

FINAL REPORT ON VERIFYING THE LEGAL FRAMEWORK OF A
MANAGEMENT AGREEMENT BETWEEN THE NGUTI COUNCIL
AND THE FOUR REVERINE VILLAGES OF AYONG, BARO, OSIRAYIB
AND SIKAM OF NGUTI COUNCIL FOREST



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NOVEMBER, 2009



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1. EXECUTIVE SUMMARY

With the ongoing implementation of the 2004 Laws on decentralization, the council forest represents for communities inhabiting forest areas a big opportunity to create a sustainable source of revenue for investment in development issues. It is equally in line with the Cameroon Forestry Law that communities should be fully involved in the management of their forest resources.

In this light, there is therefore a dire need to structure and elaborate a detailed management agreement between the Nguti Council and the four riverine villages of Ayong, Baro, Osirayib and Sikam, the *raison d'être* of this short term consultancy. During this short term consultancy the following was achieved:

- The draft management agreement was rephrased and screened
- The provision on conflict resolution procedure was reviewed, with the introduction of a suitable conflict resolution mechanism introduced
- A formal meeting was held at the Nguti Council wherein, the Nguti council, the chiefs, the council forester, the consultants and the PSMNR Technical Advisor held elaborate discussions on the improved management agreement text.
- We have incorporated issues raised during the Nguti meeting in this final management agreement.

2. MAJOR ISSUES

An agreement is a mutual understanding between two or more persons (be it a natural or artificial person) about their relative rights and duties regarding past and future performances.

In the light of the above, we identified certain legal grey zones in the 2008 draft management agreement, which was presented to us; we screened and rephrased some portions and gave a greater breath of meaning to the text.

This management agreement basically defines the terms that the parties will adhere to, allowing for a proper and reasonable exploration and exploitation of the Nguti Council Forest in a way that a sustainable source of revenue for investment in development issues is created to benefit the four villages in particular and the Nguti council in general.

3. INTRODUCTION

The Cameroon Forestry Law ordains that communities be fully involved in the management of their forest resources. This is done in a bid to hand down the management of forest resources from the State through Decentralized Local Authorities to the grassroots communities.

More so, the agreement seeks to enable the villages to handle their own development plans so as not to be left at the mercy of the Council, and should also have a say in the management of council forest revenues, which forest is a fundamental component of their cultural heritage. This is in line with government policy on decentralization.

4. PURPOSE OF VERIFYING THE LEGAL FRAMEWORK OF THE AGREEMENT BETWEEN THE NGUTI COUNCIL AND THE FOUR RIVERINE VILLAGES OF NGUTI COUNCIL FOREST

The objectives set forth in the original terms of reference (reproduced in Annex A) were to:

- Precise the type of legal instrument most suitable to legally bind the Nguti Council and the riverine villages.

- Make proposals for conflict resolution procedures and to correct any omissions.
- Check if the proposed signatories are legally competent to sign the agreement and the proposed fund disbursement procedure.
- Deliver an improved legal draft text to fill all the legal grey zones, and discuss the content and legal implications of the improved text with the council and village chiefs.
- Incorporate the issues raised during the discussion in the text.
- Deliver a concise report after the short term consultancy.

Thus, we were given wide latitude to screen the work, identify the legal grey zones, while making up for possible legal lacunas contained therein. In the course of the assignment, we discovered that there was really a need to discuss with the various stakeholders, as what came out of our meeting has gone a long way to ascribed more probative value on the improved legal text.

Therefore, the assignment took both operational and advisory tracks. In the operational mode, the assignment was to improve on the draft legal text (management agreement) filling the legal grey zones, amending and introducing new provisions. In the advisory mode, the assignment was to provide an insight into the legal concept and analysis of the legal issues that will affect the successful implementation of the management agreement. This was done during a meeting held at the Nguti Council premises on the 10th of October 2009 during which we highlighted and explained the legal content and implication of the text to the stakeholders.

5. FRONT LINE ISSUES

This section highlights some of the issues that the management agreement brings to the forefront.

A. Substantial Changes Introduced in the Old Text

It is necessary to mention that the term agreement which is used to coin the relationship between the Nguti Council and the four villages, although frequently used as a synonym with the word contract has more meaning and fewer technicalities. In this light the management agreement is not supposed to be drafted in a more technical manner or the legal drafting is not

supposed to be complex, but rather a drafting which the two parties upon perusal can easily read, understand, comprehend and execute same without any apprehensions.

The purpose is to create binding obligations between the Nguti Council and the four riverine villages.

Some changes which had to do with the form and content were made to the original text presented to us.

- We introduced the whereas clause 'recitals', preliminary statements in the agreement explaining the reasons for entering into it, narrating the background of the transaction or showing the existence of particular facts.
- Another change introduced is on Article 1 of the Management Agreement. The composition of the Council Forest Management Committee (CFMC) comprised of 10 members and four advisory members. The number of councilors in the CFMC was reduced by two while two chiefs are equally supposed to be part of the composition of CFMC.
- Furthermore, a change was introduced in Article 11, under the head of Traditional ceremonies. It was decided that the article be amended to read that the amount to be allocated for the purpose of traditional ceremony should be 500,000 FCFA simpliciter.
- Suffice to equally state that article 15 and 16 were introduced in the old text. Article 15 has to do with the procedure to be followed in the event of a dispute and / or controversy resulting from the management agreement.
- Article 16; on the duration of the management agreement was also introduced. The agreement is to be valid, binding and subsisting for 30 calendar years i.e. from 2010 to 2040.

B. Newly Raised Concerns of the Stakeholders Addressed in the Final Management Agreement

A series of concerns were raised by the stakeholders during the discussion meeting held at Nguti. Some of the concerns were purely on salient legal issues, which we accordingly addressed by making oral legal clarifications on those issues. Such as the issue of signatories required before the disbursing of funds from the council forest fund budget annex. The original text provides for

two signatories, the 2nd Assistant mayor and the Council Treasurer. The chiefs wanted the introduction of a third signatory. The introduction of the third signatory could not be possible because introducing a third signatory will be against the letter and spirit of Ministerial Arête No. 0122/MINEF/MINAT of 29th April, 1998.

The chiefs equally raised another concern on the amount allocated for traditional rituals. The amount allocated was agreed to be increased from 200,000 FCFA to 500,000 FCFA, which concern has been incorporated in the final management agreement in its Article 11.

The chiefs further raised another concern that, their national identity card numbers, dates and place of issuance be mentioned beside their names, where they will sign. This has duly been taken care of and included in the final text.

C. Way Forward to the Implementation of the Management Agreement

The purpose of entering into an agreement is to create legal obligations between the parties. The agreement must be entered into by two or more persons (natural or artificial) who are legally competent. In the instant case of the management agreement between the Nguti council and the four riverine villages, the said agreement has been produced in writing as ordained by law.

The next procedure will be for the parties to conclude same by signing the said document. The Mayor and the chiefs are the competent persons to conclude the agreement. They have the capacity of official bodies to enter in to this agreement. They equally have the competence, which is this power to create or enter into a legal relation. This is with the presumption that the Nguti Council Forest Management Committee is a duly recognized entity.

Upon the signing by the mayor and the chiefs, the management agreement it will automatically become binding on the parties. After the parties have concluded the management agreement, it is equally important that the said instrument be notarized by a Notary Public. Thereafter, the management agreement has to be registered at the Taxation office. The procedure after the signing of this management agreement by the mayor and the chiefs can be pursued by engaging the services of a Barrister at Law who also assumes the role of a Notary Public in Anglophone Cameroon.

We equally, propose that we can be contacted for the notarization of the instrument and for the other registration formalities to be pursued.

We do recommend also that the signing of this Management Agreement should be done in the presence of the Administrative Officer of the Nguti Sub Division, all the stakeholders and the consultants.

6. ACCOMPLISHMENTS

- The draft management agreement was rephrased and screened.
- The provision on conflict resolution procedure was reviewed, with the introduction of a suitable conflict resolution mechanism introduced.
- A formal meeting was held at the Nguti Council wherein, the Nguti council, the chiefs, the council forester, the consultants and the PSMNR Technical Advisor held elaborate discussions on the improved management agreement text.
- We have incorporated issues raised during the Nguti meeting in this final management agreement.

Annex 1: Terms of Reference of the consultancy

PROGRAMME FOR SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES IN THE SOUTH WEST
REGION OF CAMEROON
Co-financed by KfW

TERMS OF REFERENCE

for a consultancy on

VERIFYING THE LEGAL FRAMEWORK OF A CONTRACT AGREEMENT BETWEEN COUNCIL AND THE 4 RIVERAINE VILLAGES OF NGUTI COUNCIL FOREST

1. Context

PSMNR-SWR is supporting under its result 3 the elaboration of forest management plan for a council forest in a pilot scheme.

No council forest had been foreseen in the indicative zoning plan of 2001, phase V in SWR. Up to now no council forest has been created in the SWR. This is due mainly to missing knowledge, and missing financial, organizational and technical capacities of the councils. Nevertheless council forests represent a promising form of responsible forest management with the potential to enhance development in enclaved rural area.

With the progressing implementation of decentralization the option of a council forest represents for a council and the villages around the concerned forest area a big opportunity to create a sustainable source of revenues for investment in development projects and to take over the main stake in the management of their own forest heritage.

Council forests form part of the permanent forest estate and as such have to be gazetted and a forest management plan has to be elaborated.

In the framework of PSMNR-SWR, potential council forest areas were identified and sensitization and information workshops were held in three interested councils with participation of village representative of the concerned forest areas (Mundemba, Konye and Nguti). The participants of all 3 workshops opted unanimously for the creation of a council forest in their area. Field missions were organized so far in Mundemba and Nguti area to the concerned villages to further sensitize the village populations, collect basic socio-economic data and agree on boundaries of the planned council forests.

In the case of Nguti these informations have been used for the elaboration of the preliminary technical note. Nguti has been selected to be the pilot council forest for the elaboration of the forest management plan. The technical note has been discussed in a workshop with councilors and village representatives in Nguti. An application letter of Nguti council for a council forest including the technical note and a stamped map has been sent to the Minister of Forestry and Wildlife end of August 2007. It was forwarded accompanied by

positive recommendations by the regional delegation of MINFOF beginning of September 2007. The public notice of the council forest was signed by the Minister 20th of November 2007.

An international short term expert worked on the concept and programme of the council forest management. This study outlined already a framework and some ideas for the current short term mission as:

- preliminary concept note for council forest management
- council forest management agreement between the council and the villages.

In November 2007 a socio-economic study of the council forest area has been realized.

In January/February the forest management inventory has been realized. A market and processing study in particular for the local market of timber from Nguti Council has been realized in September/October 2008 taking in consideration the inventory results.

A draft management plan for the council forest has been prepared in November/December 2008.

To economize high investment costs, in particular for road construction, it is envisaged to establish a partnership with an industrial forest company who will exploit mainly the species for the export market. The council shall also organize - probably through a local contractor with a mobile sawmill - processing of timber for the local market where a much wider range of species and qualities is accepted.

Village development plans have been elaborated in the four concerned villages and PSMNR-SWR will finance some micro-projects for improved resource management in the 4 directly concerned villages, through Result 4 of PSMNR-SWR, in order to support the management of the council forest.

MINFOF RD SW created in April 2008 the 4 Village Forest Management Committees (VFMCs).

From March 2008 onwards a council forester was engaged by the council. He will work as a local expert for DED who is taking over his salary in a decreasing manner (1st year 100%, 2nd year 75%, 3rd year 50%, 4th year 25%, 5th year 0%).

A training need analysis for financial and administrative management in the council was organized by CEFAM in May 2008 and showed a number of shortcomings in financial and administrative management of the council. Three training sessions for councilors and council staff have been organized in November/December 2008.

Another study elaborated provisions for the institutional set-up for the management of Nguti Council forest. Additionally a management agreement for the Nguti Council Forest between the Council and the four concerned village was drafted.

The work on the provisions for the institutional set-up for the council forest management was finalized and completed with the elaboration of a manual for administrative and financial procedures.

MUDEC group provided from February until August 2009 technical assistance to Nguti Council in the elaboration of a Monographic study, the preparation of a Strategic Plan (5y) and finally the adoption of an operational plan for 2010.

The Council forest has until now not been gazetted, though as the file is already at the Prime Minister's office it is expected that the gazette decision will come out soon. Therefore it is important that the verbal agreements about benefit sharing of the royalties between the villages of Baro, Osirayib, Sekam and Ayong and the Nguti council get legal enforcement.

A thorough analysis of the draft management agreement elaborated in 2008 between the villages and the council needs to be carried out as to give legal value to the document.

2. Objective of the Consultancy

The objective of this Consultancy is to verify all the legal aspects (including the wording) of the 2008 draft management agreement between the villages of Baro, Osirayib, Sekam and Ayong and the Nguti Council and to come up with a final document that will guarantee for the duration of the management plan (2010-2040) the benefit sharing as expressed by the 5 parties in 2008. According to this agreement benefits will be shared as follows: 50% for the council overall development projects, 30% as development projects to the 4 villages and 20% to cover operational costs. In case the operational budget has not been exhausted by the end of the year, the left over money will be shared as follows : 3/8 for the village development projects, 5/8 for the council development projects.

3. Expected results of the consultancy

The expected result of the Consultancy is the thorough rephrasing/screening of the 2008 draft management agreement. A particular emphasis will be given to propose the most appropriate signatories for such a document, the most appropriate competent authority to deal with disputes (conflict resolution procedure) and to assure that the documents will have legal value which cannot be ignored / cancelled by the actual or future majors of Nguti nor by future village chiefs. At the same time this paper also stipulates that the four villages agree with the exploitation of the Nguti council forest for the benefit of all but in respect with the management plan.

3. Consultants tasks

The Consultants :

- precise what type of document (agreement / contract / convention / other) is most suitable as binding text between Council and peripheral villages of the Nguti Council Forest;
- rephrase/screen the 2008 draft management agreement between the 4 villages surrounding the Nguti Council Forest and the Nguti Council on possible legal grey zones (omissions, incoherencies);

- check if the proposed signatories are the most appropriate ones for signing this type of text and for the proposed fund disbursement procedure;
- incorporate a proposal for (a) conflict resolution procedure(s) and corrections to any omission or incoherence observed;
- make proposals for the most appropriate competent authority to deal with any complaint from any of the parties;
- deliver an improved draft text that will fill all the grey zones and guarantee as far as possible the validity of this “agreement” for the period 2010-2040 or until all parties agree on modifying the agreement. This draft will be sent to the Mayor and the village chiefs minimum 2 weeks prior to a formal meeting with them to discuss the improved text;
- discuss with Nguti Council, the different village chiefs and minimum 1 VFMC member of each village the content and implications of the improved management agreement;
- incorporate issues raised in the discussions with the different stakeholders and finalise the document.
- deliver a concise report presenting : the substantial changes introduced in the old text; how the newly raised concerns of the stakeholders have been addressed in the final document; and a stepwise description of the correct legal way forward to implement the proposed document (Procedure for document registration? Procedure to forward complaints.).

4. Deliverables

The experts shall prepare a concise report in which they describe the legal grey zones they identified in the existing agreement proposal, the proposed changes and if several options identified, present arguments to justify the most adequate one. They also describe the different ways in which conflicts could be resolved (different levels) and justify the proposed conflict resolution procedure. Any identified improvement of the proposed text should be justified without going too much into legal terminology.

A draft contract / agreement will be submitted to the programme who will dispatch it to the Nguti Council and the village chiefs for analysis.

A final agreement/contract ready to use, including the newly raised concerns of the different stakeholders will be attached to the report. The report contains also a chapter on the procedures to implement the contract/agreement. The report shall be in English language.

The draft contract / agreement will be delivered as a softcopy, the final report and attached agreement will be delivered as a softcopy (MS-WORD) and 3 bound hard copies. The final report will be submitted to the Programme latest three weeks after the discussion with the different stakeholders in Nguti.

5. Logistical backing

Transport to Nguti and back to Buea will be provided by the Programme

Transport costs and indemnities for 2 meeting participants from each of the 4 villages will be covered by the programme budget under Result 3.

6. Timing and duration of the mission

The consultancy shall take place between 15th of October and 30th of November 2009 according to the following indicative schedule:

1. Delivering reviewed draft of the agreement / contract in soft copy (e-mail) to PSMNR before 23rd of October
2. PSMNR-SWR sends the draft to the 4 village chiefs and the Nguti Mayor and organizes a meeting date with the different stakeholders in the week of 09 – 13 November, exact date depending on the availability of the stakeholders.
3. The consultants accompanied from a PSMNR team will lead the meeting in Nguti in the proposed week.
4. The consultants deliver the final agreement / contract and report latest 3 weeks after the Nguti stakeholders meeting.

7. Profile of the expert

The expert shall have the following profile:

- Degree in Law
- Practical experience in institutional analysis and organizational development
- Practical experience in rural development and decentralization
- Confirmed experience in elaborating legal texts for administrative structures
- Proven experience in setting up conflict resolution procedures
- Throughout practical experience as legal practitioner
- Excellent English language skills

We therefore propose a mixed team existing out of Mr Pius Mbah-Mbole working as Senior Trainer/ Sub Director (Senior S.U.V Counselor) at Local Government Training Center (CEFAM Buea) and Barrister Mesape Nkwelle, Legal Practitioner at Portio Jure Law Firm - Buea, for this short consultancy.

Annex 2 : Reviewed Management Agreement

THIS MANAGEMENT AGREEMENT IS MADE AS OF THE _____ DAY OF _____ 2010.

BETWEEN

The Villages of Ayong ,Baro, Osirayib, and Sikam, situated in the Nguti Council Area, for the purpose of this Agreement Represented by their Chiefs on the ONE PART.

=AND=

The Nguti Council herein referred to as the NC, Represented for the Purposes of this Agreement by its Mayor on the OTHER PART.

DEFINITIONS: This section shall contain the definition of certain terms used in this working document.

VFMC, shall mean Village Forest Management Committee,

RLAs, shall mean Regional and Local Authorities,

NCFMC, shall mean Nguti Council Forest Management Committee,

CFTU, shall mean Council Forest Technical Unit,

NCF, shall mean Nguti Council Forest,

NC, shall mean Nguti Council,

MVFMA: shall mean Main Village Forest Management Committee,

NGO, shall mean Non Governmental Organization.

RECITALS

WHEREAS the forestry law No. 94/01 of 20th January 1994 and its decrees of application stipulate that Cameroon's forest management should be decentralised and particular interest paid to the neighbouring populations.

WHEREAS Section 4(1) of Law No. 2004/017 of July 2004 on the Orientation of Decentralisation presents Regional and Local Authorities (RLAs) as corporate bodies governed by public law. They shall be endowed with administrative and financial autonomy for the management of regional and local interests. The mission of their councils or boards is therefore the promotion of economic, social, health,

educational, cultural and sports development in their respective areas of jurisdiction.

WHEREAS Section 5 of the same law stipulates that RLAs may, within the framework of their missions carry out projects in partnership with one another, with the State, public establishments, public and semi-public enterprises, non-governmental organisations, and civil society or foreign partners under the terms and conditions laid down by their specific regulations.

WHEREAS Section 13 (1) of the same law (supra) goes further to state that any natural person or corporate body may propose to the regional or local authority executive any measures aimed at fostering the development and/or improving the functioning of the regional or local authority concerned.

WHEREAS Section 3 of Law No. 2004/018 of 22 July 2004 to Lay Down Rules Applicable to Councils states that councils shall have a general mission of promoting local development and improving the living conditions of their inhabitants. Councils may, to supplement their own resources, request assistance from the population, civil society organisations, other regional and local authorities, the State and international partners, in accordance with the laws and regulations in force.

In consonance with the 2004 laws on decentralisation, Mayors are crucial stakeholders in the management of the councils considering that these laws have seriously empowered them to champion the destiny of their communities. Nature has endowed the Nguti council with forest which if well managed can constitute an immense source of revenue which can be translated into poverty alleviation and development in the neighbouring villages in particular and the council area at large.

Cognisance of the fact that the forestry law of 20th January 1994 requires a village community to become a legal entity and to make itself officially recognised in order to acquire a community forest and to manage the forestry fee, the Nguti community has come up with the NGUTI COUNCIL FOREST MANAGEMENT COMMITTEE (NCFMC) whose role is to oversee the management of the fallouts from the exploitation of the forest and its resources. The partners to this management committee are the Nguti Council and the Villages of Ayong, Baro, Osirayib and Sikam. It should be noted that the four villages have constituted themselves into a Village Forest Management Committee, thus the need for this agreement that will ensure that the fallouts from the management of the Nguti council forest shall be judiciously distributed in order to enhance development in the Nguti council area.

The parties to this agreement therefore have as their sole concern, the development and interest of the Nguti council area.

- They know that this is possible due to the important revenue that the Council forest will generate.
- They are conscious that there could be many obstacles due essentially to bad management, corruption, and individual interest.

Considering that the worries of the population who believe that transparency, good governance, the respect of common property, common interest and accountability should guide the exploitation of the Nguti Council Forest; the following agreement is therefore made in order to guide relations between the management partners (the NGUTI COUNCIL on the one part and the four villages (,AYONG, BARO, OSIRAYIB,and SIKAM) on the other part.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions herein set forth, the parties hereto agree as follows:

Article1: Composition of committees at different levels

The Village Forest Management Committee (VFMC) is made up of 8 members and there must be at least two women. The village chief is automatically a member of this committee. The mandate of the VFMC is five years renewable.

The Main Village Forest Management Committee (MVFMC) is made up of 8 members. The members are chosen from each VFMC. Each VFMC sends 2 members to the MVFMC. There must be 1 man and 1 woman from each village.

The Council Forest Management Committee (CFMC) shall be comprised of 10 members and 4 advisory members. The members are: the Mayor who is president, 3 councillors, 2 chiefs and 1 representative of each of the villages. The advisory members include the council forester who is the secretary, the Sub-divisional officer, a local MINFOF representative, and one local NGO member. The Council Forest Technical Unit (CFTU) is composed of the Council forester and forest guards. It works with the various Village Forest Management Committees.

Article 2: Exclusion of members

Membership of a given committee is lost through: death, transfer from the locality gross misconduct, and resignation.

A member is excluded from a forest committee for the following reasons: repeated absence from committee deliberations, gross misconduct (embezzlement of funds, fraudulent acts).

Article 3: Revenue allocation

The revenue allocations will be thus: 20% for functional cost, 30% for the concerned villages' development projects and 50% for the council's overall development projects. The funds allocated for the overall investment should be equal to at least 80% of the revenue from the council forest exploitation.

Article 4: The use of funds

Money emanating from the exploitation of Nguti Council Forest (NCF) is destined first of all for general development of Nguti Council (NC). These funds will be used to satisfy the population's basic needs as described by the millennium development goal (health facilities, water supply, education, road infrastructure etc).

Article 5: The council forest exploitation account

Funds emanating from forest exploitation shall be separated from the rest of council funds and managed as an annex budget.

Article 6: Projects to be financed

Funds emanating from the Council Forest will finance activities related to council forest exploitation, village development projects, and will equally participate in the financing of council projects following the Council Strategic Plan and the yearly approved Operational Plans.

Article 7: Signatories

Two signatories shall be required before the disbursing of funds from the council forest fund annex budget. The two persons shall be the 2nd Assistant Mayor and the Council Treasurer.

Article 8: Investment and functioning budgets

The investment budget of the Nguti council forest exploitation should be at least 80% of the overall revenue emanating from the council forest exploitation. The functioning budget should be approved by the municipal council as an annex budget for the management of council forest and cover maximum 20% of the overall revenue.

Article 9: Manipulation of money

Monetary transactions are made exclusively through bank transfer where money does not change hands. This shall be done following orientations from the Council Forest Management Committee.

Article 10: Indemnities

The revenue from the exploitation of the council forest should first of all serve the interest of the whole council area. Persons involved in the execution of various tasks receive indemnities fixed by the Council Forest Management Committee. These indemnities are not salaries.

Article 11: Traditional ceremonies

At the beginning of the forest exploitation, traditional rituals are earmarked in the four villages. This ceremony is organized by each village according to its tradition and the amount allocated for this should be 500,000 FCFA per village. This is done once and for all.

Article 12: Traditional user rights

During the exploitation of the Council Forest, the local population will conserve their traditional user rights in conformity with the regulation in force.

Article 13: Revenue sharing

Revenue emanating from the exploitation of the council forest will finance projects in the different villages considering the urgency and priorities of the localities.

Article 14: The engagement of the different parties

Article 14.1: The engagement of the Council

- The council shall be responsible for the overall development of the four villages. The village development plan of the villages shall guide the council. Projects for development in the four villages will be selected on priority basis following village specific development plans.
- The council shall reserve at least 30% of revenue emanating from the exploitation of the council forest for the development of the four directly concerned villages.
- The council shall monitor and control the execution of projects at community level.
- The council shall ensure the development of micro-projects in the villages: improved seedlings, pesticides, fertilizers, improved cocoa driers, community grinding mills for cassava etc.

Article 14.2: The engagement of the villages

- The villages shall through the VFMC animate and sensitize the population on the forestry law and council forest management plan.
- The villages shall interact with council / administration, any companies awarded contracts in the community or in the council forest
- The villages will offer local labour in the development of projects in their communities. They will equally participate in the identification and conservation of certain species of animals within their communities (giant pangolin, elephant, buffaloes etc),
- The villages will ensure that the local population's user rights of natural resource within the council forest are respected.
- The villages shall report to the competent authorities (chief of forestry post, NGO and administration) all illegal activities (poaching, illegal exploitation of mineral resources or farmland colonization in the interior of the forest).
- The villages shall monitor the execution of projects financed with revenue emanating from the exploitation of the council forest.

Article 15: Dispute resolution / Litigation

It is further understood and agreed that should any dispute and/or controversy arise out of or relates to this management agreement or breach thereof, and if the said dispute cannot be settled through negotiation between the parties, the dissatisfied party shall report the matter to the Nguti Council Forest Management Committee for mediation. If any of the parties do not derive any satisfaction from the NCFMC it shall report same to the Senior Divisional Officer for Kupe Muanenguba for arbitration. The party not satisfied with the arbitration of the Senior Divisional Officer can then resort to litigation by seizing the competent law court(s) or some other dispute resolution procedure as they shall deem necessary.

Article 16: Duration

This management Agreement is valid for 30 years i.e from 2010 to 2040 renewable or until the parties agree on modifying same.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their duly authorized officer and Traditional Rulers as set forth below, the Day and year first above written.

THE NGUTI COUNCIL

The Lord Mayor: _____ Sign _____

THE FOUR VILLAGES

1. Ayong Village: Chief _____
National Identity Card No issued on ... at
Sign _____
2. Baro Village: Chief _____
National Identity Card No issued on ... at
Sign _____
3. Osirayib Village: Chief _____
National Identity Card No issued on ... at
Sign _____
4. Sikam Village: Chief _____
National Identity Card No issued on ... at
Sign _____