



Revised National Log Export Policy

3rd Phase: 2020-2025

**Guyana Forestry Commission
November 2020**

National Log Export Policy- 3rd Phase (2020-2025)

- This recently approved Policy is the third phase of the NLEP
- Uses progressively increasing rates of export levy on specific log species
- There are specific provisions for squares and for LUS
- Will help to limit the export of the premium species in log form
- Will provide an opportunity to export more of the LUS in log form
- Will encourage the increased production of logs by all types of concessionaires since the range of exporters is now expanded

National Log Export Policy- 3rd Phase (2020-2025)

- The first two phases of the NLEP have been very successful.
- They had the desired impact of encouraging local added value activities especially in the production of more sawn lumber for domestic/export purposes
- Export of sawn timber grew from US \$ 6.2 M in 2000 to US \$ 18.4 M in 2019
- There have also been new ventures in added value inclusive of furniture manufacturing and building materials for structural applications
- The last Policy expired in 2015; it was continuously extended over the years
- However, extensive consultations countrywide were held with direct and indirect stakeholders
- These informed the revision of the NLEP which was recently approved by Cabinet

National Log Export Policy- 3rd Phase (2020-2025)

- From the Private Sector Manufacturing perspective, it assists in maintaining adequate raw material supplies for the processing sector
- From the concessionaire's perspective, it allows for managed exports of logs that help to maintain a healthy liquidity in the financial status of the concessionaires
- It is also a core aspect of revenue for the GFC
- This NLEP is based on extensive engagements over several years and presents a position that generally reflects the views of forest and non-forest stakeholders
- There will be absolutely no threat to the sustainability of Guyana's forest
- Concessionaires have to comply with all of the GFC's harvesting, processing and export guidelines

National Log Export Policy- 3rd Phase (2020-2025): Modalities

- Export levy will be computed as per the normal GFC system
- The clause of ‘only concession holders will be allowed to export logs’ **is removed** and replaced by the mechanism outlined below:
- ***“Concession Holders, Sawmillers and Timbers Dealers will be allowed to export Logs”***.
- These licensed forest operators (logger, sawmiller, timber dealer) must have an export value over the last 3 years in an amount totaling at least G\$10M (cumulatively) of forest products as assessed by the GFC.
- Prospective Exporters must have a GFC approved place of operation.

National Log Export Policy- 3rd Phase (2020-2025): Modalities

- New operators can be eligible for this facility as soon as forest products exports reach G\$10M over a period of 1-3 years.
- It is required for all legality requirements to be strictly followed and all revenues owing to GFC in term of royalties for produced and export levies to be paid.
- GFC will charge an annual license fee of US\$500 for the granting of a log export license to applicants who meet the requirements for such a license.
- The above clause does not apply for concession holders who are exporting logs **from their own leased concession**.

National Log Export Policy- 3rd Phase (2020-2025): Modalities

- All prices for exports will be verified against the FPDMC/GFC Price Advisory that is informed by average international market prices.
- Consideration may be given to companies/entities exporting squares (products with dimension 30.48 cm X 30.48 cm or 12 inches x 12 inches and greater) which are to be used without any further processing and for verified engineering end uses. These, once approved, shall attract a rate of 2%. In such cases, a request must be made to the GFC for consideration, and accompanied by contracts and other relevant documents as so determined by the GFC.
- Squares greater than 30.48 cm x 30.48 cm (12 inches x 12 inches) and which will not be used in its current state for verified engineering applications, shall attract the log export levy for the specific species.
- This Policy will be subject to an annual review if so required.

National Log Export Policy- 3rd Phase (2020-2025): SCHEDULE A

Schedule A SPECIES	Rate of Export Levy (%) Year 2020 - 2023	RATE OF EXPORT LEVY (%) –Year 2024 - 2025
Purpleheart	20	22
Locust *	20	22
Crabwood *	20	22
Red Cedar *	20	22
Washiba	20	22
Letterwood *	20	22
Snakewood *	20	22
Bulletwood	20	22
Greenheart	20	22
Brown Silverballi *	20	22

National Log Export Policy- 3rd Phase (2020-2025): SCHEDULE B

Schedule B SPECIES	Rate of Export Levy (%) Year 2020 - 2023	RATE OF EXPORT LEVY (%) –Year 2024 - 2025
Shibadan	17	20
Wamara	17	20
Tatabu	17	20
Wallaba	17	20
Tauroniro	17	20
Mora	17	20
Kabukali	17	20

National Log Export Policy- 3rd Phase (2020-2025): SCHEDULE C

Schedule C SPECIES	Rate of Export Levy (%) Year 2020 - 2023	RATE OF EXPORT LEVY (%) –Year 2024 - 2025
Simarupa	15	17
Limonaballi	15	17
Tonka Bean	15	17

An aerial photograph of a dense, green forest. A wide, reddish-brown dirt road winds through the trees, starting from the bottom center and curving towards the top right. The forest is thick and uniform in color, with a flat horizon line in the distance under a clear sky.

Thank You!

Questions and
Comments