

PRIVATE USE PERMIT CONTRACT
BETWEEN THE
FORESTRY DEVELOPMENT
AUTHORITY

THE PEOPLE OF
JO-RIVER DISTRICT

F.D.A.
P.O. Box 10-3010
Whein Town, Mount Barclay
1000, Monrovia 10 Liberia
Thursday, October 6, 2011





PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY DEVELOPMENT AUTHORITY AND THE PEOPLE OF JO RIVER DISTRICT, FOR HARVESTING OF 30,675 HECTARES OF FORESTLAND LOCATED IN RIVER CESS COUNTY, REPUBLIC OF LIBERIA

A.D. 2011, by and between the Government of Liberia, through the Forestry Development Authority, hereinafter referred to as the Authority, represented by its Managing Director, Moses D. Wogbeh Sr. and the People of Jo River District, Grand Bassa County, hereinafter referred to as Jo-River, represented by Eliza D.J. Kronyanh hereinafter collectively referred to as the Parties, hereby;

#### WITNESSETH:

WHEREAS, the Authority is statutorily responsible for the sustainable management and use of all categories of forest resources;

WHEREAS, the Citizens of Jo River District, are legitimate and bonafide owners of an aggregated land mass of 75, 798 acres/30,675 hectares of forested land by virtue of inheritance through a legitimate purchase from the Republic of Liberia;

WHEREAS, by virtue of Section 5.6 (d) (i) of the National Forestry Reform Law (NFRL) of 2006, copy of a set of duly certified Public Land Sale Deed issued under the signature of President Charles D.B. King on March 18, A.D. 1926 in proof of ownership of the subject aggregated tract of land is hereto attached and marked Exhibit "A" in bulk to form a cogent part of this contract;

WHEREAS, in further verification of the subject property, the Ministry of Lands, Mines & Energy finally gives authentication and verification to the said Jo River District Deed through a letter under the signature of Acting Assistant Minister Maxwell C.F. Gwee. Attached also is the said verification letter marked Exhibit "B" to form an integral part of this Contract;

WHEREAS, citizens including elders and youths of the above named Jo River District, Grand Bassa County, comprising, Arthur Village, Banto #1, Barlingar Village, Beozohn, Biobos, Blamajah Village, Bluen, Boe, Cepher, Chenwon, Chukpadeh, Darker, Dehsuawhynah, Dogbor, Gaihn, Ganpa, Gargar Town, Garzohn, Gbatta, Gbewrokon, Gborjoe, Gbowea, Geeyeah, Geezay, Jayebli, Joel Village, Juu Village, Kalokpeh, Kpah, Kporton, Liaplay, Mons Village, Nazohn, Neeborhn, Neepuegaye, New Juu, Pay Village, Pee, Porkor, Pourkpah, Saturday Gueh Village, Sawkon, Tarpleh, Tiah Village, Vaiyeah, Wahn, Woryonwon, Wrakon, Zeo Boapon, Zeongardeh Village and Zorko Village, have given their written consent to the appointment and selection of Eliza D.J. Kronyanh. as

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their Representative and Legal Agent to act in their behalf for the sustainable management of their forest resources.

WHEREAS, validation of the area in keeping with Section 5.6 (d) (ii) of the NFRL and Section 61 of FDA Regulation 102-07 shows that the said tract of land is un-encumbered and does not overlap with any forestry designated land use. Said validation report is hereto attached and marked Exhibit "D" forming also an integral part of this contract;

WHEREAS, Jo-River is desirous of commercializing harvestable tree species on the said accumulative tract of 75,798 acres/30,765 hectares of land;

WHEREAS, the Authority having examined Jo-River's application and the requirements of Section 5.6 of the NFRL having been met, declares Jo-River qualified for the issuance of a Private Use Permit that will allow it enter into contractual agreement with any company or corporation to earry out said commercial activities; and

NOW, THEREFORE, for and in consideration of the mutual promises and agreements herein contained, the parties do hereby agree as follows:

#### 1. Definitions

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- a. Authority: The Forestry Development Authority (FDA) erested by an Act of the Legislature on November 1, 1976.
- b. Annual Operations Plan: the plan that guides the annual operations of the Holder
- c. Chain of Custody: the path of custodianship followed by logs, Timber and wood products through harvesting, transport, interim storage, processing, distribution and export from source of origin in the forest to end use.
- d. Code of Forest Harvesting Practices: a set of standards for environmentally sound forest use prepared by the Authority
- e. Conservation: the sustainable management and protection of forest resources to achieve maximum environmental, social, economic and scientific benefits for present and future generations
- f. Forestry: the science, art and practice of conservation of forest resources
- g. Forest Resources Lieense: any legal instrument pursuant to which the Authority allows a person, subject to specified conditions, to extract forest resources or make other productive and sustainable use of forest land. This includes Forest management Contracts, Timber Sale Contracts, Forest Use Permit and Private Use Permit.

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- h. Forestland: a tract of land, including its flora and fauna capable of producing forest resources, or land set aside for the purpose of forestry, but not including land in permanent settlements and land that has been in long term use for non-shifting cultivation of crops or raising livestock.
- i. Forest Product: any material or item derived from forest resources.
- Forest Management Contract: forestry contract which covers a land area of 50,000 – 400,000 hectares.
- k. Holder: a person who holds a valid forest resources license
- Land Owner: a person who owns land by legal title
- m. Operator: a person harvesting or making commercial use of forest resources under a forest resources license, including a person working as an employee, contractor or other agent for a Holder.
- n. Pre-Felling Operations: legal requirements of the Holder before felling of logs. They include posting of required performance bond; preparation of initial annual operations plan and preparation of environmental impact assessment.
- o. Private Use Permit: a forest resource license issued by the Government to allow commercial use of the forest resources on private land.
- p. Public Use Permit: a forest resource license issued to extract forest resource from an area less than 1000 hectares.
- q. Reforestation: the establishment of a tree plantation in a previously forested area that has been affected by cutting, fire, or some other act of tree removal.
- r. Societe Generale de Surveillanee (SGS): the institution/company responsible to manage the Chain of Custody System.
- s. Timber Sale Contract: a short term forest resources license issued by the Government for a period of three (3) years that allows a person to harvest timber from a specified tract of forest land.

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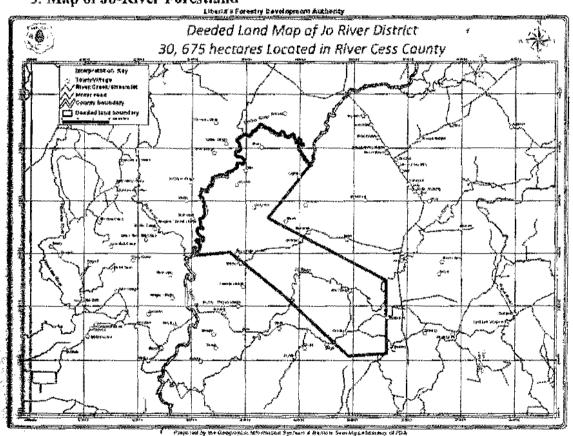
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# 2. Metes and Bounds/Technical Description of Jo-River Forest Land & Map

The boundary line of Jo-River Forest commences at the Town of Porwoh; thence a line runs Due North for 6,754 meters to a point; thence a line runs N 61° W for 17,028 meters to a point; thence a line runs N 38° E for 8,592 meters to the point on the Timbo River which forms the boundary between River Cess and Grand Bassa Counties; thence a line runs along the Timbo River in the southern direction for 40,016 meters to a point; thence a line runs N 84° E for 4,792 meters to a point; thence a line runs S 49° E for 20,073 meters to a point; thence a line runs N 86° E for 5,106 meters to the point of COMMENCEMENT, embracing 30,765 hectares of forest land and NO MORE.

#### 3. Map of Jo-River Forestland



#### 4. Contract Objective

- a. To barvest merchantable tree species from 30,765 hectares of tract of land otherwise called the Jo-River Forest Land
- b. To engage in reforestation of the area involving indigenous species
- c. To create alternative uses of the tract of land after harvesting of trees
- d. To create employment for about 250 locals of the contract area and surrounding towns and villages.

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#### Contract Duration

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The contract shall be for eighteen (18) years.

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## Chain of Custody System

In keeping with Section 13.5 of the National Forestry Reform Law of 2006 and sections (1-35) of FDA Regulation 108-07, the Chain of Custody System will apply during the life and implementation of this contract. The system so established for the tracking of logs, timber and wood products from forest to processing and then to domestic or foreign market shall be managed by Societe Generale de Surveillance (SGS) using SGS/Helveta equipment and software as provided for by section 3.2 (3) of the Chain of Custody System Management Contract of 20074

### Land Rental & Stumpage Tax

Consistent with Section 5.7(b) of the National Forestry Reform Law of 2006, the Company shall not be charged to pay land rental tax. However, stumpage shall be paid consistent with Section 5.7 (c) of the National Forestry Reform Law and also consistent with Section 22(b) of Regulation 107-07.

#### 8. Other Fees & GOL Taxes

All other fees and GOL Taxes levied on the project shall be consistent with the Revenue Law of Liberia and FDA Regulation.

# 9. Pre-felling Date

Before Company is certified for felling, all pre-felling operations including the following must be completed:

- a. Posting US\$50,000.00 performance bond
- b. Submission of initial annual operations plan
- c. Environmental Impact Assessment
- d. Social Agreement

#### 10. Employment

Recruitment and employment by the Company shall be consistent with Labor Law of Liberia and International Labor Organization.

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#### Termination

This contract shall be terminated if the company upon notice of breach of any term of this Contract fails to remedy said breach within a period of (60) sixty days.

# 9. <u>Force Majeure</u>

In the event of force majeure, which causes either party from meeting its obligations herein stated, the Contract shall be suspended as long as the force majeure continues.

# 10. Duty of Care

The Authority shall ensure that the Company maintains environmental quality of the cutting area and comply with all other conditions eonsistent with the Liberia Code of Harvesting Practices to include:

- a. Water course protection
- b. Erosion prevention
- c. Prevention of pollution to rivers, streams and other waterways by disposal of wastes
- d. Prevention of fire disaster

The operation shall also be in conformity with international conventions to which Liberia is a party. They include: the Convention on Biodiversity, the International Tropical Timber Agreement, the United Nation Framework Convention on Climate Change, the United Nations Convention to Combat Desertification, the Convention on International Trade in Endangered Species and the RAMSAR Convention on Wetland Management

# 11. Governing Laws

In effecting this Contract between the Corporation and the Authority, the relevant Laws of Liberia including but not limited to the National Forestry Reform Law and regulation governing Chain of Custody will prevail.

# 12. Binding Effect

This Agreement is binding on the parties, their successors-in-office as if they were physically present at execution of this instrument.

In witness whereof, we have affixed our signatures on the day and date first mentioned above.

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# FOR THE AUTHORITY

Witness

Approved:

Moses D. Wogbeh, Sr. Managing Director

FOR THE CITIZENS OF JO-RIVER RIVER DISTRICT

Witness

za D.J. Kronyanh

M Florence Chenowelly Chairman-FDA Board of Directors

# JO-RIVER ADMINISTRATIVE DISTRICT RIVERCESS COUNTY, LIBERIA

August 5, 2011

Hon. Moses D. Wogbeh, Sr. 1
Managing Director
Forestry Development Authority
When Town, Paynesville City
Republic of Liberia

Dear Hon. Wogbeh:

We apply on behalf of the People of Jo-River District to your office for a Private Use Permit (PIP) to harvestable trees on our private deeded land. We enclose our private deed for your enforcements.

Stricerely yours,

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# ELA I INVESTMENT CORPORATION

P.O. Box 1922 Corner of Clay & Carey Streets Monrovía, Liberia

Cell # 06513-241

March 5, 2009

Hon. Moses D. Wogbeh, Snr.

Managing Director

Forestry Development Authority (FDA)

Whein Town, Mount Barclay

LIBERIA

WESTAFRICA

#### Dear Hon. Director:

We are delighted to inform you that the citizens including the Superintendents, Representatives, and Commissioners of Jo-River District and Deegba Clan in District #3, met in a citizens meeting for the soul purpose of discussing the possibility of granting <u>EJ & J Investment Logging Company</u>, a registered company operating under the Laws of the Republic of Liberia, the right to sustainably manage and exploit the forest on their deeded land.

How Director, after lengthy deliberations, it was agreed that the above companies be given the right to make said forest in their beloved County. In reaching this conclusion Hon. Wogbeh, we were mindful and also took into consideration that your institution through the Government of Liberia awarded Private Use Permis in various parts of Liberia in line with the New Forestry Law of Liberia of 2006.

Assist this backdrop Hon Director, we are submitting a legal documentation, including deeds and technical locations of said forest to your good offices for the purposes of issuing our company a Private Live Purp), in consonance with the New National Forestry Law of 2006 and Community Rights

The six advance for your continued understanding

Sixcerely yours

Mrs. Ekza D.J. Kronyanh

PKESIDENT & CEO

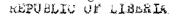
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TO ALL WHOM THESE PRESENTS SHALL COME: whereas it is the true policy of this Government to induce the Aborigines of this Country to adopt Civilization and to become loyal citizens of this hepublic and whereas one of best means thereto is to grant lands in fee simple to all those showing themselves fit to be Extrasted with the rights and duties of full citizenship as voters. ant whereas Aughneehich Karvelevan, Bordy Doebah and meah Chartue and citizens of Gberohn Section, Jo-River Wistrict Grand Bassa County, Republic of Liberia have shown themselves to be people Tit to be entrusted with said rights and duties, Now therefore, from yet That I Charles U.S. King, President of Liberia, for and in consideration of the various autres of citizenship thereafter to be legally performed by the said Zuahngehbeh Maryeleyah, Bordy sockeh and Weah Chartue and Citizens their heirs, executors, administrators or assigns forever all that piece or parcel of land situated Iring and being in Gbeschn Section, Jo-River District Grand Basse Sounty and bearing in the authentic records of said County the ber Bleck 3 and bounded and described as follows - Commencing the Northeastern corner of the adjoining block two, thence Francing North 10 degrees sast 300 chains along block Six to a point reser blook four, thence running North 80 degrees west 115 chains along said block four to a pointon the bank of Timbo Kiver, thence meeding said river to the mestern point of block two on said kiven hear, thence turning angle South 80 degrees 19st 115 whains parawith block two to the place of commencement and containing 13000 acres of land and no more. To HAVE AND TO HOLD the above granted premises together with all and singular the buildings, impro rements and appurtenances thereof and thereto belonging to the said Eachngehoeh Karyeleyah, Bordy Joebah, meah Chartue and Citizens <u>their heirs, executors, administrators ur assíras furever, And 🤇 </u> I the said Charles v.B. King President as aforesaid, for myself end my successors in Office do covenant to and with the said

o<del>na dispers</del>any (12),

Zuahngehbeh Karyeleyah, Bordy Poebah, Weah Chartue and Citizens their heirs, executors, administrators or agaigns that at and the ensealing hereof I the said Charles U.B. King pracident as aforesaid by virtue of my Office had right and lawful authority to convey the aforesaid premises in fee simple and I the said Charles J. d. King president aforesaid and my successors in Office will forever warrant and wefend the said Zuahngehbeh Karweleyan, Bordy woebah, weah Chartue and Citizens their heirs, executors, administrators on assigns, against soy person or persons laining bay part of the above granted premises. IN WITHESS IMBRENE 1 the said J.D. B. King President of Diberia have hereunto set my hand and caused the Seal of the Kepublic to be affixed this 18th day of March A. J. 1926 and of the Republic the 79 year. sgd. Charles u. B. King President T N a M a c n U u h a ABORIGINES GRANT from the Republic of Liberia to Zushngehbeh Karyeleyah, Bordy Voebah, beah Chartue and Ditieens Lot Nov 3 situated in Gbezohn Section, Jo-River District, Grand Bassa County "Let this be Registered" and, t.J. norrell, Judge, Pro. Hiv. Off. Crt. Grand Bassa County, Probated this 26th day of March A. U. 1926 sed. William C. H. Shelton, Clerk of said Jourt, Grand Bassa County, Registered according to law in Yol. 16 pages 75-77, Annie & Benson Registrar of Deeds, Crand Bassa County.

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# REPUBLIC OF LIBERIA MINISTRY OF LANDS MINES & ENERGY 6.0. BOX 10-9024



1000 MONROVIA 10, LIBERIA, WEST AFRICA TEL.: (231) 226-858, FAX: (231) 226-281

Thursday, September 29, 2011

Hon. Moses D. Wogbeh, Sur Managing Director Forestry Development Authority Whein Town, Mount Barclay Monrovia, Liberia

Dear Hon. Wogbeh:

We write to present our compliments, and acknowledge receipt of your letter dated 27<sup>th</sup> September 2011, requesting the Ministry of Lands, Mines & Energy to review, verify and authenticate deeds pertaining to Jo-River District and Deegba Clan; we are pleased to furnish you with the results derived.

Hon. Wogbeh, after carefully plotting, analyzing and field verification by County and Resident surveyors, it was observed that the documentations submitted to the Ministry were all found correct, thus permitting the Forestry Development Authority to proceed with the granting of Private Use Permit in the interest of the people of the above communities.

Hon. Wogbeh, we requests that all field verification conducted by your institution must include County or Resident surveyors in consultation with the Ministry of Lands, Mines & Energy in-order to avoid un-necessary delays.

Thanks for your kindness.

Kind regards.

Very truly yours,

Hon. Maxwell C. F. Owler

Acting Assistant Minister/DLS&C

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# Forestry Development Authority P.O. Box 10-3010



Elise Saliby's Compound Kappa House, Congo Town Monrovia, Líberia

# **MEMORANDUM**

TO:

Moses D. Wogbeh, Snr.

Managing Director

Forestry Development Authority

THROUGH:

John D. Kantor, Snr. 5

Technical Manager/R&D

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FROM:

Acting Manager/GIS & RS

SUBJECT:

Verification of Jo-River District Deed and Deegba Clan Forest

DATE:

October 16, 2009

#### Background

Predicated on a communication under the signature of Mrs. Eliza D.J. Kronyanh, President and Chief Executive Officer, EJ & J Investment Logging Company requested an authentication of a tribal deeds, diagrams and locations of the above properties situated and lying in Grand Bassa County. A team of technicians from the FDA was mandated to visit said properties for detail ground truthing, capturing of deed land marks and sightseeing of the area for management's reaction.

In light of the above, thematic maps were prepared for various localities using GIS desk studies and validation concluded by sending two surveyors and two Global Positioning System (GPS) operators, traveled to the land under consideration to conduct a joint ground truthing exercise of the area along with Messrs. Prince P. Mentoe and PA Jackson, company representatives and the tribal people.

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#### Field Patrol

During the period June 1-12, 2009, the joint team patrolled a significant portion of the area and gathered detail information relating to ongoing multiple uses of the area, types of vegetation, topology, and livelihood of the community dwellers within the parameters of the forest.

#### Findings

Following an intensive tour by the team they observed and authenticated that:

- The area directly falls within Bour Tarr, Gono Tarr, Kayah, Gbarsaw, and Deegba Clans.
- The Deegba Clan forest is 105 kilometers away from the port of Buehanan and is highly assessable for the exportation of round logs.
- The Jo-River forest is 89 kilometers away from the port of Buchanan and is highly assessable for the exportation of round logs.
- ▶ Indeed both forests (Jo-River and Deegba) don't overlap with any Protected Area, Proposed Protected Area, Forest Management Contract or rectified Community Forests.
- ➡ Both forests (Jo-River and Deegba) are un-encumbered but indeed occupied by few miners
- ▶ Large portion of the area under investigation consists of primary forest while at least five percent is totally degraded.
- ➡ Technically, the description in the Metes & Bounds on all the deeds are correct
- ▶ Indeed it was observed on the grounds that the forest in Jo-River District is larger than what is stipulated in the deed.
- ➡ The forests area approximately ten (10) kilometers away from the boundaries of Liberia Tree & Trading Corporation and EJ & J Investment Corporation concessions in River Cess County
- The Jo-River District forest falls within LAC (Liberia Agriculture Company) eoncession.
- ➡ The forests are truly located in Whragba Clan, District # 3B and Ghartu area.

#### Recommendation

In view of the verification and confirmation of documents for this area by the Forestry Development Authority, we herein recommend that.

- ♣ That the deed be forwarded to the Ministry of Lands, Mines & Surveys for authentication. After authenticating the and found legitimate, the FDA should perform the below activities:
- ♣ As per National Forestry Reform Law (NFRL) of 2006 provision in chapter five section 5.6, we therefore recommend that FDA Management issue a

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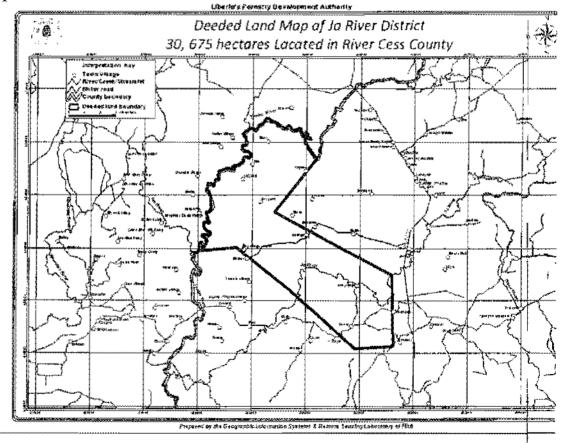
<u>Private Use Permits</u> totaling 35,500 hectares or 87,720.5 access of the above districts in compliance with all relevant requirements of this section (particularly section 5.6 c (i,ii,iii) and d (i,ii,iii,iv,v,vi) respectively.

Forestry Development Authority requests the companies representing the communities to demarcate their deeded land property boundary lines to avoid possible trespass cases.

# Technical Description of Jo-River Forest Land & Map

The boundary line of Jo-River Forest commences at the Town of Porwoh; thence a line runs Due North for 6,754 meters to a point; thence a line runs N 61° W for 17,028 meters to a point; thence a line runs N 38° E for 8,592 meters to the point on the Timbo River which forms the boundary between River Cess and Grand Bassa Counties; thence a line runs along the Timbo River in the southern direction for 40,016 meters to a point; thence a line runs N 84° E for 4,792 meters to a point; thence a line runs S 49° E for 20,073 meters to a point; thence a line runs N 86° E for 5,106 meters to the point of COMMENCEMENT, embracing 30,765 hectares of forest land and NO MORE.

## Map of Jo-River Forestland

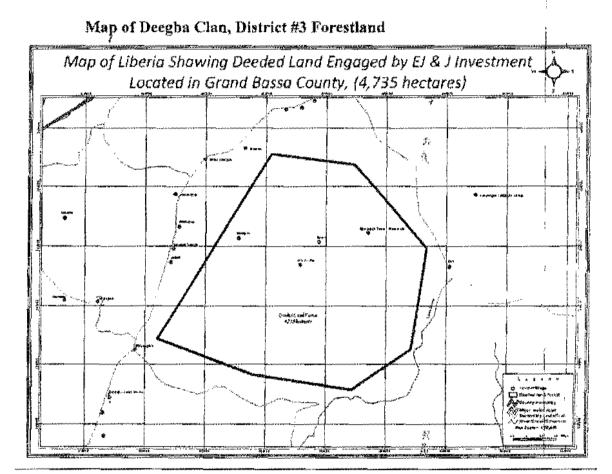


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# Technical Description of Deegba Forest Land & Map

The boundary line commences at a point near the Town of Bargeegiah, thence a line runs N 31° E for 7,253 meters to a point; thence a line runs S 83° E for 2,792 meters to a point; thence a line runs S 41° E for 3,715 meters to a point; thence a line runs S 8° W for 3,480 meters to a point; thence a line runs S 55° W for 2,403 meters to a point; thence a line runs N 82° W for 3,301 meters to a point; thence a line runs N 69° W for 3,425 meters to the point of commencement, containing 4,735 hectares of land and NO MORE.



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