

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE BLEI JOINT COMMUNITY FOREST MANAGEMENT BODY
AND
ARCELORMITTAL LIBERIA
CONCERNING THE CONSERVATION, PROTECTION AND MANAGEMENT OF THE BLEI
COMMUNITY FOREST**

This Memorandum of Understanding (MOU) is entered into on this 2nd day of January 2023 by and between the Blei Community Forest Management Body ("Blei CFMB") and ArcelorMittal Liberia ("AML").

AML and Blei JCFMB are hereinafter referred to collectively as "the Parties" and individually as a "Party".

WHEREAS:

- A. Blei Community, by and through Blei JCFMB, entered into a Community Forest Management Agreement (CFMA) with the FDA whereby the FDA granted the community the right to manage the Blei Community Forest ("the Forest") for a period of fifteen years, commencing on the [2nd of January 2023. The boundaries of the Forest are as shown on the plan attached as Annex 4 (Map of the Blei Community Forest) to this MOU.
- B. the Blei Community Forest comprises the Nimba range which is classified as a global biodiversity hotspot and is internationally recognized as one of the most important areas in Africa for conservation.
- C. ArcelorMittal holds a Mineral Development Agreement (MDA) granted by the Government of Liberia over selected mines in Liberia, including the Nimba range which falls within the Blei Community Forest.
- D. The MDA requires the provision of corporate responsibility by ArcelorMittal, which ArcelorMittal believes includes supporting sustainable natural resource management, including leaving a legacy of wise planning and capacity to manage the resources to the benefit of Liberia over the long term and over geographic areas that extend beyond the direct project footprint.
- E. ArcelorMittal has initiated its Biodiversity Conservation Programme (BCP) with the goal of minimizing the environmental impact caused by its mining of ore.
- F. The BCP's principal focus is on the conservation of the terrestrial biological environment (soils, plants, and animals) through measures that are technical or socio-economic according to the needs perceived by the stakeholders involved.
- G. ArcelorMittal wishes to support the Blei JCFMB to manage its Forest including the Community Forest in an environmentally sustainable manner and to meet its responsibilities under the Forest Management Agreement and as stated in the Community Rights Law with Respect to Forest Lands 2009.
- H. The Parties have met, negotiated and agreed the terms and conditions under which ArcelorMittal will provide support to the Blei JCFMB to enhance sustainable management of the Blei Community Forest.

NOW THE REFORM, the Parties agree to work together as follows:

1. PURPOSE AND SCOPE

This MOU outlines a collaborative agreement to promote the conservation and protection of the remaining Blei forests that borders the East Nimba Nature Reserves. The purpose of this MOU is to strengthen the protection of the entire Blei Forest including the Blei Community Forest of East Nimba by:

- A. Empowering the Blei JCFMB to implement strategies to ensure that illegal hunting, farming, encroachment, unsustainable resource use and damaging land practices are monitored and restricted to avoid and minimize loss of forests and biodiversity in coordination with the FDA.
- B. Complement and support existing enforcement and protection activities of the FDA. This includes supporting a network of Community Forest Guard teams, working closely with local communities and monitoring, recording, and reporting of activities in and around the Blei Community Forest.
- C. Monitoring by Community Forest guards ("Community Forest Guards") of ArcelorMittal Liberia Camera traps during patrols to make sure they are not vandalized by criminals.
- D. The Blei Community Forest, having been set aside purposely for conservation, working closely with communities bordering this forest to make sure it is only used as a conservation forest and not for different purpose.
- E. Encouraging and expecting the Blei JCFMB to take full initiative to work closely with communities to organize and implement community level land use planning through a zoning process. The Forest will be demarcated and within the Forest certain areas will be set aside, as areas where the harvest of medicinal and non-forest products and farming activities are prohibited.

2. STATEMENT OF MUTUAL BENEFIT AND INTERESTS

The Parties agree that the Blei Community Forest is part of the remaining forest bordering the East Nimba Nature Reserve is extremely important with regard to conserving biological diversity at local, global and international levels. Loss of Liberia's biodiversity will jeopardize the future development of the country and is of regional and international concern because Liberia contains the largest remaining portion (around 42%) of the Upper Guinean Forest in West Africa. Both Parties are aware that the remaining forests bordering the East Nimba Nature Reserve towards the end of the Guinea-Ivory Coast border are seriously threatened by unregulated hunting and poaching, destructive land practices, unsustainable natural resource use and continuing unchecked encroachment.

Both Parties recognize the need for an effective program of enforcement and education at community level to protect the forest and its resources for future generations. The conservation and management of the Blei Forest, including the Blei Community Forest, will help maintain and protect economic and socio-cultural values of Liberia's biodiversity and ensure that local communities can continue to benefit from their natural resources now and in the future. It will also help to protect the remaining ideal forest use as home for the Chimpanzees and Nimba Otter Shrew populations all the way to the Guinean – Ivorian borders.

The Parties note that Liberia is party to the following international conventions – i) Convention on International Trade in Endangered Species, ii) the Convention on Biological Diversity (CBD) and such actions outlined in this MOU are in accordance with the requirements of Article 8 (c), (d) and (e) of the CBD. – and national environmental instruments relevant to the conservation, protection and sustainable use of Liberia's forest resources, namely the Community Rights Law (CRL) with Respect to Forest Lands (2009), the National

Environmental Policy of Liberia, the Environment Protection and Management Law (EPML), the National Biodiversity Strategy Action Plan (NBSAP) and the FDA Forestry Policy which aim to balance community, conservation and commercial uses.

The Parties acknowledge their shared responsibility for the conservation and management of the Blei Forest in East Nimba, and are conscious that concerted, coordinated action must be taken immediately to address the threats posed to the Blei Community Forest and its surroundings. The Blei JCFMB and AML agree to work closely together to improve the conservation status of the Blei Forest in East Nimba on which the local communities and the country depend. AML will provide reasonable financial support for the annual operational budget of the Blei Forests including the Blei Community Forest. In exchange, the Blei Community Assembly, Inc. will commit to manage the Blei Community Forest to achieve specific conservation targets.

3. IMPLEMENTATION ACTIVITIES AND RESPONSIBILITIES

Based on the acknowledged mutual benefits as set forth herein and in a spirit of mutual understanding and co-operation, the Parties hereto agree to the following actions and individual responsibilities under this MOU:

A. Blei JCFMB shall:

1. Conserve the Blei Forests including the Blei Community Forest by introduction of a management plan to reduce deforestation, hunting, and allowing for a portion of the forest to be set aside as a no go zone where agreed conservation targets will be achieved.
2. Manage the Blei Forests including the Blei Community Forest through a land use plan mechanism in collaboration with the Blei communities to demarcate and control areas that permit the harvest of non-timber forest products, areas that permit farming and areas to be set aside for only conservation purpose.
3. Form a Community Development Project Committee to assess and review the implementation of community development projects. This committee must be representative of the primary Blei Community Forest communities and shall be selected each year.
4. Submit an annual workplan of activities to be performed with the support provided by AML in accordance with the budget detailed in Annex1.
5. Work closely with the Blei Communities to ensure they are informed about Blei Community Forest rules, Blei Community Forest activities and the benefits of sustainable management and conservation.
6. Manage Forest Guard patrols in all Blei communities and around the East Nimba Nature Reserve to control hunting, farming, encroachment, planting of cash crops, damaging collections and land practices.
7. Administer Community Forest Guard patrols to ensure that Community Forest Guards collect regular detailed observations of activities and report back to the Blei JCFMB. This includes collection and submission of monthly patrol records and reports.
8. Act on illegal activities or other management issues reported by Community Forest Guards or others and ensure the Executive Committee, FDA, County Forest Forum, USAID FIFES, AML and other relevant partners and stakeholders are fully informed.
9. Develop projects to raise funds in order for Blei JCFMB to become self-sustaining and assume the responsibility for all operational and running costs.
10. Produce and distribute a six-month interim and annual report, including a detailed financial report, stating the activities and achievements of the JCFMB and the Community Forest Guards to Blei Executive Committee, and partners and stakeholders.

11. Ensure that the Blei JCFMB office headquarters are strictly used for JCFMB operations only and understands that any misuse of the premises or equipment will result in the confiscation of office materials and equipment by AML.

B. AML shall:

1. Provide funding for the annual operational budget, as detailed in Annex 1 of this MOU, of Blei Forests including the Blei Community Forest to cover a period of two years. The operational budget shall be used to support costs for:
 - a. office maintenance and running costs, office equipment and stationery
 - b. operational activities including but not limited to patrols, biomonitoring, administration, meetings, awareness and education, boundary clearance, training etc.
 - c. community development projects
2. Monitor forest loss in Blei Forests including the Blei Community Forest to assess whether the policy of management and provision of support is having a positive impact on the biodiversity of the forests. This will include verification using patrols and aerial survey.
3. Increase or decrease the annual support provided to Blei JCFMB for primary Blei Community Forest community (see Annex 3 for list of primary Blei Forest communities) development projects as per the procedure outlined in Annex 2 based on Blei JCFMB's management performance during the term of this agreement. No payments shall be made by AML without supporting evidence that the expenditure claimed has been properly incurred by the Blei JCFMB as agreed under the terms of this MOU.
4. Administer funding for primary Blei Forest community development projects upon receipt of a project proposal from Blei JCFMB that has been duly reviewed and approved by the Community Development Project Committee.
5. Monitor primary Blei Forest Community Development Projects funded under this agreement.
6. Monitor all activities and actions to be performed by Blei JCFMB on monthly basis. The monitoring will be done mainly by the BCP Superintendent or and designee.

4. General Terms and Conditions

Notwithstanding anything to the contrary stated hereinabove, the Parties mutually understand and agree and hereby expressly stipulate that:

1. This MOU is subordinate to AML's rights granted under the Concession Agreement executed between the Government and AML on the 17th of August 2005 and as amended on the 28th December 2006.
2. Implementation of this Memorandum shall be assessed at regular quarterly meetings to be attended by Blei JCFMB and AML's BCP management team and persons or organizations technically qualified in or relevant to, the conservation of the Blei Forest. Such meetings shall be convened by AML and shall be organized in collaboration with Blei JCFMB.
3. The responsibilities in this MOU may be changed by mutual consent in writing, to reflect the result of the joint assessments described above.
4. The activities and budget pertaining to this MOU will be reviewed and updated after completion of the first year, and a separate budget and work plan developed for activities in the second year.

5. This MOU takes effect upon being signed by the authorized representatives of both the Blei CFMB and AML and shall remain in effect for a period of two (2) years from the date of execution. This MOU may be extended or amended upon written request of either the CMC or AML, and the subsequent written concurrence of the other, and then only to the extent set forth in the writing evidencing the amendment or extension, as the case may be. Either the Blei CFMB or AML may terminate this MOU with a thirty (30) day written notice to the other.
6. The Parties will comply fully with ArcelorMittal's Anti-Corruption Procedure as per below, and as documented and updated from time to time, and which can be accessed through ArcelorMittal's website (<http://corporate.arcelormittal.com/who-we-are/supply-chain/responsible-sourcing>).
7. Conflict Resolution:
8. In terms of non-compliance to condition stipulated in the MoU or disagreement on matters related to conservation activities, a meeting to resolve the issue will be held. Should the meeting not resolve the issue(s), the parties will seek and agreed on an independent mediator from the FDA; possibly the Managing Director to assist in reaching an agreement. The mediator would recommend a solution
9. ArcelorMittal and Blei JCFMB agree to comply fully with all applicable anti-corruption laws, including those in the jurisdictions where they are registered and the jurisdictions where the Agreement will be performed, and to comply with ArcelorMittal's Anti-Corruption Procedure, which forms an integral part of the Policies and Rules.
10. Neither Party will offer or give, or agree to give, to any employee, agent, servant or representative of the other Party, or to any government official, any gift, commission or other consideration of any kind as an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the Agreement or for showing or refraining from showing favour or disfavour to any person in relation to the Agreement.
11. Both ArcelorMittal and Blei JCFMB warrant that they have not made any payments or given any gifts, nor have they promised or agreed to make any payments or give any gifts to any employee, agent, servant or representative of the other Party, or any government official, in connection with the Agreement.
12. Where a Party or Party's Personnel, or anyone acting on the Party's behalf, engages in conduct prohibited by this clause 5, the other innocent Party will be entitled to:
 - (i) terminate the Agreement and recover from the Party in default the amount of any loss suffered resulting from such termination; or
 - (ii) recover in full of the Party in default any other loss sustained as consequence of any breach of this clause, whether or not the Agreement has been terminated
13. Principal Contacts. The principal contacts for this MOU are:

Blei JCFMB
Saye Thompson
Chairman
Blei JCFMB
Gbobayee Town
Nimba County

ArcelorMittal Liberia
Linda K. Dolo
Biodiversity Officer
AML Biodiversity Conservation Programme
ArcelorMittal Liberia
Yekepa, Nimba County

Phone: (231)-777937112
E-Mail: thompsonsaye575@gmail.com

Phone: (231)-770-370-987
E-Mail: linda.dolo@arcelormittal.com

9. Authorized Representatives. By signature below, the Parties certify that the individuals listed in this document as representatives of the Parties are authorized to act in their respective areas for matters related to this agreement and that each Party has complied with all its internal processes and systems for approval and execution of this MOU and that the said MOU as signed constitutes its binding obligation.
10. The Annexes to this MOU and the specific obligations assumed by each Party thereunder are integral part and parcel of this MOU.

THE PARTIES HERETO have executed this instrument on the date and year first above written.

ArcelorMittal Liberia Limited

Signature: [Signature]
Name: Mahamud Kovidora
Title: CFO
Date: 26 June 2023

Signature: [Signature]
Name: S. Cohen
Title: 26/6/23
Date: CED - AML

Blei Joint Community Forest Management Body

Signature: [Signature]
Name: Dada S. Kondeh
Title: Secretary
Date: 06/07/23

Signature: SAYE THOMPSON
Name: SAYE THOMPSON
Title: CHIEF OFFICER
Date: 07/06/2023



ANNEXE-1:

Annual operations budget and summary of agreed rates and payment term for Gba JCFMB.

Expected Memorandum of Understanding Cost. The estimated value of the agreement is USD 48,010.00 (Forty Eight Thousand, Ten United States Dollars). This is based on the following breakdown:

Item	Units	Cost (USD)	Qty	Total	Notes:
Chairman JCFMB	1	100.00	12	1,200.00	Monthly Stipend for all activities done for the implementation of the MoU, including JCFMB activities plus transportations to JCFMB meetings
Member JCFMB	4	80.00	12	3,840.00	Monthly Stipend for all activities done for the implementation of the MoU, including JCFMB activities plus transportations to JCFMB meetings
Community Forest Guards	12	160.00	12	23,040.00	Monthly Stipend/Compensation for 15 days patrols including food and phone credit.
Support for Activities					
Raingear, boots, backpack etc. for Forest Guards	12	60.00	1	720.00	
Batteries	12	17.50	1	210.00	
Stationary	1	500.00	1	500.00	
Office Operation and Maintenance	1	2,000.00		2,000.00	
Fuel for Generator	1	125.00	12	1,500.00	
Attendance of meetings	1	2,500.00	1	2,500.00	Support to attend stakeholders meetings other than AML.
Community Projects					
Boundary line cleaning	1	3,500.00	1	3,500.00	Community funded activity for the community forest
Community Development Project	1	5,000.00	1	5,000.00	
Conservation Awareness		4,000.00	1	4,000.00	
GRAND TOTAL				48,010.00	

Community Forest Guard Patrols

1. Each Community Forest Guard (CFG) who is a member of Blei JCFMB's team will receive US\$160 (One Hundred and Sixty United States Dollars) as Monthly Stipend/Compensation for patrols for 15 unbroken days; this includes feedings and allowance for the 15 days patrols for the month.
2. Attendance sheets shall be vetted and approved by Blei JCFMB's supervisor on an agreed basis and submitted to AML with the monthly CFG patrol reports.
3. Expenses for the CFG patrols will be processed following the submission and verification of the monthly patrol report by AML's Biodiversity Manager. Expenses to CFGs will be according to the number of days worked at the rates given above, and as recorded by the Blei JCFMB supervisor.

Other Blei JCFMB activities funded through this agreement

4. The Chairman/Chairperson for the Blei JCFMB will receive US\$ 100 (One Hundred United States Dollars) as monthly stipend/compensation for all activities done for the implementation of the MoU, including JCFMB activities plus transportations to JCFMB meetings per day of activities performed during the term of the MoU.
5. The remaining 4 (four) members of the Blei JCFMB will receive US\$80.00 (Eighty United States Dollars) each as monthly stipend/compensation for all activities done for the implementation of the MoU, including JCFMB activities plus transportations to JCFMB meetings per day of activities performed during the term of the MoU.
6. Blei JCFMB members will sign a timesheet detailing work performed and submit to AML as supporting documentation at the end of each month.
7. Blei JCFMB will submit a proposal for activities requiring funding to the AML representative for prior written approval.
8. Payment for activities performed will be processed once all supporting documents and invoice are received and approved by AML's representative. Payments to individuals will be according to the number of days recorded at the rates given above, and as recorded by the Blei JCFMB supervisor.
9. Blei JCFMB will submit original copies of receipts, signing sheets for monies received, attendance sheets and other appropriate supporting documents as required with each invoice.
10. Blei JCFMB will provide a final written report for each activity or community project funded by AML.
11. AML will make payment in full, including payment for allowances, providing the activity has been completed to specification and subject to any applicable deductions made pursuant to any part of this agreement.

Payment Terms

- Payment for activities shall be made by cash deposit within 30 days of submission of said invoices or signing sheets duly approved and certified by the AML Biodiversity manager.
- Before submission of Invoices or signing sheets to the AML Finance Department, Blei JCFMB must first submit the Invoice along with fully vetted Attendance Sheets and all supporting documentation to the Arcelormittal Liberia representative for verification and sign off.
- Once signed off, Blei JCFMB is to submit the Originals to the AML Finance Department whilst also sending scanned copies to linda.dolo@arcelormittal.com
- All Invoices must include
 1. Purchase Order Number
 2. Invoice Number
 3. Invoice Date
 4. Supplier / Vendor Contact Details
 5. Invoice Currency must be clearly stipulated

6. All relevant Taxes if applicable
7. All Invoices must be stated as "Tax Invoice" unless in the event that the Invoice is for an agreed pre-payment in which case must then be stated as "Pro-Forma Invoice"
8. All relevant documentation pertaining to the Purchase Order must also be attached, timesheets, signed Delivery Notes etc
9. Invoiced amounts must only be for the Service supplied

All the invoices must be duly certified by the Biodiversity Manager as "Good for Payment" and along with supporting documents should be submitted to AML Finance office.

Withholding Tax (WHT)

Applicable withholding tax will be deducted. A certificate indicating the amount of the deduction will be issued to the contractor by AML.

ANNEXE 2:

Administration and management of funds for Community Development Projects

1. AML will deduct unspent funds for Community Development Projects in the current year and provide zero funds to Blei JCFMB for Community Development Projects in the following year if any incidences of chain sawing that lead to deforestation, hunting of protected animals and farming occur during the term of this agreement.
2. AML will reduce the amount of funds available to Blei JCFMB for Community Development Projects by 50% in the next year if annual hunting activities exceed 20 records or more during the term of this agreement.
3. AML will provide zero funds to Blei JCFMB for Community Development Projects in the following year if a protected species is hunted (or injured through hunting) in the Blei Community Forest during the term of this agreement.
4. AML will provide an additional Five Hundred United States Dollars (US\$ 500.00) for Community Development Projects at the end of the agreement if Blei JCFMB achieves a target of zero deforestation (e.g. zero chain sawing, zero hunting of protected animals and zero farming) in the Blei forest and no records of fire during the term of this agreement

ANNEXE 3:

List of Blei Community Forest Communities (in alphabetical order)

1. Bassa Village
2. Gbapa
3. Gbobayee
4. Suakarzue
5. Yelowee
6. Zolowee

7. Zortapa

ANNEX 4 Map of the Blei Community Forest

Map Please!