

SOLOMON ISLANDS
FOREST RESOURCES AND TIMBER UTILISATION

CHAPTER 40

**THE FOREST RESOURCES AND TIMBER (PRESCRIBED FORMS)
REGULATIONS**
(Section 44)

Subsidiary Legislation

LN 42/1978

LN 97/1985

LN 10/1986

LN 60/1987

[23rd June 1978]

Citation

1. These Regulations may be cited as the Forest Resources Citation and Timber Utilisation (Prescribed Forms) Regulations.

Form of Application

2. Applications to the Commissioner of Forest Resources by Form of any person wishing to acquire timber rights on customary land Application under section 7 of the Act shall be submitted in the Form 1 in the Schedule hereto.

Certificate of Application

3. The Certificate issued by an area council under section 9 of Certificate of Act shall be in the Form 2 in the Schedule hereto.

Certificate of Minister

4. The certificate given by an appropriate Government in Certificate of accordance with section 12 of the Act that it has approved an agreement for the granting of timber rights shall be in the Form 3 in the Schedule hereto.

Form of Agreement

5. An agreement for the sale of timber rights in customary Fort of land shall be in the Form 4 in the Schedule hereto.

SCHEDULE

FORM 1

FOREST RESOURCES AND TIMBER UTILISATION ACT

**APPLICATION FOR APPROVAL FOR NEGOTIATION TO ACQUIRE
TIMBER RIGHTS**
(Section 7)

(To be submitted to the Commissioner of Forest Resources)

1. Name of Applicant

2. Address of Applicant

.....

3. Present Type of Business (if any).....

.....

.....

4. Present Location of Sawmill or Timber Exporting Business (if any)

.....

.....

5. Area(s) within which applicant wishes to carry out logging and acquire timber rights

.....

.....

.....

.....

6. Names of persons and/or land owning groups with whom preliminary discussions have been made regarding land ownership, timber rights and development proposals.

.....

.....

.....

7. Period for which Timber Rights sought.

.....

8. Details of proposed operations

(a) Annual volume (cubic metres) of logs to be extracted

.....

.....

(b) Approximate area to be logged annually

.....

(c) Proposed location of base camp

.....

.....

(d) Proposed location of sawmill and/or export port

.....

.....

.....

Signature of applicant

Note

(1) The answer to question 5 must be supported by detailed maps showing the areas involved.

(2) "TIMBER RIGHT" includes a right to -

(a) inspect, survey, enumerate, mark and map any area or trees;

(b) cut, trim, lop, top and crop any tree;

(c) plant and cultivate any seed, seedling or tree;

(d) take any measure whatsoever for the healthy growth and protection of any tree;

(e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;

(f) take any timber into possession or ownership;

(g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain

(i) any works (including railways, tramways, roads, waterways, slipways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);

(ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and

(iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;

(h) for any of the purposes specified herein -

(i) subject to the provisions of the River Waters Act, to take and use water; and

(ii) to quarry, extract, move and use any stone, earth or other road-making or building material.

FORM 2

FOREST RESOURCES AND TIMBER UTILISATION ACT

CERTIFICATE OF CUSTOMARY OWNERSHIP

(Section 9)

1. TheArea
Council has considered an application by
..... under Section 7 of
the Forest Resources and Timber Utilisation Act on the
.....day
of.....19.....

2. The said Area Council contained the following persons having particular knowledge of
customary land rights of the land holding group in the area
affected by the application.

1..... of
2..... of
3..... of
4..... of
5..... of

3. Upon the conclusion of its considerations the said Area Council determined -

(a) that the following persons are the persons lawfully able and entitled to grant
timber rights in the area bounded in red on the attached map being land held
the.....
Land owning group.

1 of
2 of
3 of
4 of
5 of

(b) that the timber rights set out in the First Schedule may be granted by the above
persons.

(c) that the rights set out in the Second Schedule may not be granted by the above
persons in respect of the said land.

Clerk.....
.....Area Council

Dated this day of 19.....

FIRST SCHEDULE
(Rights which may be granted)

SECOND SCHEDULE
(Right which may not be granted)

NOTE:

"TIMBER RIGHT" includes a right to -

- (a) inspect, survey, enumerate, mark and map any area or tree;
- (b) cut, trim, lop, top and crop any tree;
- (c) plant and cultivate any seed, seedling or tree;
- (d) take any measure whatsoever for the healthy growth and protection of any tree;
- (e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;
- (f) take any timber into possession or ownership;
- (g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain -
 - (i) any works (including railways, tramways, roads, waterways, slip-ways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);
 - (ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and
 - (iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;
- (h) for any of the purposes specified herein -
 - (i) subject to the provisions of the River Waters Act, to take and use water; and
 - (ii) to quarry, extract, move and use any stone, earth or other road-making or building material

FORM 3

FOREST RESOURCES AND TIMBER UTILISATION ACT

CERTIFICATE APPROVING TIMBER RIGHTS
AGREEMENT NEGOTIATION
(Section 12)

TO:

1. I certify that the agreement for the sale of Timber Rights by the following representatives
of.....

the land holding group in the area of
the Province/Island

1..... of
2..... of
3..... of
4..... of
5..... of
AND..... of

has been made in accordance with the provisions of sections 7 to 11 of the above Act

2. The Provincial Executive approves the said agreement and authorises the Commissioner of Forest Resources to issue a licence authorising, subject to such terms and conditions he may specify therein, the felling of trees and removal of timber from the said customary land.

Signed
Provincial Secretary

Dated this day of..... 19.....

FORM OF AGREEMENT FOR TIMBER RIGHTS
(Section 12)

An agreement for the sale of timber rights shall include the following matters:-

(a) The land holding group (s) shall be specified, and the relevant land boundaries delineated on Ministry of Agriculture and Lands maps at either 1:50,000 or 1:10,000 scale.

(b) Representatives, hereinafter referred to as "the Grantor (s)", authorised to act on behalf of and execute documents relating to the land holding group shall be listed together with their village of residence.

(c) The Company or person seeking to purchase the timber rights shall be referred to as "the Purchaser" or "the Grantee (s)"

(d) The Timber Rights granted under the Agreement shall be deemed to include all those specified in the Schedule hereto except to such extent as they are clearly excluded or modified by the terms of the Agreement.

(e) Any rights or privileges specifically excepted and reserved unto the Grantor (s) shall be specified including -

- (1) rights to specific species of timber trees for use by the Grantor (s).
- (2) Any areas of agricultural crops/or plantations at the time of the agreement.
- (3) Any areas of customary usage, sacred or Tambu places

(4) Provision for clean water supplies for village established at the time of the agreement,

(5) Any areas reserved for cultivation by specified villages.

(f) The agreed duration of the agreement to purchase timber rights and arrangements for its determination or extension shall be specified.

(g) The agreed price and method of payments for timber felled and extracted shall be specified.

(h) The agreed compensation for damage or destruction of crops shall be at rates currently specified by the Ministry of Agriculture and Lands.

(i) The agreement shall be signed by all persons specified in paragraph 3 of Form 2 of the Schedule to the Forests and Timber (Prescribed Forms) Regulations.

SCHEDULE

"TIMBER RIGHT" includes a right to -

(a) inspect, survey, enumerate, mark and map any area or tree;

(b) cut, trim, lop, top and crop any tree;

(c) plant and cultivate any seed, seedling or tree;

(d) take any measure whatsoever for the healthy growth and protection of any tree;

(e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;

(f) take any timber into possession or ownership;

(g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain -

(i) any works (including railways, tramways, roads, waterways, slip-ways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);

(ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and

(iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;

(h) for any of the purposes specified herein -

(i) subject to the provisions of the River Waters Act, to take and use water;
and

(ii) to quarry, extract, move and use any stone, earth or other road-making or
building material.

FORM 4

FORM OF AGREEMENT FOR TIMBER RIGHTS
(Section 12)

IT IS HEREBY AGREED AS FOLLOWS:-

1. In consideration of the undertaking by the Company contained in this agreement and
subject to the condition limitations and restrictions included herein, the Representatives
hereby grant to the Company the right to fell harvest and extract timber for sale from the
customary lands

between.....and

.....
known as and shown edged red in the plan scale of 1: 50,000 attached to this agreement.

2. COMMENCEMENT

The Company shall commence logging operations as set out in the licence in the land covered
by this agreement not later than'.....

.....
in default of which this agreement shall become null and void.

3. DURATION OF AGREEMENT

This agreement shall remain in force until the execution of a completion Certificate as
published for in Schedule C, or the agreement is terminated through breach of its provisions.

4. PROTECTION OF RIVERS & WATERS CATCHMENT

River Waters Act

The Company shall comply in all respects with the provisions of the River Waters Act and
shall ensure that all its employees are made aware of their obligation under the Act, in
particular section 5 relating to offences and section 6 regarding removal of obstruction and
restoration of damage.

5. MINIMUM DISTANCE

There shall be no logging or felling of trees within 50 metres measured along the ground of
any main river or water course or 25 metres of any minor watercourse or stream as defined on
a 1:50,000 scale topographical map.

6. WATER POLLUTION

All oil, fuel, chemicals and other pollutants shall be stored at a safe distance away from any river or water course in secure conditions with safeguards against accidental contamination of water. No refuse, sewage, rubbish, oil, fuel or other pollutants may be discharged into any river, pond, stream or water source by the Company or any of its employees or sub-contractors. Should any such pollution occur in the area covered by this agreement any inspector appointed under the River Water Act may require the Company to suspend all operations in the said areas until the pollution has ceased and the damage has been rectified.

7. GRAVEL EXTRACTION

Subject to obtaining the permission of individual landowners concerned in respect of each site, the Company may extract sand and gravel from rivers for the construction of roads and for building works necessary to the Company's operations without payment except for any damage caused to economic trees or crops. All such extraction sites must be restored to an environmentally satisfactory condition to be determined by the inspector declared under the River Waters Act, within 3 months of operations ceasing at the site and prior to the execution of a Completion Certificate under this agreement.

8. SLOPES

On any hillside above twenty degree (20 °) in slope the Company shall restrict itself to selective felling of regular size logs above 60 cm diameter at breast height. No felling of trees on slopes of 30° and above.

9. ALTITUDE LIMIT

No felling or logging shall be allowed above an altitude of 400 metres above sea level except in the case of any areas of level land above this altitude for which special exemption has been granted by the Ministry of Lands, Energy and Natural Resources.

10. ROAD CONSTRUCTION

The Company shall construct main roads in accordance with the plan attached as Schedule A hereto. In addition the Company may construct such spur roads and feeder roads as may be necessary in accordance with good logging practice and the need to minimise damage to the environment. Minimum requirement for road construction to include 1 grader and 1 vibrating drum roller.

All roads shall be constructed to the specification laid down in Schedule B attached hereto.

All merchantable trees along all road lines log yards or other sites are to be felled by chainsaw and harvested as logs prior to road construction. Clearance of roadlines by bulldozing prior to felling and extraction of merchantable trees is prohibited.

The Company shall erect road signs that conform with the Highway code at all places requiring caution or reduced speed along all main and spur roads.

11. ACCESS ROADS TO VILLAGES

The Company shall wherever possible connect villages within the area covered by this agreement to the primary road network. Where a road connection to a village is made that is in addition to the Company's requirement for logging operations, the Company shall not be liable to pay compensation for economic crops or trees damaged by the construction of the connecting road.

12. ROAD MAINTENANCE

The Company shall be responsible for maintenance for all main roads constructed in accordance with the plan at Schedule A hereto until the execution of a Completion Certificate in the form set out in Schedule C attached hereto covering all the land included in this agreement. Thereafter the Company shall be responsible only for continuing maintenance of such roads as may be necessary for access to operation in other areas as specified in the Completion Certificate. The Company shall retain right of access along such roads as are laid down in the certificate, subject to performance of its maintenance obligations. Prior to the execution of the Completion Certificate the Company shall carry out thorough maintenance of all the main roads in the completed area and where possible shall leave stock piles of gravel at strategic points for any repairs that may be necessary within the next 5-10 years

13. BRIDGES CONSTRUCTION

All bridges along main roads are to be constructed in accordance with the specifications shown in Schedule D attached hereto.

The Company undertakes to use durable species in bridge construction for main roads. For the purposes of this clause "durable species" shall mean *Calophyllum*, *Dillenia*, *Intsia*, *Vitex*, *Securinega*.

All bridges along main roads and access roads to villages shall be timber decked as indicated in Schedule D. Either a stock pile of suitable logs stacked to air-dry, or a stand of trees of the durable species shall be left adjacent to each bridge for future maintenance. No payments shall be required of the Company for such stock piled logs.

Fords shall be constructed at each bridge site for use when bridges are under repair.

Abutments to bridges shall be properly constructed and reinforced in accordance with Solomon Islands Government standards for main road log bridges.

14. CULVERTS

All culverts on main or feeder roads shall be constructed of permanent materials. Logs with earth and fill shall not be used for culvert construction.

15. LOG YARDS AND STORAGE OR WORKING AREAS

Topsoil shall be removed and stockpiled from land prior to use for yarding or storage of logs. When operations are completed in the area the Company shall rip furrows to a depth of 5 cm with 1 m between the furrow all over the compacted ground, and spread the topsoil back over the yard.

The Company shall not clear land in excess of reasonable requirement for good logging and road construction practice.

16. LOGGING PRACTICE

The Company shall in all its operations abide by the standard provision of the South East Asia Lumbar Producers Association (see Schedules G and H). Good felling and extraction policies shall be practised at all times to the satisfaction of MNR, Forestry Division.

All merchantable timber shall be directionally felled where possible. All merchantable logs must be measured marked and their site of origin recorded for payment at the nearest bush yard to where they were felled. Detailed records must be maintained for reference by inspectors and the representatives when required.

17. PENALTY FOR WASTE

All merchantable logs must be extracted from the bush within 3 months of felling.

A penalty equal to 200 per cent of the total of royalty to the landowners plus government duty payable to the Province and taxes that would have been payable shall be levied in respect of any saleable log that is felled and left in the bush for more than 3 months.

Where on inspection of any area it is discovered that more than twenty per cent (20%) of felling in the opinion of the Forest Inspector and Company representative have been carried out leaving high stumps and split logs, a penalty equivalent to 200 per cent of the total of royalty plus duty and government taxes that would have been payable in respect of the wasted timber by the Company will be charged on the total volume of timber so wasted in the area concerned. Where any penalty has been assessed under this clause the element for loss of royalty shall be payable to the representatives and the element for loss of export duty and taxes shall be payable to the S.I. Government in the normal manner. Logs lost during barging and loading of ships will be subject to the same penalty as for saleable logs left in the bush unless retrieved.

18. EXCLUSION OF SPECIES

The following species are not to be felled or harvested by the Company except where their removal is unavoidable along roadlines or yarding areas.

<i>Canarium</i>	- (selu or Ngali Nut)
<i>Gmelina</i>	- (buti)
<i>Artocarpus</i>	- (Baleho)
<i>Mangifera</i>	- (Kea or Mango)
<i>Metroxilon Salomonense</i>	- (Abia and Ato - Sago Palm)
<i>Terminalia Salomonensis</i>	-(Togoma)

(Any other species) Protected species designated by negotiation made under section 44 of the Forests Resources and Timber Utilisation Act.

19. LOGGING OF PARTICULAR CLAN AREAS

As far as is consistent with good logging management the Company shall plan its operations to log out each identified clan area in turn, and will as much as possible avoid logging adjacent lands in different clan ownership at the same time.

20. SURFACE DAMAGE

The Company shall exercise strict management control over its equipment operators to ensure that there is no excessive blading or excessive bulldozing of track through the bush.

To minimise ground damage and erosion, pre-felling surveys must be carried out to establish contour skid trails and to demarcate riparian areas as in clause 5 to prevent the felling of trees along rivers and streams. Mangrove species will not be felled for any purpose except where wharves are to be established.

The Company will adopt the use of chokers and will as standard practice when hauling logs by bulldozer drag several logs at once to reduce the number of skidding tracks and minimise surface damage. In wet areas the Company undertakes to use equipment designed for operation in such areas with minimal surface damage and will avoid the use of machines likely to cause serious soil disturbance and compaction.

All skidding tracks descending slopes must be dammed with drainage run offs at frequent intervals immediately after they cease to be in use in order to disperse rain and storm water and prevent soil erosion.

21. REAFFORESTATION

The Company will carry out reforestation of the land included in the agreement. The Company shall not be required to reforest more than one-third of the area set out in the logging licence, but may offer to increase this proportion should they wish to do so. The area selected for reforestation shall be agreed and specified after discussion with the Commissioner of Forest Resources and the Province. The Company shall prepare a detailed plan of operations in whatever form the Commissioner of Forest Resources may direct for his approval as a prelude to the signing of the agreement with the landowners. Subsequent failure to carry out the reforestation plan of operations to the complete satisfaction of the Commissioner of Forest Resources may lead to the termination of the agreement as provided for in clause 38.

22. PRESERVATION OF MATERIAL FOR BUILDING & DOMESTIC NEEDS

The Company undertakes to minimise damage to bamboo, loyer cane, mama fua trees, sago palm, betel nut and similar bush products of use to the landowners for building purposes and domestic needs. The Company shall take particular care to ensure that its employees observe this requirement and do not needlessly damage or take or use such products from the bush without specific permission in each case from the landowners concerned.

23. PRESERVATION OF VILLAGE SAFETY & ENVIRONMENT

No felling, logging, or other operations shall take place closer than 100 metres from the edge of any village area with the exception of construction of road access.

No road shall be constructed to pass closer than 30 metres from the edge of the carriageway to any existing dwelling-house. Should the terrain make it essential to pass closer than 30 metres, the company shall at its expense relocate the dwelling to a fresh site nominated by the owner away from the road.

The Company shall ensure that appropriate speed limits are imposed, signposted, and observed by its employees near villages.

The Company undertakes to avoid siting any noisy or disruptive operations near village areas.

The Company shall take all possible steps to ensure that its employees observe local customs and do not trespass, steal, behave in a drunken or offensive manner, or commit any offences in village areas. Should any employees misbehave in such manner the Company shall dismiss them forthwith.

24. PRESERVATION OF TAMBU PLACES

It shall be the duty of the Company at least 1 month prior to logging any area to identify and clearly mark both on the ground and on maps any sacred sites, burial grounds, or places of historic, archaeological or cultural importance. All such sites identified shall be clearly marked on the ground by Company surveyors working with landowners by brushing around the boundary, blazing or painting of trees and the posting of notices 'Tambu-Keep out'.

All sites shall be recorded on the Company's maps and copies shall be provided to the..... Province and landowners. The Company shall ensure that its employees are made aware of Tambu sites and that they are to be protected from any damage, trespass or theft.

The Company shall be liable to pay compensation in the case of trespass or damage to any Tambu site by its employees, whether within working hours or not, in accordance with the provisions of the Provincial Assembly (Establishment of Protected Areas) By-laws.

25. COMMERCIAL STORES & BUSINESS

The Company shall have the right to operate one Company retail store or Co-operative for its employees in each main company residential area. The operation of such company stores shall not be assigned or licenced to any other person or company except with the prior consent in writing of the landowners of the store site in question. No Company employees or other persons shall be permitted to open stores or conduct any form of business activity (other than contracts directly connected with logging operations provided to the Company only) on the land covered by this agreement. Any proposals for retail or other business ventures shall be subject to direct negotiations with landowners and are excluded from the scope of this agreement.

26. GARDENING, HUNTING & FISHING BY EMPLOYEES

The Company undertakes to ensure that its employees shall not hunt and gather in the bush, fish on reefs or in rivers, or make gardens except with the prior permission of the landowners concerned in each case. Where landowners allow land for gardening it shall be only for employees' personal use and there shall be no marketing or sale of garden produced by

company employees.

27. CONTROL OF SETTLERS

The Company shall enforce controls on visits by friends, relatives, and other people staying with employees to ensure that no persons other than Company employees or their immediate families live in the area covered by this agreement for consecutive periods longer than one month.

28. EMPLOYMENT OPPORTUNITIES

Priority for employment shall be given by the Company to people indigenous to the land covered by this agreement in all cases where suitably qualified and experienced persons are available. The Company shall have the right to recruit skilled personnel from other places provided it has first been established that no suitable person is available locally.

All unskilled labour shall be recruited from among people indigenous
to.....
Province with priority being given to persons from the area covered by this agreement

29. WAGES & CONDITIONS FOR LABOURERS

The minimum wage for an unskilled labourer shall be \$per day.
Overtime will be paid at the following rates
.....
.....

Holiday entitlement will be
.....

Accommodation entitlement will be

Rations will be provided as follows

Other benefits will be
.....

30. COMPENSATION FOR DAMAGE TO CROPS

Compensation for economic trees and crops damaged by operations will be paid at the standard S.I. Government rates in force from time to time. The current rates payable are set out in Schedule E attached hereto.

31. ROYALTY

The Company shall pay to the representatives of the landowners by monthly payments a royalty calculated in accordance with the formula set out in schedule F attached hereto in respect of all merchantable timber appropriated by the Company from the land covered by this agreement. The volume of timber on which royalty shall be paid shall be as shown in the Company's production figures at the main log ponds or yards after selecting, grading, across

cutting, and cutting out defective material. Measurement of volume shall be calculated from the Company's production figures each month and based upon the average sale price in S.I. dollars per cubic metre received by the Company during that month from sales of logs from the area covered by this agreement. The point of sale for the purpose of calculation of royalty shall be FOB for export sales and at main logs ponds or yards for local sales. The average sale price shall be obtained by dividing the total receipts from each shipment of logs from the area by the total volume of logs in respect of which such receipts have arisen.

In any month where no sales have been completed the Company shall pay a minimum royalty of.....
..
.....
....

32. MONTHLY STATEMENT

The Company shall produce a monthly statement to the representatives with a copy to the Commissioner of Forest Resources showing detailed production figures for the month broken down into species, grades, volumes, and area of origin, together with sales figures showing species, grades, volumes, and FOB prices. The statement shall include details of royalty calculations and payments made during the month.

33. SALES

Wherever possible all sales of timber by the Company shall be at arms length to brokers or companies which have no connection whatever with the Company or the owners of the Company.

The Company shall produce with the monthly statement of production and sales a copy of the minimum price guidelines for similar timbers applicable to the month in question issued by the Papua New Guinea government, or if this is unavailable for any reason, a statement of comparative prices for similar timbers for the month from an independent and reputable firm of timber agents such as Jardine Matheson and/or North Borneo Timbers.

34. METHOD OF PAYMENT

Payment of royalty shall be made only to all the Representatives gathered together and signing jointly in public at a time and place which has been advertised by public notice one week in advance. The company shall produce the statement of volumes, prices and royalty calculations as required by clause 32 of this agreement together with the minimum price guidelines as required by clause 33 above at the time payment is made.

Upon acceptance of the calculations the representative shall sign a receipt for the whole royalty due and per cent of the money shall then be paid over in cash or cheques and the balance of per cent shall be deposited forthwith by the Company in a Trustee Account for the clan/line at the nominated bank.

Payments shall not be made unless all the representatives are present. Should any of the representatives be absent, the Company shall give those present copies of the statement and

royalty calculations, but shall withhold the payment and deposit the total forthwith into the nominated bank account.

35. MEASUREMENT

The Company shall adopt the system of measurement and grading of logs prescribed in Schedules G & H attached hereto.

The Company and the representatives undertake that in the event of any dispute arising between them concerning the measurement of volume and grading of logs under this Agreement they shall submit the same to the Minister of Natural Resources or his nominee whose decision shall be conclusive.

36. ENFORCEMENT

The representatives hereby nominate all Forestry Officers of the Ministry of Natural Resources together with all officers of the Public Solicitor's office and the Provincial Secretary to Province to be their agents for the purposes of monitoring and enforcing the implementation of the terms of this agreement.

The agreement shall be interpreted according to Solomon Islands law and enforceable in the High Court of Solomon Islands.

37. ARBITRATION

In any case of dispute between the landowners and the Company over interpretation of the terms of this agreement it is hereby agreed that the dispute shall be submitted in the first instance to the Landowner's Association for mediation, and should this fail to produce agreement to the Minister of Natural Resources whose decision shall be final.

38. TERMINATION

Should the Company be in breach of its obligations under this agreement the representatives may serve 1 month's formal notice through the Public Solicitor acting as their agent to comply with the obligations, in default of which the Company shall be required to suspend operations in the area forthwith until such times as the obligations have been met.

The Company may at any time serve 1 month's written notice of its desire to terminate its operations in the area covered by this agreement through the Public Solicitor's Office, in which case the Company shall forthwith comply with the requirements to obtain a Completion Certificate and the landowners shall, once the requirements have been carried out, release the Company from further obligation under this agreement.

All notices to comply with the agreement or to terminate it shall be copied to the Ministry for Natural Resources and to the Province.

39. ASSIGNMENT

This agreement and the rights and obligations herein comprised may not be assigned by the Company to any other party except with the prior written consent of the representatives.

Executed at this day of
19

Signed
.....
.....
on behalf of

Signed
.....
.....
on behalf of the
clan/line.

Witnessed
on behalf ofProvince

SCHEDULE A

PLAN OF MAIN ROADS

SCHEDULE B

ROADING SPECIFICATIONS

	MAIN	FEEDER	SPUR
Cleared with meters	80	80	60
Carriage width metres	10	5	4
Min. Depth of Compacted Surfacing CM	7 - 10	7 - 10	as required
Maximum allowable grade %	8	10	12
Maximum adverse grade %	6	10	12

Main roads shall be constructed for all weather use, be adequately drained and have curves and lines of sight suitable for loaded truck speeds of up to 35 kph. All shade trees shall be kept felled.

No road shall be constructed closer than 50 metres to a river bank except where no alternative route is possible.

Where possible main road orientation and clearing shall be such as to maximise sunlight on the road surface, particularly in areas of damp ground. Drains shall be laid off along main roads at distances of no more than 100 metres apart. Main roads shall be sited to avoid dangerous gradients and bends.

Construction of main roads shall be carried out 3 months in advance of logging operations in any area to allow for consolidation of the road bed.

Feeder roads shall be as for main roads but being single carriageway shall have adequate passing places.

Spur roads are short term roads of short lengths.

SCHEDULE C

LOGGING
COMPLETION CERTIFICATE

This certificate is made consequent upon an agreement
dated between..... (the Company)
..... of
..... of
..... of
..... of
..... of
being the representatives of the
clan/line acting on behalf of the clan/line (the Representatives).

WHEREAS

The Company has notified the Representatives that it has completed operations within the land covered by the above agreement with effect from

We the undersigned have inspected the said land to check that the Company has satisfactorily carried out its obligations under the said agreement and the River Waters Act. In particular we have established:

- (1) That all streams and watercourses have been cleared of obstructions, dams, temporary culverts etc.
- (2) That all skidding tracks on slopes have been dammed and drains led off at frequent intervals.
- (3) That all yarding and working areas have been ripped to break up soil compaction and topsoil has been spread evenly back across the disturbed areas.
- (4) That all merchantable timber felled by the Company has been duly extracted and paid for.
- (5) That all oil, chemical or similar pollutants have been removed and all rubbish has been satisfactorily disposed of.
- (6) That all quarries, pits, and gravel extraction areas have been restored to a safe and environmentally acceptable condition, and that any areas of stagnant water created by operations around working areas have been filled or drained.

(7) That a thorough final maintenance has been carried out of all main roads and roads giving access to villages and to all bridges in the area covered by the said agreement, and that materials for future repairs and maintenance have been left as provided in the agreement.

(8) That all royalties, penalties, compensation or other payment due under the agreement have been duly received.

NOW THEREFORE IT IS HEREBY AGREED:

That the Company is released from further obligation or benefit under the said agreement save as follows:

(1) The Company will retain the right of access along the roads
from.....
.....
.....
to.....
and shall retain the obligation to maintain these roads, as provided in the said
agreement until

(2) (Insert any other retained obligations)
.....
.....
.....
.....

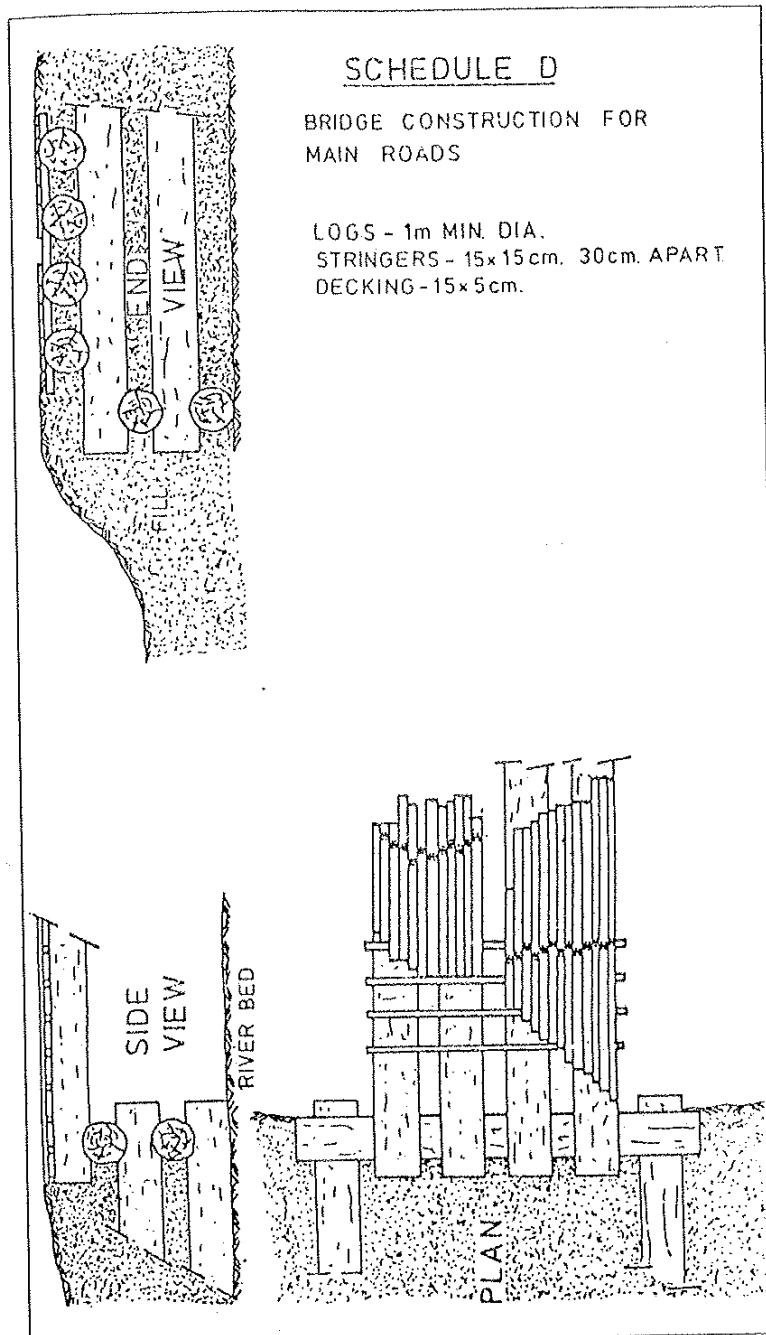
Signed by
.....
.....
.....
.....
(the Representatives)

Signed by
.....
(on behalf of.....Co. Ltd).

Signed by
.....
.....
(Inspectors on behalf of the Minister for Natural Resources).

Date:

SCHEDULE D



SCHEDULE E

GOVERNMENT CROP COMPENSATION RATES

1. ROOT CROPS

Sweet potato	10 cents per hill
Taro	24 " " clump
Pana	24 " "hill
Yam	24 " " " "

Tapioca (Cassava)	9 "	" plant
-------------------	-----	---------

2. VEGETABLE

Bush cabbage	33 cents per bush
English cabbage	20 " " plant
Green paper	10 " " "
Aubergine (Egg plant)	14 " " "
Tomatoes	20 " " "
Beans (all types)	23 " " "
Cucumbers	28 " " "
Water Melon	28 " " "
Pumkin	20 " " "
Sweet corn	8 " " "
Peanuts	8 " " "
Shallots	45 " " meter row
Radish	42 " " " "
Lettuce	63 " " " "
Chinese cabbage	50 " " " "

3. EDIBLE FRUITS AND NUTS

	Seedling	Non-bearing	Bearing
	\$SI	\$SI	\$SI
Ngali nut	-	3.30	10.60
Mango	-	2.80	9.80
Betel nut (chewing)	-	1.66	6.60
Custard apple	-	0.35	2.10
Soursop	-	0.35	2.10
Rambutan	-	0.35	2.10
Guava	-	0.35	2.10
Carambola (5 corner fruit)	-	0.35	2.10
Cut nut	-	0.35	2.10
Bush apple (F. malaccense)	-	0.35	2.10
Citrus	- Seedling category	(a) 50 cents per tree	(b) - cents per tree
	- non bearing "	(a) 5.00 per tree	(b) 80 cents per tree
	- bearing "	(a) 8.30	(b) 83 cents per tree
	"	(c) 50 cents per tree	(d) -
Breadfruit	- Seedling "	(c) 50 cents per tree	(d) -
	- non bearing "	(c) 2.80 per tree	(d) 1.40 per tree
	Non bearing "	(e) 9-80 per tree	(d) 7-00 per tree
Banana	- 27 cents per newly planted sucker		
	80 cents per bearing stem		
Papaw	- per non bearing tree		

Pineapple	\$1.30 per bearing tree - 3 cents per newly planted sucker
Sugar cane	- 35 cents per bearing plant - 3 cents per newly planted set
Sago palm	- 8 cents per mature stalk - \$5 per mature palm
" "	- \$1 per Immature palm

4. COMMERCIAL TREE CROPS

Cocoa well maintained and bearing \$3.00 per tree
 " " " " non bearing \$1.00 per tree
 (subject to a maximum in both cases of \$990 per hectare)
 Cocoa, poorly maintained and bearing \$1.00 per tree
 " " " " bearing \$1.00 per tree
 (subject to a maximum in both cases of \$247 per hectare)

COCONUTS

		Non bearing 6 - 40 yrs	\$SI	Over 40 years
Hybrid - well maintained	(e)	5.00	14.00	8.70
Rennell - well maintained		4.00	11.20	6.80
Local tall well maintained		3.60	10.30	6.20
FMS well maintained		3.20	9.20	5.60
All varieties - poorly maintained	(f)	2.10	6.10	3.70
Poorly maintained subject to a maximum per hectare		330.00	965.00	586.00

5. COMMERCIAL FIELD CROPS

Chillie (Tabasco) 9 cents per plant
 Chillie (Long red) 5 cents per plant
 (Subject to a maximum of \$494 per hectare for Tabasco and \$247 per hectare for long red).
 Tumeric 2 cents per plant
 (Subject to a maximum of \$173 per hectare)
 Pasture improved \$125 per hectare
 Pasture unimproved \$40 per hectare

6. NOTES:

- (a) Plants purchased i.e. budded, improved variety
- (b) Plants locally grown from seed
- (c) Plants properly spaced and maintained
- (d) Random planting
- (e) 'Well maintained' means coconut palms planted at a recommended density and well brushed or grazed.
- (f) 'Poorly maintained' means overgrown palms in very poorly condition or randomly planted, self-sown palms at densities other than those recommended.

SCHEDULE F

CALCULATION OF ROYALTY PAYABLE TO LANDOWNERS

The rate of royalty payable by the Company to landowners shall be calculated monthly in relation to average sale price, derived as specified in clause..... of this agreement.

The rate of royalty payable shall be a percentage of the average sale price.

The basic rate of royalty shall be 12½ percent when the average sale price amounts to S.I. \$150' per cubic metre.

When the average sale price exceeds S.I. \$50 per cubic metre or drops below S.I. \$150 per cubic metre, the royalty shall be increased or reduced by 2 per cent for every movement of \$5 subject to an overall minimum royalty of 7½ per cent and a maximum of 17½ per cent, as illustrated in the following table:-

	<i>Average Sale Price</i>	<i>Percentage Royalty</i>	<i>Actual Royalty</i>
	35	7½%	2.63
	40	8½%	3.40
	45	10½%	4.73
Basic Royalty	50	12½%	6.25
	55	14½%	7.98
	60	16½%	9.90
	65	17½%	11.38
	70	17½%	12.25
	75	17½%	13.13

SCHEDULE G

BRERETON SCALING

AS IN OTHER METHODS OF LOG VOLUME SCALING, THE BRERETON METHOD REQUIRES THE LENGTH OF THE LOG TO BE MEASURED, AND A DIAMETER TO BE ARRIVED AT BY THE FOLLOWING METHOD, SO THAT THE TWO MEASUREMENTS MAY TOGETHER USED TO READ OFF THE VOLUME OF THE LOG TO THE DESIRED NUMBER OF DECIMAL PLACES FROM A BOOK OF LOG VOLUME TABLES.

METRIC FIGURES ARE TO BE USED THROUGHOUT.

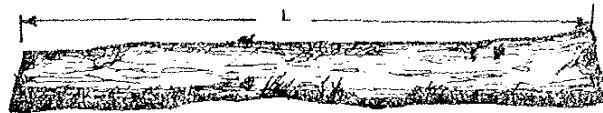
LENGTH

The length of a log is measured by tape or measuring stick. A tape is generally found to be more accurate and practical and is thus preferred. All tapes used should first be checked against an acceptable standard and faulty tapes destroyed.

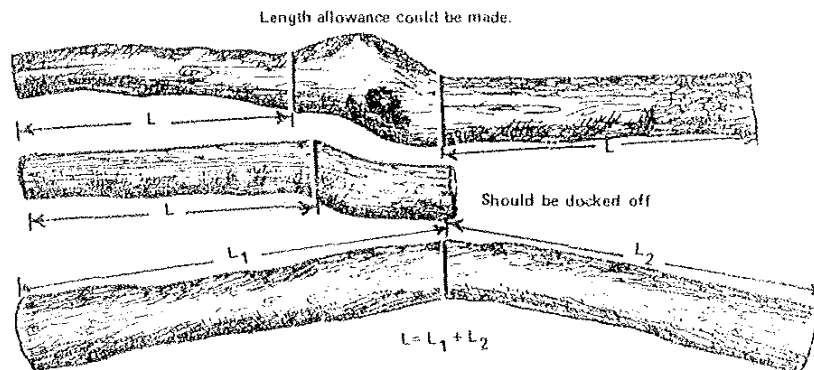
All logs before measuring should have properly bucked ends. This means in practice, for log export, that each end must be cut so its cross section face occurs at an angle not less than 80 ° to the central log axis.



The length of a log is taken as the shortest distance between slovens, where they occur at each end.



Log length is measured in whole decimetres along a straight line, passing through the central axis of the log except where cross kinks occur, cross kinks should be docked off where they occur at either or both ends.



The length is thus measured in whole metres and decimals, to the nearest 10 centimetres (or, decimetre) down:

7.32 becomes 7.3m

7.39 becomes 7.3m

No Trim Allowance will be made

For export purposes it is suggested logs should be de-barked but this, though desirable to minimise rubbish around a sawmill, is not necessary for sawmilling.

DIAMETER

The Brereton Method of log scaling involves a basic change from the Huber Method previously used.

The Huber Method requires an actual centre girth or diameter measurement to be made, by tape measuring the circumference of the centre of the log, and rendering the girth into diameter units by use of a girth/diameter tape.

The Brereton Method on the other hand measures with tape, or ruler, or graduated stick, two diameter at each end, at right angles to each other, to the whole centimetre down and average the four measurements to arrive at a single diameter for volume calculations.

The centre diameter D, is arrived at thus

$$\frac{D - d_1 + d_2 + d_3 + d_4}{2} \text{ or}$$

or

$$\frac{D + d_1 + d_2 + d_3 + d_4}{4} \text{ (easier for calculation)}$$

WHERE D Centre Diameter for volume calculations

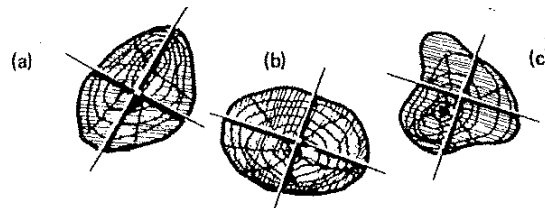
d_1 = Long diameter at head of log

d_2 = Short diameter at head of log

d_3 = Long diameter at butt of log

d_4 = Short diameter at butt of log

The geometric centre of the log is marked, and the longest diameter measured except where a gross irregularity occurs as in (c) below the actual heart centre is disregards where it does not coincide with the geometric centre. The second diameter is then measured at right angles to the first, THROUGH THE GEOMETRIC CENTRE.



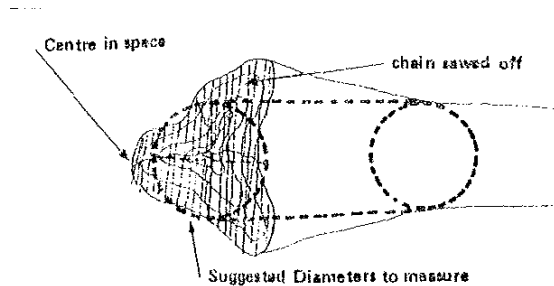
It should be noted that neither diameter needs be measured through the actual heart centre of the cross section. Both diameters are measured through the GEOMETRIC CENTRE of the cross section.

All diameters shall be recorded in full centimetres only.

75.3 cms BECOMES 75 cms

75.6 cms BECOMES 75 cms

In measuring markedly irregular cross sections at the bottom/top, which are not truly indicative of the actual volume of the log, an attempt will have to be made, first, to have the bad flanges dressed off (but not excessively so) and second, to estimate a fair cross section to measure, as in diagram below.



VOLUME DETERMINATION

The volume for which royalty and/or export tax is to be calculated is read off from the metric log volume tables (F & TB Canberra) in use through out Papua New Guinea.

STANDARDS

Measurement tools (tape, stick etc.) must be checked against the authorised standard before use. The standard will be maintained by the Forestry Division MNR. It is intended to circulate a check standard for comparison with departmental and industry tools. A tolerance of 1% error is acceptable.

DATE OF APPLICATION

The date of COMPULSORY SOLE USE of the method is 1.1.83 and as from that date Brereton Scaling is the only acceptable method of diameter measurement.

SCHEDULE H

LOG GRADING RULES

GENERAL INSTRUCTIONS

LOG EXPORT PREPARATIONS

Logs shall be completely debarked
Logs shall have properly bucked ends. (Not less than 80% perpendicular to the central axis.)

MODE AND SYSTEM OF MEASUREMENT

Logs shall be measured in the Brereton style
Metric system based on the formula

$$V = \underline{0.7854 \times D^2 \times L} \quad (0.7854 = \frac{1}{4} \text{ PI}) \quad \text{WHY? } \Pi = 3.14159 \\ = 3.1416$$

V = VOLUME IN CUBIC METRES

$$\frac{22}{7} = 3.1428$$

D = DIAMETER IN CENTIMETRES

L = LENGTH IN METRES

Two diameter measurements shall be taken under bark at each log end perpendicular to each other (at both ends) and the final recorded diameter shall be the average of the averages.

$$D = \frac{\frac{1}{2}(D_1 + D_2) + \frac{1}{2}(D_3 + D_4)}{2}$$

Diameter shall be recorded to the lower full odd or even centimetre.

Lengths shall be measured along a straight line passing through the central axis of the log from the centre of the top diameter to the centre of the butt diameter, to the lower full odd or even decimetre.

The trimming allowances shall be recorded as an exponent of the recorded length. Example: 4.0⁹, 4.1⁸, 6.2⁷, 8.1⁶, 3.8⁵, 5.1⁴, 4.6³, 4.8², 5.6¹ etc.

IDENTIFICATION AND CLASSIFICATION

Logs shall be identified and classified according to their established/accepted trade names in the respective country of origin in accordance with agreed classification/equivalent by colour, species and form of bole or grouping.

VOLUME DETERMINATION

The volume of individual shall be determined from standard volume tables computer based on the volume of a cylinder carried to the nearest three decimal digits.

Volume of trimming allowances shall be excluded.

No deduction of defects of any kind on a log of any grade shall be made.

The volume of defects as determined and expressed in per cent shall be used solely for establishing soundness and grade of log.

MARKING

Each log shall bear at one end the imprint of the officially registered log inspectors making hatchet or hammermark.

Each log shall bear at the exposed surface a corresponding serial number, grade mark, species and shippers mark, in bold letters with paint the sizes of which shall not be less than 6 centimetres wide.

PERMISSIBLE ERRORS. A scaling discrepancy not exceeding (plus or minus) 1.5% of the gross volume or not exceeding (plus or minus) 1.5% of the grade based on the number of places inspected for a given shipment shall be allowed, whichever be the less.

DEFINITION

The term "FRESH CUT" as used in these rules shall mean logs with sound sapwood, free from teredo, large and deep grub or wormholes (lobang posing included), marine shell (barnacles) and fruiting bodies (fungi).

The terms "CYLINDRICAL" and "NEARLY CYLINDRICAL" as used in these rules shall mean, respectively, the 80% and the 70% ratio of the shortest and the longest top end diameter of each log.

PROHIBITION-There shall be no prohibition on the shipper to improve the quality of any log shipped at the time of or during the inspection/grading insofar as the individual log is concerned. This may be in the form of improved trimming, surface scrubbing and the attachment of gang nail plates, S-Iron cleats or other methods to prevent degrade due to splits.

SUBSTITUTION/REPLACEMENT - No substitution of pieces shall be allowed after grading.

Replacement may, however, be made in the case of sunken logs with equivalent grade and volume.

GRADING/INSPECTION

The grading/inspection conducted by an authorised log inspector shall be final.

STANDARD DEFECTS AND EQUIVALENT UNITS

Standard Knot

One sound knot over 1 centimetre up to 6 centimetres in diameter for every 2 meter log length with interval between knots not less than 2 metres; or equivalent, are equal to 1 Unit.

One sound knot over 1 centimetre up to 6 centimetres in diameter for every 2 metre log length with interval between knots not less than 1.5 metres; or equivalent, are equal to 2 Units.

Two sound knots over 1 centimetre up to 6 centimetres in diameter for every 2 metre log length with interval between knots not less than 5 metre; or equivalent, are equal to 4 Units.

Sound knots up to 1 centimetre in diameter will be ignored.

STANDARD BORER, SHOT AND PIN HOLES

Any concentration of pinholes of more than 15 up to 30 in a square of 235 mm for each such square 1/4 Units.

For each additional 15 holes in a square of 124 mm x 125 mm ¼ Units.

Over 3 and up to 10 shotholes in each 3 metres log length scattered on the surface of the log but not extending beyond the sapwood 1 Unit,

For each additional 10 holes in each 3 metre log length 1 Unit.

One large borehole in each 3 metre log length 1 Unit

For each additional 2 holes in each 3 metre log length 1 Unit.

Small boreholes scattered on the surface of the log but nowhere in a square of 125 mm x 125 mm will be ignored.

Up to 3 medium boreholes scattered on the surface of the log but not extending beyond the depth of the sapwood for each 3 metre log length will be ignored.

STANDARD SPLIT

One or two splits with a total length of up to 10% of the length of the log, are equal to 2 Units.

One or two splits with a total length over 10% up to 20% of the length of the log, are equal to 2 Units.

Two or three splits with a total length of the two longest splits over 20% up to 40% of the length of the log are equal to 3 Units.

Three or more splits with a total length of the two longest splits over 40% of the length of the log are equal to 4 Units.

STANDARD BEND

One bend with a deviation of 10% shortest log end diameter is equal to 1 Unit

One bend with a deviation over 10% up to 20% shortest log end diameter is equal to 2 Units.

One or two bends with a total deviation of 30% shortest log end diameter are equal to 3 Units.

One or two bends with a total deviation or 40% shortest log end diameter are equal to 4 Units.

PEELER LOG GRADES

Diameter 50 centimetres or larger, length 2.5 metres or longer.

Shall be fresh cut, cylindrical, reasonably straight grained with properly bucked ends.

Heart may be off centre but shall be within $\frac{1}{4}$ of the average log diameter;

May admit one unit of standard knot;

May admit one unit of standard borer, shot and pinholes;

May admit one unit of standard split; and

May admit one unit of standard bend.

This grade may admit logs with discolored but sound sapwood.

STANDARD PEELER GRADE (SP. 2)

Diameter 50 centimetres or larger, length 2.5 metres or longer.

Shall be fresh cut, cylindrical, reasonably straight grained with properly bucked ends.

Heart may be off centre, but shall be within $\frac{1}{3}$ of the average log diameter. Logs may admit piped heart or small centre hole with clean and firm edges, cut or ring shake, brash/brittle heart or heart checks, provided confirmed within a circle centered on the pith not exceeding 15 centimetres in diameter and the log shall be sound enough to provide secure anchorage for lathe spindle and chuck.

May admit 2 units of standard knot;

May admit 2 units of standard borer, shot and pin holes;

May admit 2 units of standard split;

May admit 2 units of standard bend;

This grade may admit logs with discolored but sound sapwood:

May admit logs with few surface checks confined within one quarter of the lateral surface of the piece not exceeding 5 centimetres in depth.

SAWLOG GRADES

PRIME SAWLOG GRADES (SS. 1)

Diameter 50 centimetres or larger, length 2.5 metres or longer.

Shall be fresh cut, nearly cylindrical, and straight grained with properly bucked ends;

Heart may be off centre;

May admit 3 units of standard knot;

May admit 3 units of standard borer, shot and pin holes;

May admit 3 units of standard splits, and

May admit 3 units of standard bend.

This grade may admit logs with discolored but sound sapwood.

The limits of the defect are usually not sharply defined and the affected wood shows no visible sign of decay. Also known as Brash Heart.

BEND - A DEVIATION FROM STRAIGHTNESS

Borer holes - holes in wood caused by insects or their larvae or by marine borers/marine shells or barnacles. For the purpose of these rules, borer holes are recognized according to kind as follows:-

PIN OR NEEDLE HOLES - Small borer holes not more than 1.5 millimetres in diameter.

SHOT HOLES - Medium borer holes over 1.5 millimetres to 3.0 millimetres in diameter.

GRUB OR WORM HOLES - Larger borer holes, over 3.0 millimetres in diameter.

CUP SHAKE - A separation of the fibres along the annual growth ring of the wood which does not encircle the heart.

CENTRE HOLE - A hole located within a circle centred on the pith of a log.

CYLINDRICAL - To be accepted as cylindrical a log shall have 80% ratio of the shortest and the longest top end diameters.

DISCOLORATION - A stain or variation from the natural colour of the wood, usually caused by sap-stain fungi or by oxidisation.

DEGRADE - Applied to a log that has developed through any cause more defects than were permitted in the original grade of the log.

FRESH CUT - To be accepted as fresh cut a log shall have sound sapwood, free from teredo, large and deep grub or wormholes (lobang pusing included), marine shells (Barnacles) and fruiting bodies (Fungi).

HEART - The central portion of a log including the pith and the adjacent wood which may be defective.

HAIR CHECKS - Are small longitudinal separations near the heart.

KNOT - A portion of a branch which has become embedded in the wood by the natural growth of the tree. The cross section of a knot is usually circular or oval in shape and is measured by taking the mean of the longest and shortest diameter.

NEARLY CYLINDRICAL - To be accepted as nearly cylindrical a log shall have 70% ratio of the shortest and the longest top end diameter.

PIPED HEART - Heart with hollow pith.

PROPERLY BUCKED ENDS - The ends of the logs shall be cut flat at an angle of not less than 80° to the axis of the log.

RING SHAKE - A separation of the fibres along the annual growth ring of the wood which almost or completely encircles the pith/heart. Also known as round shake.

STRAIGHT GRAIN - The principal wood cells or fibres running fairly parallel to the axis of

the log.

SPLIT - A separation of the fibres of the wood along the grain developing on the surface.

SAP WOOD - Outermost layers of wood in a log which in the growing tree contain living cells, which are engaged in sap conduction and food storage.

SOUND KNOT - A tight knot free from decay, solid across its face and at least as hard as the surrounding wood.

BUTT - The lower portion of a log.

TOP - The higher portion of a log.

Any log in this grade must scale at least 75% sound.

STANDARD SAWLOG GRADE (SS.2)

Diameter 40 centimetres or larger; length 2.0 metres or longer and scaling not less than 60% sound;

This grade shall admit any log which does not meet the specifications of at least prime sawlog grade.

LOW SAWLOG GRADE (SS.3)

Diameter 30 centimetres or large; length 2.0 metres or longer and scaling not less than 50% sound.

This grade shall admit any log which does not meet the specifications of at least standard sawlog grade.

SAWABLE LOW GRADE (SS.4)

Length 2.0 metres or longer; scaling not less than 40% sound;

This grade shall admit any log which does not meet the specifications of at least low sawlog grade.

SHORT LOGS (SS .5)

This grade shall admit any log shorter than 2.0 metres long and is considered sawable.

CHIPWOOD

CHIPWOOD (SC)

This grade shall admit any log not covered by any of the foregoing grades.

Definitions of defects and terms used in the rules.

SCHEDULE I

OVERALL CONDITIONS TO BE IMPOSED ON COMPANY AS A PRECONDITION

FOR ANY LOGGING IN SOLOMON ISLANDS

To be implemented either:-

(a) By way of conditions in the Licence issued to by MNL

(b) By an SI Govt/ formal agreement.

The following matters should be provided for or made legally binding:

(1) LICENCED AREA

The licensed area shall be restricted to
only in the first instance. Other areas can be considered later once the Company has established itself and shown how it will perform.

(2) OPERATION PLAN

The Company shall be required to produce a general 5 year operation plan and a specific yearly plan thereafter for the duration of the operation, covering road development and the phasing of its logging and other operations to the Province and MNR for approval before it commences logging.

(3) FORM OF AGREEMENT WITH LANDOWNERS`

All agreements between the Co. and landowners shall be made on the approved standard agreement form to be specified in the Licence, with such additions or amendments to the negotiable conditions as the two sides shall agree. All clauses must be completed and none may be deleted. Clauses open to negotiation are: 18 Exclusion of species, 21 Reafforestation, 29 Wages & conditions, 31 Royalty (percentage only, new method of assessment) 34 Method of Payment.

(4) NEGOTIATIONS

The Licence shall require the Company to observe the following procedure when negotiating any agreements with landowners. (after the completion of Form II by the Area Council)

(a) Copies of the 5 years plan and road plan to be made available to each land holding group before negotiations commence for any particular area.

(b) A preliminary meeting shall be held by the company with representatives from Forestry Division and the Province present. The company will explain its plans for the area and intended timing, and the terms and conditions proposed. No agreement may be signed at this stage.

(c) Notices and maps shall be published at important places in the area for 2 months advising people of the plans, date and place for negotiating the agreement.

(d) On the specified date the Company shall negotiate with the chosen representatives of the landowners in public, with legal advisor to the landowners and representatives of the Province and Forestry Division present as observers. If agreement is reached, the Company and not less than 5 representatives chosen by the landowners shall sign an agreement in the approved form with such insertions, deletions or additions as the

two side agree but see 3. shall in accordance with the Company's licence and the standard agreement Form It shall be a condition of all agreement that one copy must be deposited with the Province and one copy with Forestry Division MNR within 14 days of being signed.

ALTITUDE RESTRICTION

It shall be a condition of the Licence that no felling or logging shall take place above 400 metres except on any plateaus or level land for which specific prior approval has been granted in writing by the Commissioner of Forest Resources after his consultation with the landowners.

ENFORCEMENT

The Minister of Natural Resources shall appoint all Government Forestry Officers and Inspectors for the purposes of enforcement of the provisions of the River Waters Act.

The Ministry of Natural Resources will need to consent to Forestry Officers assisting landowners to check on measurements of logs and assist landowners to monitor the Company's performance of its obligations under the logging agreements.

LEGAL ADVICE & ASSISTANCE WITH TRUST A/Cs

The Public Solicitor's Office will need to consent to assist landowners (a) in negotiations, (b) in serving enforcement noticed or court proceedings arising from the agreements and (c) in assisting landowners to set up trustee bank accounts and to act as a mandatory signatory for any withdrawals from such accounts to ensure they are for approved purposes.

STANDARD LOGGING AGREEMENT-CUSTOMARY LAND

This agreement is made between
..... of
(the grantor) and
..... of
..... of
..... of
..... of
being the chosen representatives (the grantee) of the
Clan/line acting on behalf of the said clan/line.

LN 22/1985

THE FOREST RESOURCES AND TIMBER UTILISATION (APPEALS) REGULATIONS (Section 44)

[5th April 1985]

1. These Regulations may be cited as the Forest Resources and Timber Utilisation (Appeals) Regulations 1985 and shall come into operation on the day after they are published in the Solomon Islands Gazette and shall apply to all appeals to a Customary Land Appeal Court under Section 10 of the Act pending at that time or thereafter.

2. All appeals under section 10 of the Act shall be by way of public enquiry.

3. (a) When the clerk to any customary land appeal court has -

- (i) received an appeal under section 10 of the Act;
- (ii) received the prescribed fee (which shall be that prescribed for appeals to the Customary Land Appeal Court under the Land and Titles Act);
- (iii) given notice of the lodging of an appeal through the appropriate Government as provided by section 10(3) of the Act,

he shall give public notice to all persons claiming any timber rights over the area that an enquiry may be held.

(b) Such notice shall be given by at least two separate announcements on S.I.B.C. and by such other means as the clerk may think fit.

(c) Every notice shall include a warning that all persons claiming any such rights must do so in writing within one month.

4. One month after the second or last announcement on S.I.B.C., the clerk shall assess the probable cost of a public enquiry ("the sum required") and require the applicant for acquisition of timber rights under section 7(1) of the Act ("the timber operator") to deposit the sum required with him as security within three months.

5. If the timber operator deposits the sum required, the clerk shall arrange for a public enquiry to be held before the customary land appeal court. Reasonable notice of the enquiry (by announcement on S.I.B.C. and in writing) shall be given to -

- (a)** the appellant;
- (b)** those persons named by the area council in the certificate given under section 9 of the Act ("the respondents");
- (c)** any persons who have made a claim in writing under regulation 3 (a) (iii) of these Regulations ("the claimants");
- (d)** the timber operator.

All persons to whom notice is given shall be entitled to take part in the enquiry, and whether they do so or not, the customary land appeal court may in its discretion order any of them (having due regard to his means, including any profit he stands to make after the enquiry is concluded) to pay the costs of the enquiry.

6. If the timber operator fails to deposit the sum required, the clerk shall give notice to each of the appellants in succession that he may do so within one month. If any of the appellants deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

7. If none of the appellants deposits the sum required, the clerk shall give notice to each of

the claimants in succession that he may do so within one month. If any of the claimants deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

8. If none of the claimants deposits the sum required, the clerk shall give notice to each of the respondents in succession that he may do so within one month. If any of the respondents deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

9. If none of the respondents deposits the sum required, the appeal shall stand adjourned generally. At any time thereafter the timber operator or any of the appellants, claimants or respondents may deposit the sum required and apply to the cleric in writing for a public enquiry as provided by regulation 5. The clerk may proceed to hold a public enquiry, or, if he considers the sum required is no longer enough to cover the probable cost of an enquiry, he may require a further sum.
