

Community Forest Management Agreement

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**COMMUNITY FOREST MANAGEMENT AGREEMENT**

**BETWEEN THE**

**BEYAN-POYE COMMUNITY FOREST MANAGEMENT BODY**

**AND**

**AKEWA GROUP OF COMPANIES LIBERIA INC.,**

**GIBI DISTRICT, MARGIBI COUNTY**

**REPUBLIC OF LIBERIA**

# Community Forest Management Agreement

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## COMMUNITY FOREST MANAGEMENT AGREEMENT

THIS COMMUNITY FOREST MANAGEMENT made and enters into this 25th day March of 2017 by and between BEYAN-POYE COMMUNITY FOREST MANAGEMENT BODY , representing BEYAN-POYE COMMUNITY, Gibi District, Margibi County, Republic of Liberia, hereinafter known and referred to as the **(BCFMB)** and **AKEWA GROUP OF COMPANIES LIB. INC**, a corporation organized and existing under the Law of the Republic of Liberia and engage in the operation of a Timber Sales Contract, TSC (A3) government of Liberia owned concession under FDA and represented by its CEO Mrs Funke Odebunmi hereinafter referred to as **AGC**.

### WITNESSETH

An act to establish community right law of 2009 with respect to forest land was adopted, ordered and passed into the full force of law on September 25<sup>th</sup> 2009 and approved by the president of Republic of Liberia on October 16<sup>th</sup> 2009.

**WHEREAS**, the Beyan-poye Communities are the owner of Beyan-poye community forest in Gibi District, Margibi County.

**WHEREAS**, the BCFMB has entered into an agreement with the Government of Liberia by and through the Forest Development Authority for sustainable management use of its forest resources in line with forest reform Law of Republic of Liberia.

**WHEREAS**, **BCFMB** has express its readiness to offer its forest for Commercial purposes.

**WHEREAS**, the **AGC** is a dully registered and qualified company with pre-qualification certificate under Forest Development Authority to engage directly in logging activities under the law of the Republic of Liberia.

**WHEREAS**, the Community Forest Management Body of the Beahn-poye Community Forest sent out invitation, inviting interested parties to carry out sustainable logging operations in the Beyan-Poye Community Forest.

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**WHEREAS**, Akewa Group of Companies responded to the invitation and went into negotiations with **BCFMB**; and finally **AGC** consented to carry out sustainable logging activities in Beyan-Poye Community Forest.

***NOW THEREFORE**, the parties have mutually agreed to be bounded as follows:*

1. That **BCFMB** assures **AGC** that said forest has no encumbrances; hence **AGC** is hereby authorized to commence sustainable logging operations in the said Community Forest in accordance with the Laws of Liberia, FDA regulations, International guidance and best practices.
2. That **BCFMB** shall defend and protect the rights of **AGC** at all times during its logging operations against all would be encroachers, illegal sawyers, intruders and/or trespassers on said Community Forest.
3. That **BCFMB** in carrying out farming activities shall refrain from farming in the concession areas of **AGC** as well as refrain from felling or damaging commercial species.
4. That the Parties shall identify a major motor road within the affected areas. **AGC** shall construct the motor road within the identified area and the road leading from the district headquarter Worhn, Gibi District to the Farmington River bordering Margibi County and District #2, Grand Bassa. The road construction shall begin in the first year of operations of **AGC**. **AGC** shall also construct concrete bridges or box culverts, or concrete culverts along the major road, where applicable. The concrete and/or culvert bridges shall commence in the third year of operations of **AGC**. The parties further agreed that the construction of these bridges shall be based on the professional advice of a qualified engineer or the Ministry of Public Works, Republic of Liberia. **AGC** shall also maintain the major and all secondary roads during the life span of this agreement.

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**AGC** shall construct wooden bridges on roads connecting all other major towns and villages within the concession areas, using solid durable wood like Ekki or other hard woods that have longer life.

5. That **AGC** shall pay to **BCFMB** **US\$2.25** (Two United State Dollars and Twenty Five Cent) per cubic meter of log. This excludes company's social responsibilities to the community. However, proceeds from the royalty would be used to implement all deserved projects of **BCFMB** as may be desired by the citizens. **AGC** shall remit said amount quarterly into a bank account designated in writing by **BCFMB**.
6. **AGC** shall pay the amount of **\$1.25** (One United States Dollar and Twenty five cent) per hectares annually for Land Rental fee in accordance with the National Forestry Reform Law: The fee shall be paid directly to Forest Development Authority (FDA). The FDA in accordance with the community right law shall remit 55% of the collected land rental to **BCFMB** in a timely manner. **AGC** shall inform **BCFMB** of its payment of land rental at the time of each payment.
7. That **BCFMB** shall identify a suitable site for **AGC** to construct a five (5) bedroom modern health center. The structure shall be built with cement in the second year of operations of **AGC**.
8. That **AGC** shall construct thirteen (13) hand pumps in the affected communities in the Beyan-Poye Community to give citizens of Beyan-Poye community access to safe drinking water. **AGC** shall construct two (2) wells each year for the first Six (6) years of operations and one (1) in the seventh year of operations.
9. **AGC** also accepts to construct thirteen (13) latrines in the affected communities within the Beyan-Poye Community. **AGC** shall construct two (2) latrines each year for the first Six (6) years of operations and one (1) in the seventh year of operations.

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10. **AGC** shall construct an Elementary School of six (6) classroom school building within the third year of operations and subsequently annex a Junior High School in the sixth year of operation. The building shall contain one principal office, one staff office, one mini reading room and three toilets (one for staff and two for students).
11. That after three years as of the signing of this Agreement, **AGC** shall provide educational scholarship for four deserving students from Gibi District, to be identified by **BCFMB**, to pursue full college or university education at the University of Liberia with the commitment that said beneficiaries will return to the District to contribute to the development of the District. Subsequently, **AGC** shall add two students every year up to the life of this contract. However, said scholarship shall be limited to the provision of text books and payment of tuition fees.
12. **AGC** shall construct a modern self-contained four (4) bedroom guest house in the seventh year of operations of **AGC**.
13. **BCFMB** shall identify a suitable site for **AGC** to construct market hall in its fourth year of operations.
14. That **AGC** agreed to construct a modern company camp near an existing town or dependent area.
15. The parties mutually agreed that **AGC** has the right to protect and guide the concession area by erecting security gates at all the entrances that lead to the concession areas; this shall enable **AGC** to protect and track its entire operations and to protect against the interference of illegal chain sawing and unauthorized people. However, there shall be no restriction on the movement of the citizen and the road users.
16. That **AGC** shall, in consultation with the FDA, conduct training for **BCFMB** to enable it understand and play its role from time to time.

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17. That **AGC** shall, in emergency cases, that is, pregnant women and persons in the community who may be in critical health conditions, provide a vehicle to serve as an ambulance in getting the person(s) to the nearest health facilities.
18. That **AGC** shall, in carrying out its logging operations, shall respect the rights of Beyan-Poye community in carrying out and preserving its traditional practices in conformity with applicable customary laws including animals, plants, medicinal plant sites, hunting.
19. That the FDA shall ensure that the operations of **AGC** are in compliance with existing Forestry Laws of Liberia and regulations.
20. That **AGC** agrees to give first preference to the people of Beyan-Poye community for employment, both skilled and un-skilled workers.
21. That **AGC** shall ensure gender equality so that women partners or employees are properly valued.
22. That **AGC** during its operations shall not encroach on existing cash crops or cause destruction to same. In case the company operations affect the crops or properties of a citizen outside the concession area, the company shall negotiate with the owner of the properties for a peaceful settlement. Should there not be amicable resolutions, the issue shall be referred to the **BCFMB** and local leaders including the District in the hope of resolving whatever disputes.
23. That **BCFMB** shall hold consultative and emergency meetings with **AGC** in addition to regular quarterly meetings.
24. The parties mutually agreed that in case of any dispute or misunderstanding that arises in the cause of the agreement, the parties shall seek to resolve through dialogue and shall not resort to obstruction of operations or riot that might lead into destruction of life and properties.

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25. That in event of any dispute arising under this AGREEMENT, the parties shall first seek to resolve their differences with the aid of the FDA, and wherein the matter remains undetermined, local government officials should be referred to as the neutral parties in the third party mediation process. If the above methods cannot settle the dispute, the parties herein shall result to arbitration in line with the commercial arbitration rules: and judgments rendered by arbitrators shall be confirmed by a court of competent jurisdiction.

- a. Arbitration shall be conducted by an arbitral panel of three (3) persons; one (1) arbitrator shall be named by the Managing Director of the Forest Development Authority or his/her designated representative
- b. The Arbitration shall be conducted in keeping with arbitral rules under Liberian laws. Each Party shall be responsible for, and shall pay the fees expenses of its appointed/designated arbitrator. The fees and expenses of the third arbitrator, shall be shared on equal basis by the parties, while the cost and expenses of the arbitration proceeding itself shall be assigned by the arbitral panel as it adjudged fit and shall be paid by the party liable to the other or in default of Agreement
- c. A decision by the majority of the arbitral panel shall be binding on the parties and enforceable on court of law.
- d. In invoking arbitration, a party of this agreement shall give written notice to other party, stating the nature of the dispute and appoint its arbitrations. The other party must notify arbitrator and state its response to the dispute as stated by the party giving the notice of arbitration within thirty (30) days after notice to the chairman, the arbitral panel shall commence its work every day until a decision is arrived at and rendered.

26. That the terms and conditions herein above mentioned are strictly meant to be the intentions of the parties to this Agreement, and any and all other discussions of the parties prior to the execution of this Agreement are NULL and VOID.

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27. The parties shall have the right to review this Agreement after every five (5) years during the life of the contract.
28. After the signing of this Agreement, if **AGC** does not start operation within the period of One (1) year, this Agreement shall be declared NULL and VOID.
29. **FORCE MAJEURE**: The parties hereto mutually agree that in the event of war, civil commotion, or other conditions of force majeure (unforeseeable happenings) which shall render **AGC** unable to operate the forest land, the running of the period herein granted shall be suspended for the duration of such force majeure. That is to say, period of force majeure shall be excluded from the computation of the remaining term of this AGREEMENT.
30. In the event that a breach arise in any governing law or the terms of the Community Forest Management Agreement by the parties, this shall not render the Agreement null and void but shall seek to resolve through dialogue or applicable fine may apply.
31. The Community Forest Management Agreement shall guarantee the uninterrupted operation of the Concession and that activity that significantly interrupts **AGC** operations shall not be counted as part of the remaining terms of the agreement.
32. The Community Forest Management Agreement shall be a standing Agreement and that under no circumstance can it be revoked by any of the party.
33. **GOVERNMENT LAW**
1. The relevant laws of Liberia, including, but not limited to the National Forestry Reform Law, Community Forest Law and Commercial Law and other local laws shall govern this agreement
  2. That this agreement shall be construed in every respect according to the Laws of the Republic of Liberia and shall be binding upon the parties in the life time of this Agreement, their heirs, administrators, executors, assigns and successor-in-office as if they were specifically named or mentioned herein.

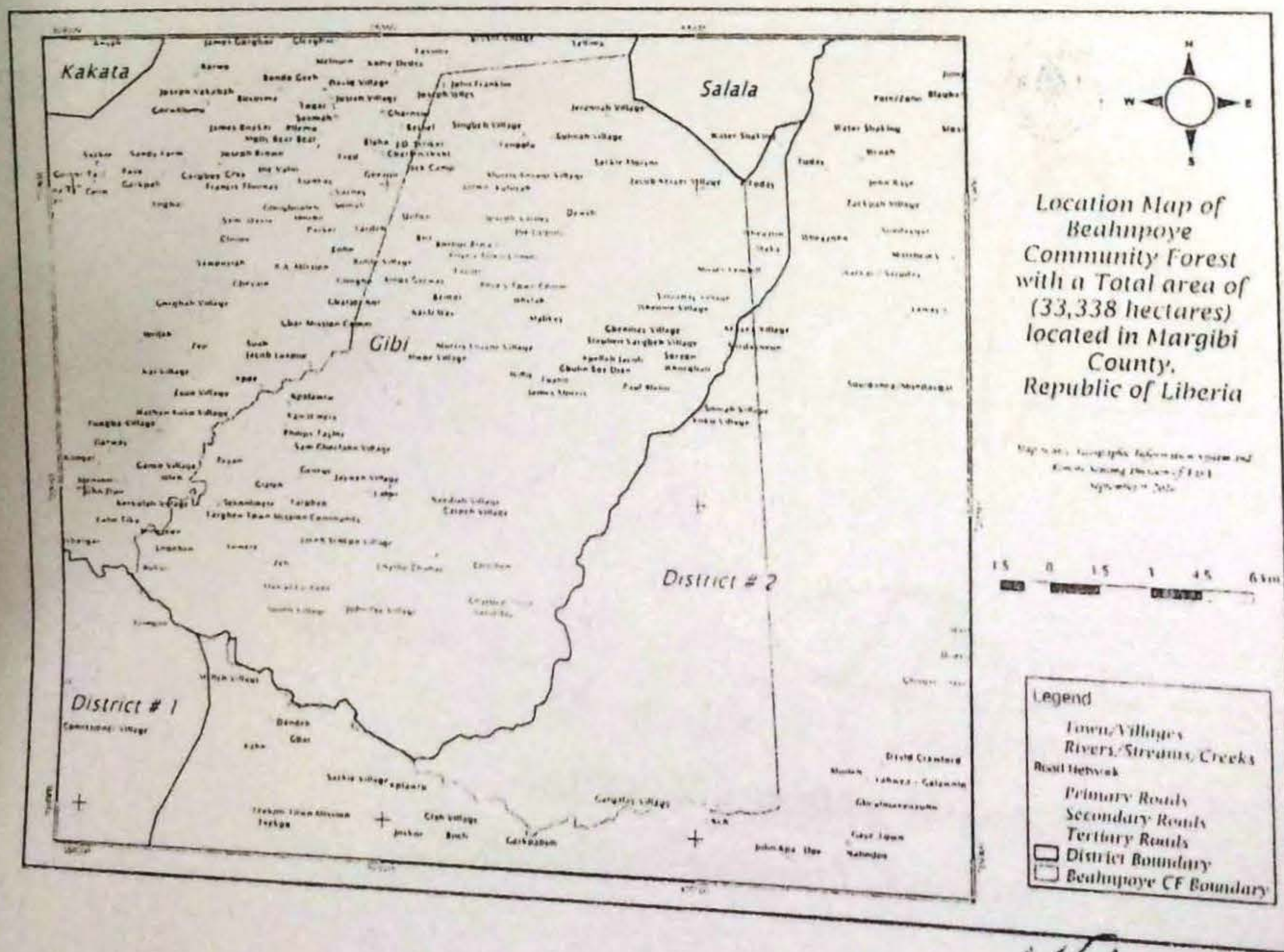


# Community Forest Management Agreement

## TECHNICAL LOCATION

The Beyan-Poye Community Forest lies within Latitude (380980 735592) North of the equator and Longitude (381112 709530) West of the Greenwich Meridian and it is located in Gibi District Margibi County, Liberia/West Africa.

Commencing at a point (388686 724545) on the Farmington River; thence a line runs N 6° E for 966 meters to a point (388821 725410); thence a line runs N 19° E for 8,851 meters to a point (391812 733554); thence a line runs N 84° E for 6,115 meters to a point (397884 734200); thence a line runs S 6° E for 1,448 meters to a point (398024 732788); thence a line runs S 82° E for 322 meters to a point (398253 732745); thence a line runs S 59° E for 1,770 meters to a point (399754 731846); thence a line runs S 48° E for 2,414 meters to a point (401539 730243); thence a line runs S 3° E for 19,473 meters to a point (402626 711030) on the Diale Creek; thence a line runs Northward along said Creek for 29,292 meters to the confluence of the Farmington River; thence a line runs Northward along said River for 15,722 meters to the point of commencement, embracing a total of 33,338 hectares/82,379 acres and NO MORE.

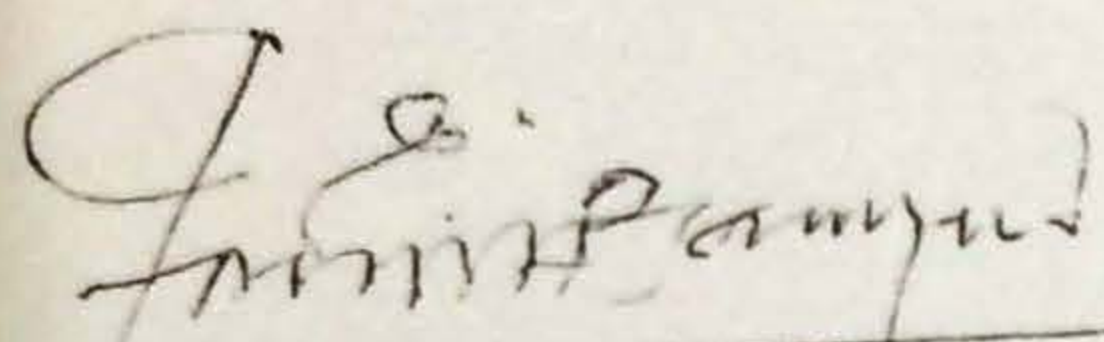


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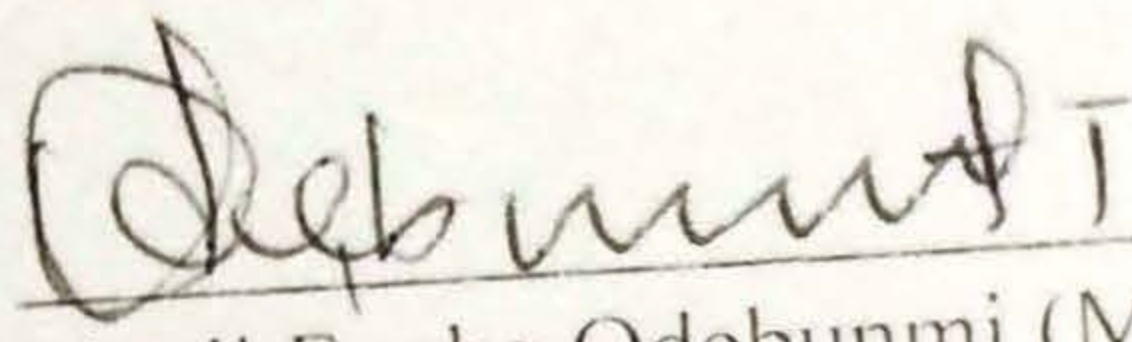
IN WITNESS WHEREOF, the parties have hereto set their hands and affixed their signatures and, stamps on the day and year first written above.

For: Beyan-Poye Community  
Forest Management Body

For: Akewa Group of Companies

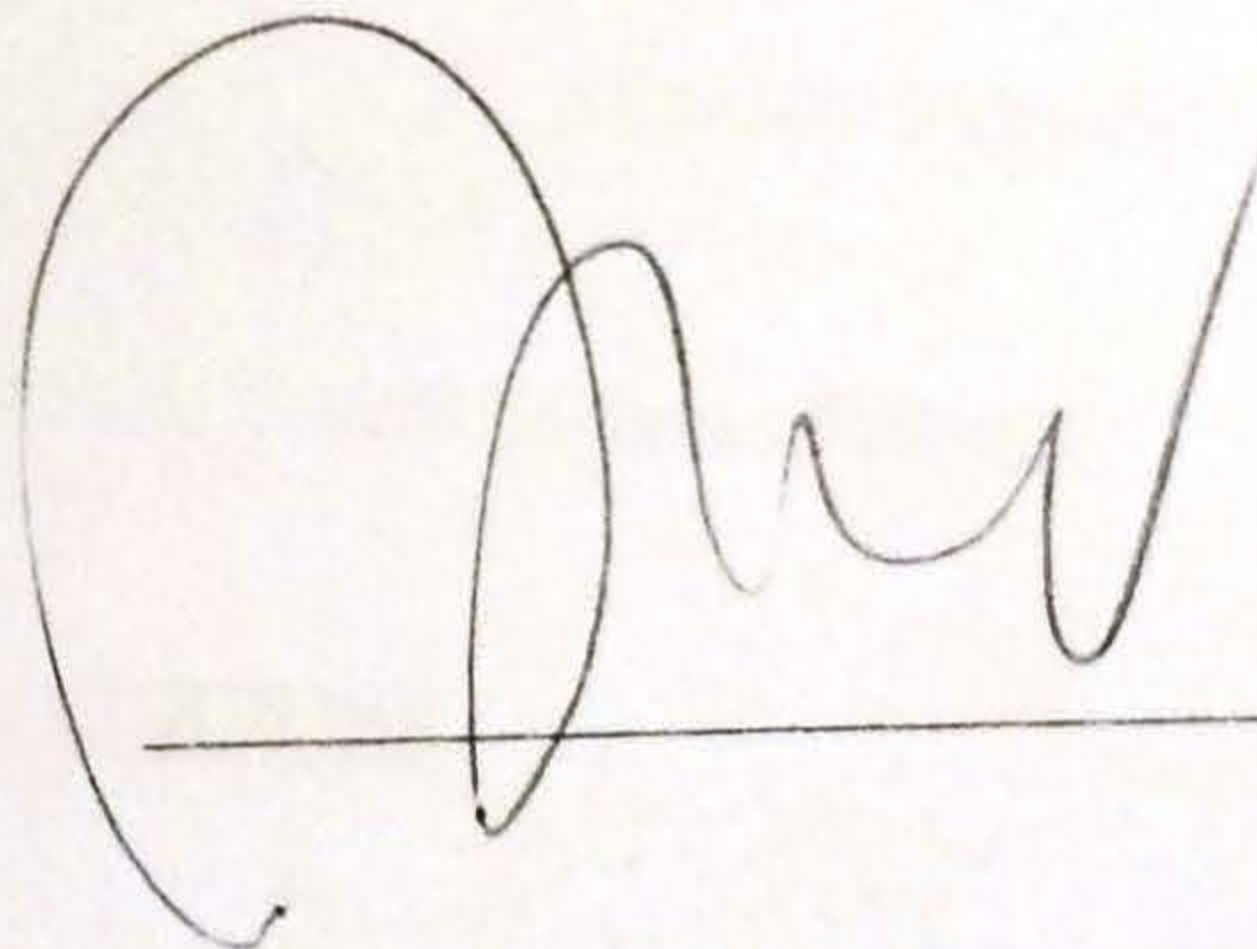
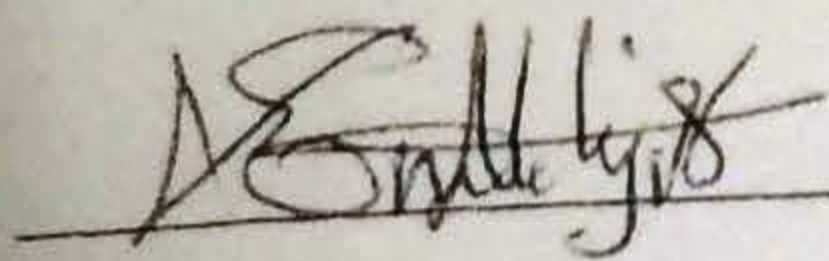


Mr. Jehudi Barnyou  
Chairman

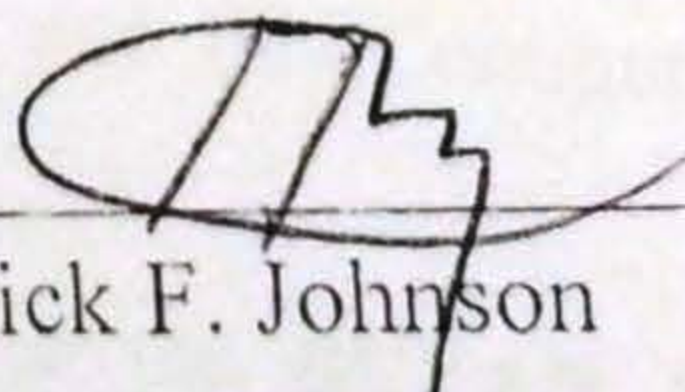


Abigail Funke Odebunmi (Mrs.)  
CEO/President

IN THE PRESENCE OF:



Attested:



Mr. Kederick F. Johnson  
Acting Managing Director  
Forest Development Authority, RL