



PAPUA NEW GUINEA FOREST AUTHORITY
NATIONAL FOREST SERVICE

OFFICE OF THE MANAGING DIRECTOR



TELEPHONE: (675) 3277841
TELEPHONE: (675) 3277887
FACSIMILE: (675) 3254433

P.O. Box 5055, BOROIKO,
NATIONAL CAPITAL DISTRICT
PAPUA NEW GUINEA.

MINISTERIAL BRIEF

TO : MINISTER
FROM : MANAGING DIRECTOR
FILE : FCA-05-04
DATE : 15TH FEBRUARY 2018
SUBJECT : SHORT BRIEF ON ALLEGATION OF PURPORTED ILLEGAL LOGGING AT WANIGELA FCA BY HON. GOVERNOR FOR ORO GARRY JUFFA IN PARLIAMENT ON 15TH FEBRUARY 2018.

1.0 PURPOSE

- 1.0. To present a short brief on the allegation made by the Governor Hon. Garry Juffa on the Wanigela, Oro Province alleging foreign company landing logging equipment at Collingwood Bay purportedly for illegal logging.

2.0 RECOMMENDATION

- 2.1 That Minister peruses the brief and gives further directions if any to be undertaken.

3.0 BACKGROUND INFORMATION

- 3.1 On 15th February 2018, the Governor for Oro Hon. Garry Juffa ask a question without notice to Minister for Forest Hon. Douglas Tomurlesa, alleging that a foreign logging company has landed machineries at the Collingwood Bay in the Oro province purportedly to conduct illegal logging operation in the East Collingwood area, including Portions 136 and 137 owned by United Church (UC)
- 3.2 The Governor also informed that a small jetty is built and some logs are piled for exports.

- 3.3 The Minister informed the Parliament that due process are normally followed in issuance of FCA including endorsement for Dro PFMC which Provincial Administrator is Chairman. The Minister further informed the Parliament that he will check his office and inform the latest on the matter.

FACTS AND CONSIDERATIONS

- 4.1 The allegations that the logging equipment/machineries been landed at Collingwood Bay is true. An interview on 23rd November 2017 with John Dumare the Chairman of ASSOR Development Corporation Ltd (ADCL), the landowners company involved has affirmed that logging equipment had been landed.
- 4.2 The Court Order OS 706 (JR) 2012 which a Mr. Christian Maravis mentioned of as effective is/was against the SABL project and does not affect other operations. Copy Court Order attached, for ease referencing (Attachment No. 1)
- 4.3 According to the Chairman of ADCL the company being engaged is Northern Forest Products Ltd (NFPL) and not Northern Forest Management Ltd as alleged by Christian Maravis.
- 4.4 Forest Clearance Authority (FCA) was issued by the Chairman of the National Forest Board on 3rd July, 2017 (Form 241). Copy of the FCA document attached (Attachment No. 2). Details of the FCA are tabulated below.

Name of FCA	Wanigela Tree Planting Project
Name of FCA Holder	Northern Forest Products Limited
Name of FCA Sub Lease Holder	ASSOR Development Corporation Ltd
FCA No	FCA No. 05-04
Date Issued	3 rd July 2017
Term of FCA	10 Years
FCA Expiry Date	2nd July 2027
Total FCA Area	42, 907/42,609 hectares
Annual Allowable Cut (AAC)	276, 250 m ³
Log Export Quota	276, 250 m ³
Performance Bond	K100,000.00 (not yet paid)

- 4.5 PFMC endorsement was sought after the approval was granted. PFMC met on 2nd September 2017 under instruction to deliberate on the above FCA on 13th September, 2017. Form 238 on PFMC's recommendation was issued on 13th September 2017. Copy of FCA document attached (Attachment No.3)
- 4.6 It appears that Public hearing was never conducted for this project.
- 4.7 Area Office – Southern carried investigation 15th December 2017 and reports confirms due process was not followed issuance of Wanigela FCA 05-04 and recommended for cancellation.

4.8 Currently the FCA holder is lodging a log export application for 7,000 m³ which has been rejected and will be seized and administered under SPO arrangements.

4.9 We are in the process to cancel the FCA.

5.0 CONCLUSION

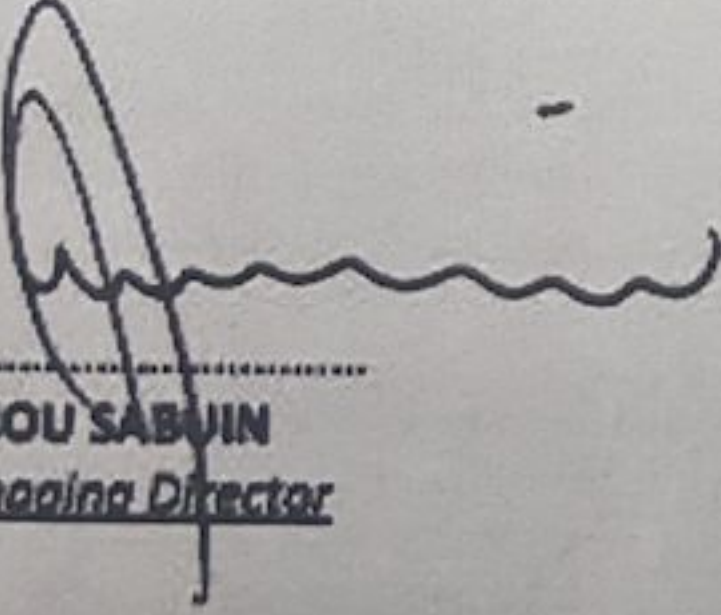
It appears that proper process was not followed to deliver this project. No public hearing was conducted and PFMC Oro did not endorse the project until instructed to after the FCA approval was granted. The company is allowed to harvest 276,250m³ and export all however the Performance Bond of K100, 000.00 guarantee been imposed does not match the magnitude of proposed operation.

6.0 RECOMMENDATION

- FCA to be cancelled and Applicant to lodge a new application and due process is followed.
- All logs produced will be seized and disposal of logs will be administered under SPO arrangements.

7.0 ATTACHMENTS

- I. Copy of Court Order
- II. Copy of approval by the Board Chairman (*Form 241*)
- III. Copy of the FCA document



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TUNOU SABUIN
Managing Director

Cc: Board Chairman