

Forestry Development - Authority - &

FDA.

PO Box 10-3000

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March 16, 2011





PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY DEVELOPMENT AUTHORITY AND THE PEOPLE OF CAMPWOOD/GHEEGBAHN DISTRICT, GRAND BASSA COUNTY, FOR THE HARVESTING OF 51,472 HECTARES OF FORESTLAND

WITNESSETH:

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

WHEREAS, the People of Campwood/ Gheegbahn District are legitimate owners of a tract of forestland of 274,060 acres/110,910 hectares 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 duly certified Public Land Sale Deed issued on the 20th day of October A.D. 1929 and probated on the 7th day of January A.D. 1930 under the signature of President Charles D.B. King, in proof of ownership of the subject tract of land is hereto attached and marked Exhibit "A" to form a cogent part of this Permit;

WHEREAS, in further verification of the subject property, the Ministry of Lands, Mines & Energy finally gives authentication and verification to the said Campwood/ Gheegbahn 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, 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 suitable for commercial forestry. Said validation report is hereto attached and marked Exhibit "C" to form also an integral part of this contract;



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WHEREAS, Campwood/ Gheegbahn is desirous of commercializing harvestable species of trees on 127,189 acres/51,472 hectares of the subject tract of land herein described;

WHEREAS, the Authority having examined Campwood/ Gheegbahn's application and the requirements of Section 5.6 of the National Forestry Reform Law having been met, declares Campwood/ Gheegbahn qualified for issuance of a Private Use Permit that will allow it enter into contractual agreement with a company or corporation to carry out commercial or agricultural activities:

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

1. Definitions

- a. Authority: The Forestry Development Authority (FDA) created 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.
- 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.



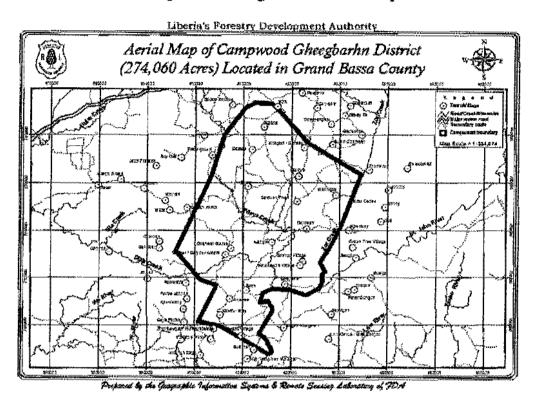
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- j. Forest Management Contract: forestry contract which covers a land area of 50,000 400,000 hectares with duration of twenty five (25) years.
- k. Holder: a person who holds a valid forest resources license
- 1. Land Owner: a person who owns land 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 bectares.
- 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 Surveillance (\$G\$): 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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Campwood /Gheegbarhn District Map



2. Metes and Bounds/Technical Description of Campwood/ Gheegbarhn District Land Map

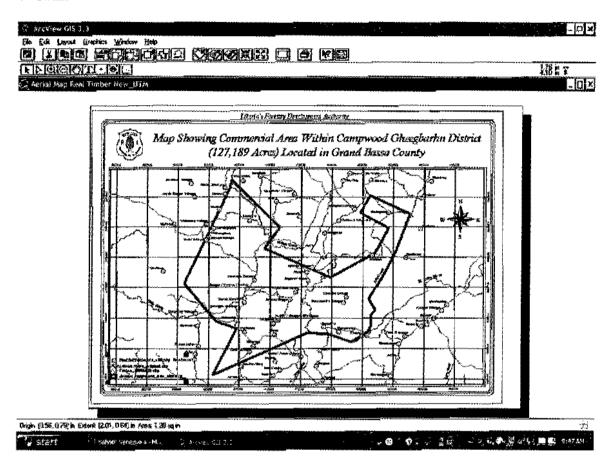
Camp Wood/Gheegbarn District land area lies within Latitudes 6° 18'0"-6° 42'0" North of the Equator and Longitudes 9° 36'0"-9° 48'0" West of the Greenwich meridian and it is located in Grand Bassa County-L I B E R 1 A.

The houndary line of Camp Wood/Gheegbarn District commences at the confluence of the Zor Creek and the Saint John River; thence a line runs along the Saint John River in the Northern direction for 26,688 mcters to a point; thence a line runs N 59° W for 13,135 mcters to a point; thence a line runs N 42 W for 11,304 meters to a point; thence a line runs N 88° W for 3,710 meters to a point; thence a line runs S 59° W for 2,254 mcters to a point; thence a line runs S 37° W for 7,095 meters to a point; thence a line runs S 17° W for 8,862 meters to a point; thence a line runs S 25° W for 17,525 meters to



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a point; thence a line runs S 40° E for 8,006 meters to a point; thence a line runs S 72° E a line runs S 78° E for 4,719 meters to a point; thence a line runs S 60° E for 11,676 meters to the point on the saint John River; thence a line runs along the Saint John River in the Northern direction for 30,493 meters to the point of commencement, (confluence of the Zor Creek and the Saint John River) embracing 274,060 acres of land and NO MORE.



3. Metes and Bounds/Technical Description of Harvestable Area of 127,189 acres

The boundary line commences at the confluence of the Zor and the Saint John River; thence a line runs along the Zor River in the Northern direction for 21,102 meters to a point; thence a line runs N 65° W for 7,453 meters to a point; thence a line runs S 27° W for 3,270 meters to a point; thence a line runs S 61° E for 5,218 meters to a point; thence a line runs S 27° W for 4,690 meters to a point; thence a line runs S 60° W 8,299 meters to a point; thence a line runs N 66° W for 11,783 meters to a point; thence a line runs N 35° E for 4,297 meters to the point, thence a line runs N 45° W for 11,149 meters to a point S 17° W for 1,404 meters to a point, thence a line runs S 25° W for 17,525 meters to a point; thence a line runs S 40° E for 8,006 meters to a point; thence a line runs S 72° E for 3,567 meters to a point; thence a line runs S 60° E for 16,634



meters to the point on the Saint John River; thence a line runs along the St. John River in the Northern direction for 11,541 meters to the point of commencement (confluence of the Zor and the Saint John Rivers), embracing 127,189 acres of land and NO MORE.

4. Contract Objective

- a. To harvest merchantable tree species from 51,472 hectares of tract of land otherwise called the Campwood/ Gheegbarn 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; To create employment for about 300 or more locals of the contract area and surrounding towns and villages.
- d. In order to intervene in the welfare of the citizens of Campwood/ Gheegbarn and to aid in poverty reduction in the District, Campwood/ Gheegbarn undertake to cause the following to be done: (a) Construct schools, (b) clinic, (e) market building, (d) re-conditioning and construction of feeder roads and (d) Provide tertiary scholarships for some qualified eitizens of Gheegbarn.

5. Contract Duration

The contract which by definition is an FMC by virtue of its size shall be for twenty-five (25) years.

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 2007.

6. 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 (e) of the National Forestry Reform Law and also consistent with Section 22(b) of Regulation 107-07.



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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.

8. 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 linpact Assessment

9. Employment

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

Termination

10.

7.

This contract shall be terminated, as required by law, 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.

11. Force Majeure

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.

12. Duty of Care

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

- a. Water course protection
- b. Erosion prevention
- 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



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Change, the United Nations Convention to Combat Desertification, the Convention on International Trade in Endangered Species and the RAMSAR Convention on Wetland Management

10. 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 and executed this agreement.

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



FOR THE AUTHORITY

Witness

Approved:

Moses D. Wogben, Sr. Managing Director

FOR THE PEOPLE OF CAMPWOOD/ GHEEGBAHN DISTRICT

Probert Georgan

Elder Robert Gborgan

Elder Isaac Wlehyu

Warnelsmag. King f

Rev. S.W. Saudy Kahn Eminent Elder

Kerkula Gbarnga-Bolue

Paramount Chief

P. Mary Roy Strang Kalis

Jefferson Zoegbah

Chairman/District Development Association

Approved:

Florence Ehenowehi \ Chairman-FBABoard of Directors

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GHEEGBRAHN ADMINISTRATIVE DISTRICT

Forest Management Committee (FMC)

Glapkon Statutory District #2 'B' Grand Bassa County Republic of Liberia

Hon. Moses Wogbeh
Managing Director
Forestry Development Authority (FDA)
Kappa House
Elle Saliby Compound, Congo Town
Monrovia, Liberia

October 4, 2010

RE: REQUEST FOR RRIVATE LAND USE PERMIT

Dear Hon. Wogbeh:

We the citizens of Gheegbrahn Administration District #2 'B' within Glakon Statutory District, Grand Bassa County, represented by our civil and traditional leaders, Elders, Chiefs, zoes, youths Opinion leaders and the Gheegbrahn District Development Association (GHEDA) Inc, has commenced negotiations with the companies for the extraction logs from our Gheegbrahn district forest area.

Under the arrangement, we intent to relinquish all rights and privileges to partners with whom negotiations are pending for the purpose of carrying on full logging activities on 49.999 Hectares of forest land owned by us.

Accordingly, we request that the FDA grants the district a Private Land Use Permit, (PUP) under the amended Forestry Law of the Republic of Liberia, to give Partners, the authorization to commence with logging activities in the community forest.

Jefferson Zoegbah

Rev A.W. Shirdy Kahn

George B. Doegar

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REPUBLIC OF TRANSIT

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REPUBLIC OF LIBERIA MINISTRY OF LANDS MINES & ENERGY P. O. BOX 10-9024

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



December 13, 2010

Hon Kederick F. Johnson Acting Managing Director Forestry Development Authority (FDA) Monrovia, Liberia

Dear Hon. Johnson:

We write to present our compliments, and to acknowledge receipt of your latter dated 10th December 2010, Ref. No. FDA/AMD/170/2010/-2 requesting the Ministry of Lands. Mines & Energy to review, verify and authenticate deeds pertaining to Camp Wood District and Marble Clan; Grand Bassa County.

Sir, after carefully plotting, analyzing and field verification by our Resident County Surveyor, it was observed that the documentations submitted to the Ministry were all fourid correct and that there are no rival parties to the Properties.

In so doing, this Ministry advices the Forestry Development Authority to proceed in granting the PRIVATE USER PERMIT to the people of Camp Wood/Gbegbarn District, Grand Bassa County.

Thanks for your patience and we regret the delay of this communication due to conditions that were beyond our control.

Kind regards.

Sincerely yours,

Hon. Maxwell C.F. G

Acting Assistant/Ministry/DLS&C



Forestry Development Authority P.O. Box 10-3010



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

MEMORANDUM

TO:

Moses D. Wogbeh, Snr.

Managing Director,

Forestry Development Authority

FROM:

John D. Kantor, Snr. 😿

MTechnical Manager/R&D

Towon Nyenty_

Acting Manager 615 & Remote Sensing

Subject:

Campwood Deeded Land Validation Report

DATE:

March 4, 2011

<u>Background</u>

Predicated on a written communication under the signature of Elder/Attorney In Fact; Rev. Saudy Kahn, Chief Elder, Camp Wood Chiefdom, requested an authentication of a tribal deed, diagram and location of Campwood Gheegbarhn's property situated and lying in Northern Grand Bassa County.

A team of technicians from the FDA was mandated to visit Campwood Gheegbarhn property for detail ground truthing and the capturing of land marks and sight seeing of the area for FDA's management re-action. In light of the foregoing, FDA's Chief Surveyor Edward M. Shoh, Snr. and GPS Operator Daniel G. Teah, traveled to the area under investigation to capture the coordinates of Campwood Gheegbarhn Deed commencement/Starting point so as to enable the FDA's Laboratory analyze the deed.

Field Patrol

During the period August 13th-19th, 2010, the joint team patrolled a significant portion of Campwood Gheegbarhn perimeters and gathered detail information relating to on going multiple uses of the area, types of vegetation and livelihood of community dwellers within the parameters of the forests.

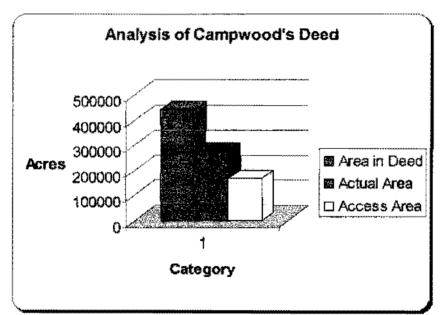


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Findings

Following an intensive tour by our technicians I observed and authenticated that:

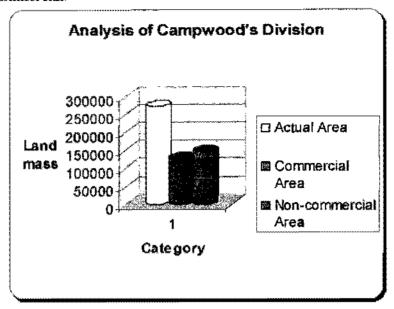
- The Technical description/Metes & Bounds of Campwood Gheegbarhn deeded land property was plotted and verified on the grounds using high precision gadgets by Messrs. Shoh and Teah;
- Campwood's commencement/starting point in the deed is (Poin/Poineer creek), marked on the surface of the Earth Latitudes 0423474 and Longitudes 0738311.
- After plotting the bearings and distances on the deed with captured coordinates, it was observed that 100% of Campwood's deed fell into Bong County rather than Grand Bassa County,
- ▶ Indeed the Campwood deed is a bit larger than the actual size on the ground;
- Our analysis prompted the court in Grand Bassa County to order the Ministry of Lands, Mines and Surveys to prepare a Certificate of Correction of Deed; Resident Surveyor David R. Blaye, Snr. corrected the deed in closed consultation with FDA GIS Laboratory;
- Deed submitted to FDA had the total land mass of 442,000 acres, corrected deed from the Ministry of Lands, Mines & Surveys 270,060 acres.



- From our analysis, the corrected Campwood Gheegbarhn District deed does not overlap with Protected Area, Proposed Protected Area, Forest Management Contract or Timber Sales Contract but rather overlapped with a proposed community forest designated as the result of the Land Use Suitability studies;
- The geographic coordinates captured within Campwood's by FDA's technicians was later compared with the validation report and coordinates of the Ministry of Lands, Mines and Surveys, which proves that both institutions did a professional job;



After conducting series of comparative vector analysis, FDA's GIS & RS Laboratory divided Campwood's land area into two (2) unequal portions as requested by Campwood's representatives. Portion A is commercial & portion B is non-commercial.



- Campwood's Gheegbarhn deeded land is 105 miles away from Monrovia by way of Kakata City, Salala, Totota and Gbonkonima.
- A proposed Community Forest situated and lying between Grand Bassa and Margibi Counties overlapped with Campwood Gheegbarhn District; the total overlapped is 35,071 acres or 55 square miles.
- According to our remote sensing data using space application, 37.02% of the total land area of Campwood District is forested while the balance 62.98% is degraded and is suitable for agriculture purposes
- The area is the home of some protected wildlife animals species
- Topographically, the entire land mass of Campwood deed submitted to FDA is relatively flat with few major water ways.
- The areas are truly located in Northern Grand Bassa County.

Recommendation

In view of the verification and confirmation of these documents by the Forestry Development Authority, coupled with our ground truthing, we herein recommend that:

♣ That the deed be corrected and re-validated by the Ministry of Lands, Mines & Surveys, with a new field geographic coordinates to enable FDA surveying crew conduct a cadastral survey. After re-authenticating the deed and found legitimate, with coordinates of perimeters provided to FDA GIS Laboratory, 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 <u>Private Use Permit</u> for Gheegbarhn Tribal Land totaling <u>270,060 acres or 109,292 hectores</u> to the people of Grand Bassa County in compliance with all relevant requirements of this section (particularly section 5.6 c (i. ii, iii) and d (I, ii, iv, v, vi) respectively.
- That the overlapped area between Grand Bassa and Margibi Counties be subtracted or erased from Campwood Gheegbarhn deeded land property to avoid conflict or overlap.

TEAM MEMBERS

- John D. Kantor, Sr.
 Technical Manager, Research & Development/FDA
- Torwon T. Yantay: Acting Manager, GIS & Remote Sensing /FDA
- Edward M. Snoh, Sr. Chief Surveyor/FDA
- 4. Daniel G. Teah: GPS Operator/FDA

Cc/
AMDA
Law Office
TM Research & Development
TM Commercial Department
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Private Use Permit