

Masalai i tokaut

Number Forty Seven: 9 July, 2006

Pruaitch & Somare chopping down the Sepik

The Prime Minister and his lieutenant, Forests Minister, Patrick Pruaitch, are heavily implicated in a series of new illegal and unsustainable logging operations across their homelands in East and West Sepik Provinces.

In January, Masalai revealed how the Prime Minister and his family were involved in the illegal logging of the Lower Sepik by Malaysian logging company, Brilliant Investments.

Since then Masalai has uncovered evidence that Brilliant has started up a second unsustainable and illegal operation in the old Hawain forestry area.

Masalai has also uncovered the facts about the involvement of Minister Patrick Pruaitch in the illegal logging of the Aitape Lumi Consolidated concession area in his home region.

These revelations should greatly interest the International Tropical Timber Organisation which has accepted a personally invitation from the Forest Minister and the Government to hold its grand 2006 Council Session in Port Moresby.



Desperate for funds for the 2007 election, Prime Minister Somare and his lieutenant Patrick Pruaitch have facilitated illegal logging across the Sepik region.

Aitape Lumi

Since his election to Parliament in 2002, Patrick Pruaitch, The Minister for Rimbunan Hijau, has been desperate to cash in on the forest resources around his home area in the Aitape-Lumi region of the Sepik. However he has been frustrated by the PNG Forest Authority which regards the four proposed timber harvesting concessions in his electorate (Wes, Aitape East Coast, Tadj Romei and South West Wapei) as each too small to sustain a proper sustainable logging operation.

Undaunted, the Forest Minister instructed the Forest Authority to stitch the four areas together into one giant project covering more than 400,000 hectares.

This was totally illegal as the forest resource owners were not consulted and have never given their consent; the Minister does not have the lawful authority to direct the Forest Authority on such issues; it ignores the fact that the four areas are not even contiguous; and it breached a National Executive Council decision in 2002 that ordered the areas be put aside as non-priority areas for development.

Forestry officials tried to protest the Minister's decision but they were cowed into submission by Pruaitch and his heavies and work was begun on the allocation of the newly named Aitape Lumi Consolidated Forest Management Area.

Regardless progress has been slow – in large part precisely because the landowners have not given their consent and do not want a consolidated project. Forest Officers have been also been plugging away trying to go through many of the proper processes and procedures – much to the frustration of Minister Pruaitch.

By late 2005, with time ticking down to the next election, Pruaitch decided he could wait no longer and he struck a private deal with Malaysian logging company Samas to immediately bring its logging equipment onshore and commence logging operations using phoney Timber Authorities issued with no due process (and which should not be issued in FMA areas).



While Patrick Pruaitch has been standing up in Parliament defending the Malaysian-owned logging industry against charges of illegal and unsustainable logging, he has been guilty of the ultimate HYPOCRACY as he knew that he had personally organised and approved the illegal and unsustainable logging of his own electorate!

The deal that has been struck between the hoax landowner company Aitape Lumi Consolidated Forest Resources Limited (set up by Patrick Pruaitch using his political cronies) and Samas allows the logger to unlawfully clear-fell whole areas of forest which is totally illegal under the Forestry Act.

The agreement also includes a specific clause under which Samas advanced K 100,000 to be used as bribes and 'gris moni' ***"to expertise the issuance of the relevant approval"*** as soon as possible.

2.

"ACFR" on behalf of the people of Aitape shall receive and "SAMAS" shall make available a sum of K100,000.00 on a loan basis to "ACFR" to be used for the Logging Projects in relation to the application of Timber Licence & all other necessary expenses to expedite the issuance of the relevant approval, to allow the project to kick as soon as possible.

Meanwhile the pleas of the genuine resource owners have been ignored.

A petition to the National Forest Authority has simply been filed away by Officers too scared to confront their Minister.

The Genuine Landowners Petition

AITAPE/LUMI TIMBER RESOURCE OWNERS
C/ - P.O.BOX 176
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PAPUA NEW GUINEA
TEL: (675) 857 2046 857 2047
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MANAGING DIRECTOR
NATIONAL FOREST
AUTHORITY
P.O.BOX 5055
BOROKO
NATIONAL CAPITAL DISTRICT

DATE: 02nd December 2005

FAX: 325 4433

Dear Sir,

SUBJECT: PETITION AGAINST AITAPE/LUMI CONSOLIDATED FOREST RESOURCE LIMITED and SAMAS LIMITED

We the genuine customary owners of the timber areas of Aitape East FMA, Southwest Wapei FMA and Tadi Rome FMA strongly object to the newly established so-called "Aitape Consolidated Forest Resources Ltd, ACFR Ltd" and the agreement recently signed between ACFR Ltd and Samas Ltd and

DEMAND FOR URGENT REMOVAL OF SAMAS LTD FROM AITAPE AND NULLIFY THE ESTABLISHMENT OF ACFR LTD

This petition is in support of an earlier protest letter to you dated 17th November 2005 from Aitape Inland Agro-Forest Ltd (timber resources owners of Tadi Rome FMA).

We believe and hold strongly to the laws of PNG that the formation of ACFR Ltd and signing of the agreement between ACFR Ltd and Samas Ltd are illegal and we substantiate with the following facts:

- 1.0 the true resource/land owners were not properly and adequately consulted through community meetings as there no minutes of such meetings;
- 2.0 the ACFR Ltd was formed over night by Patrick Pruaitch, Minister for Forest on 09th August 2005 by hasty mobilization of people from the street who are Patrick's political cronies and are not duly elected true representative of the owners of timber resource areas stated herein and contravene Section 57, Subsections (1) (a) (b) and (2) (b) of Forestry (Amendment) Act 1993;

While Forestry Officers admit privately that the logging is illegal and certainly not sustainable, the Forest Authority has taken no action to stop the illegal activities. Instead the Forest Authority is patiently going through the proper allocation process seemingly unaware that the Minister has already stitched up the logging deal.

Hawain

The Hawain concession in East Sepik is currently being logged by a company called Uni Rise Limited.

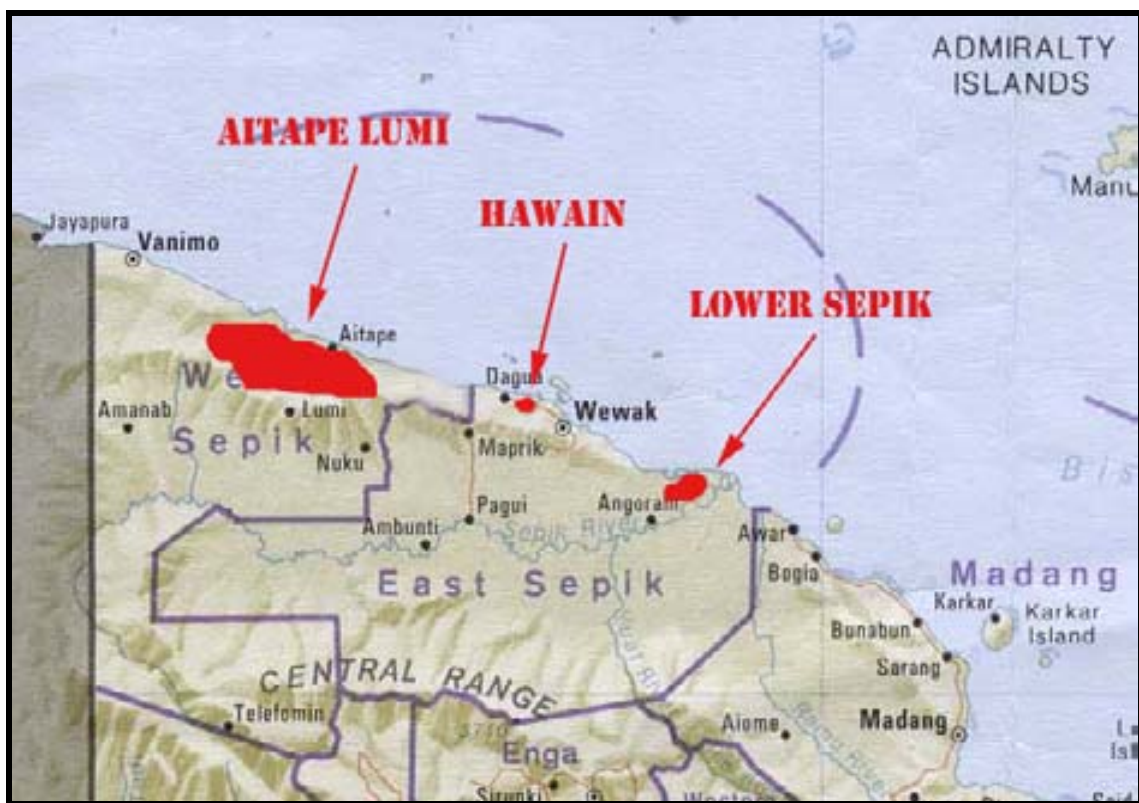
This operation is completely illegal as the original Timber Permit for Hawain expired in April 2002 and there is no power under either the repealed Forestry (Private Dealings) Act or the Forestry Act 2001 as amended to extend timber permits granted for Local Forest Areas.

The operation is also breaches the law as the logging is completely unsustainable – at its currently projected logging rate of 106,000 cubic meters per year the remaining forests will be totally decimated within 3-5 years – and it is not in accordance with the National Forest Plan which claims Hawain was logged out in 1999.

Hawain was first logged between 1962 and 1982 by Sepik Timbers and then again in the 1990's by Rimbunan Hijau subsidiary Sovereign Hill. The Hawain Local Forest Area was declared in April 1992 - in breach of a Government moratorium on new logging licences and while then Prime Minister, Rabbie Namaliu, was overseas and while a new Forestry Act was still awaiting gazettal!

Uni Rise is owned or controlled by Brilliant Investment Ltd which is itself logging in the Lower Sepik (although no connection is shown between the two companies in the records of the Registrar of Companies).

Uni Rise has been exporting its illegally harvested logs since November 2005.



Lower Sepik

In June 2005 Brilliant Investment began moving logging equipment in to the Lower Sepik area that is the home base of the Somare family and the central part of Sir Michael's electorate.

Brilliant Investment Limited was registered with the Investment Promotion Authority in July 2004 and is wholly owned by Gohill Timber, a company registered in Sarawak in Malaysia. Brilliant has two Moresby based directors, Mr Yu and Mr Ling.

Felling began in July, with the company specifically targeting only the highest value species with the forest. The first logs were exported in August and since then an average of 8,000 cubic meters of logs, with a declared value of over half a million US dollars, have been exported every month.

Brilliant Investments is using a Timber Permit which expired in October 2001 but which is still held by Michael Somare through the Sepik River Development Corporation, LFA 1-11.

This timber operation, which is illegal for a whole host of reasons, has been personally organised by the Somare clan to provide election funds for 2007 and profit their clan.

The logging is illegal on a whole host of different grounds. There is no valid Timber Permit; the logging is unsustainable; local people have not consented to the new timber operations; the procedures and requirements of the Forestry Act have not been followed; and the logging of the Lower Sepik is not part of the National Forest Plan.

The Barnett Inquiry in 1988 revealed how Michael Somare had abused his position as a Minister to block the abolition of Local Forest Areas which were being used by politicians to defraud local landowners and profit themselves and the foreign owned logging industry.

Barnett also found that the company which had pushed for the declaration of the Lower Sepik LFA and was ultimately successful in obtaining the timber rights was called the Sepik River Development Corporation Limited and that Michael Somare was one of three Directors in this company and the MAJORITY shareholder. Somare was also found guilty of abusing his position as a Minister to ensure that his company was awarded the logging rights - against the advice of the Department of Forests.

Having persuaded the NEC not to repeal controversial legislation until he had personally profited, Michael Somare then abused his position to force the Minister to unlawfully issue logging rights over an area of forest that he did not solely own and against the advice of the Department of Forests. Somare then granted those illegal logging rights to a Chinese company part owned by his son.