the Government of Liberia from tropical timber trade;

Decides:

1. to confirm that, following a careful analysis of the situation concerning the obligations of the Government of Liberia in the framework of the International Tropical Timber Agreement, 1994, and taking into account the fulfillment of the requests to the Government of Liberia by the International Tropical Timber Council, the provisions under Article 33 of International Tropical Timber Agreement, 1994, apply to the Government of Liberia;
2. to reschedule the outstanding arrears for the years 1989-2005, of the Government of Liberia in the amount of *US\$ 839,143.00* as contained in the payment plan (see Annex);
3. to confirm that with this decision Liberia has become eligible for funding for Projects and Pre-Projects;
4. to restore the voting rights of the Government of Liberia upon payment of its contributions for the years 1997-2001 and for the year 2008 as specified in the attached Annex, paragraph II; and
5. to monitor the implementation of this Decision on the basis of information provided by the Government of Liberia.

**Annex**

**PAYMENT PLAN TO RESCHEDULE THE OUTSTANDING ARREARS  
OF THE GOVERNMENT OF LIBERIA TO THE ITTO ADMINISTRATIVE BUDGET**

- I. Under the conditions of Decision 7 (XXXIII) Annex I, paragraph 1 of part C, once obligations from years 2002 and beyond are settled, the total contributions of the Government of Liberia for the years 1989-1996, total of US\$379,941.00 will be written off over a period of five years;
- II. Taking into account the exceptional circumstances in Liberia as referred to above, the contributions for the years 1997-2001, total of US\$265,250.00 will be settled for 30%, total of US\$79,575.00 to be paid by the Government of Liberia in the year 2008, in addition to its contribution to the Administrative Account for 2008, upon which it will be relieved of obligations regarding the remaining contributions for the years 1997-2001;
- III. In view of the exceptional circumstances in Liberia referred to above and taking into account that from 2003-2005 no revenues were generated by the Government of Liberia from tropical timber trade, the contribution for the years 2003 – 2005, total of US\$193,952.00, will be settled for 20%, total of US\$38,790.40 to be paid by the Government of Liberia before the end of 2009, in addition to its contribution to the Administrative Account for 2009, upon which it will be relieved from obligations regarding the remaining contributions for the years 2003-2005; and
- IV. Contributions to the Administrative Account by the Government of Liberia are due on 1 January of the budget year concerned, and Decision 7 (XXXIII) provides for an opportunity to be granted a discount if the contribution is paid in full within four months of this due date.

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