Senior Public Servants implicated in the political web that supports the illegal Kiunga Aiambak logging project

By their actions a group of senior public servants have shown their support for the illegal Kiunga Aiambak logging project and their disregard for the suffering of ordinary people.

These men seem to be part of the insidious web that supports and protects the worst abuses of the logging industry, and which seems impervious to criticism or sanction.

The Secretary for Planning, Solicitor General and Forest Authority Managing Director have all openly backed the illegally logging operations of Concord Pacific while the Attorney General has his own links to the logging company.

Last year the government of Sir Mekere Morauta was exposed as being riddled by Ministerial and public service links to the unlawfully activities of Concord Pacific and its controversial mentor, Philip Lee.

Indeed, Sir Michael Somare labelled as ‘corruption’ the failure of Morauta to sack two Ministers implicated in the Kiunga-Aiambak affair.

But what should we conclude from the Prime Ministers own silence and inaction now about the involvement of his senior Public Servants?
In December last year, the Solicitor General, the Secretary for Planning and the Managing Director of the Forest Authority all signed a legal document that purports to endorse the illegal logging operations of Concord Pacific and grants the company further unlimited rights to harvest logs in Western Province (see below).

This agreement was signed without the consent of the resource owners and with no regard for the US$50 million worth of logs that have already been stolen by Concord Pacific from the forests of Western Province and the continued suffering of the local people.

The Deed of Settlement is also in defiance of the findings of the 2001 Australian funded Independent Forest Review. That Review recommended that ‘Court action should be taken forthwith’ against the unlawfully logging operation and that any application to extend the logging project ‘should be soundly rejected’.

These recommendations were endorsed in the NEC approved Forestry Action Plan in November 2001.

The previous Prime Minister, Sir Mekere Morauta, declared the Kiunga-Aiambak project illegal in May 2002 and said that it ‘should never have occurred’. He instructed the Attorney General to take action and promised an investigation into claims of violence and other human rights abuses against the resource owners (Prime Ministers Press Statement 14 May 2002).

At the same time, our current Prime Minister, Sir Michael Somare was accusing Morauta of double standards and he labelled as ‘corruption’ Morauta’s failure to take action against two of his Ministers for their involvement in the Kiunga Aiambak affair.

But know the situation is reversed and it is Sir Michael who is maintaining a deafening silence on the complicity of his own senior Public Servants in the illegal Kiunga Aiambak project. This is despite a strongly worded letter from his own Chief Secretary to David Nelson condemning the purported legal settlement.

Valentine Kambori, Secretary for Planning, signed the legal document endorsing the illegal Kiunga Aiambak project in his new position as Chair of the National Forest Board. But, according to the Forest Industries Association, the document was never seen or endorsed by the Board (see their letter below dated 13 December 2002, to the Chief Secretary).

It is ironic that Kambori has only just replaced Wari Iamo as the Chair of the Forest Board. Iamo was forced to step aside because of his role in another illegal logging permit – for Kamula Doso in Western Province. This was exposed in an Ombudsman Commission report published in July 2002. The Ombudsman recommended that Iamo be removed totally from the National Forest Board but the Somare government has failed to comply with this Direction and has only moved Iamo from Chair to Deputy Chair.
The Attorney General was also exposed in the media last year as having a close connection with Concord Pacific, having previously acted as their lawyer.

Agreement with Concord Pacific signed by Kambori, Gelu and Nelson:

IN THE NATIONAL COURT
OF JUSTICE AT NAIGANI
PAPUA NEW GUINEA

O.C. NO. 739 OF 1999

BETWEEN:
CONCORD PACIFIC
LIMITED
First Plaintiff

AND:
PAISO COMPANY LIMITED
Second Plaintiff

AND:
THOMAS NEW-
MANAGING DIRECTOR,
PAISO NATIONAL FOREST
AUTHORITY
First Defendant

AND:
PAISO NATIONAL FOREST
AUTHORITY
Second Defendant

AND:
THE INDEPENDENT STATE
OF PAPUA NEW GUINEA
Third Defendant

DEED OF SETTLEMENT, RELEASE AND DISCHARGE

THIS DEED OF SETTLEMENT, RELEASE AND DISCHARGE is entered into by the Plaintiffs: CONCORD PACIFIC LIMITED (First Plaintiff), and PAISO COMPANY LIMITED (Second Plaintiff) of one part;

AND the Defendants: MANAGING DIRECTOR PAPUA NEW GUINEA NATIONAL FOREST AUTHORITY (First Defendant); PAPUA NEW GUINEA FOREST AUTHORITY (Second Defendant), and THE INDEPENDENT STATE OF PAPUA NEW GUINEA (Third Defendant) of the other part;

On this day of , 2002.

WHEREAS the Plaintiffs have since the 26th day of November, 1998, had an Order given in their favour by the Court restraining the Defendants from doing certain things including in summary any act preventing the Plaintiffs from undertaking any road construction work on Alambak-Kuaiaga Road Project pursuant to Timber Authority No. TA-034, for the Plaintiffs to be allowed to operate under the said Timber Authority in the project area in question pending
final determination of the substantive action to be instituted by the Plaintiff; for
the Defendants not to cut any logs extracted from the project area covered by
the said Timber Authority; and for the Defendants not to do anything to prevent or
delay granting of Export Permits for log exports.

AND WHEREAS the said Court Order continued in force till now with the Phase
One of the said project having been completed.

AND WHEREAS the Plaintiff are about to or have embarked on Phase Two of
the said project.

AND WHEREAS the Parties hereto are desirous of removing the various
contentions before the Court for the purpose of returning to the status quo prior
to the Court action herein without further litigation.

AND NOW the Parties hereto AGREE to the terms of this out-of-Court settlement
as follows:

1. The Defendants agree and undertake not to persist on and to pursue the
issue as to the validity of the issue of and/or the renewal or extension
of the Timber Permit No. TA-024, and for all relevant purposes the said
Timber Permit is deemed to be valid.

2. The Plaintiff agrees and undertake that they will adhere to and comply
with the terms and conditions of the said Timber Permit, and more
specifically the Plaintiff, in the course of the road construction under the
said Timber Permit, will fell, extract and export whole logs from the
legally allowable distance on both sides of the centre of the road-line
adjacently traversing the entire length of the constructed road.

3. The Plaintiff agrees and undertakes that as of the date of this deed, a
Royalty/Permit of K5.00 per cubic meter of export whole logs will be
paid to the individual landowners, and K4.00 of the same will be paid to
the landowner company, the Second Plaintiff.

4. The Defendants agree and undertake that they will permit the Plaintiff
to fell, extract and export whole logs from elsewhere to make up for any
short-fall in the maximum allowable volume of logs under TA-024.
For avoidance of doubt, the said short-falls may occur where the road-line traverses surrounding land which is void of timber stands, and in such cases the Defendants will endeavour to allow the Plaintiffs to extract logs from the nearest reserve forest areas SAVE AND EXCEPT that such short-falls shall first be verified by the Second Defendant's technical officers.

5. The Defendants agree and undertake to pay the Plaintiffs' costs of the Court action herein but any lack of mutually agreed costs shall not be an obstacle to the settlement reached herein; such costs, however, are not to exceed the sum of K150,000.00.

6. The Plaintiffs agree and undertake that upon execution of this deed of settlement, they will simultaneously execute a draft Consent Order to discontinue the Court action herein by December 31st 2002.

IN WITNESS OF THE AGREED TERMS OF THIS DEED OF SETTLEMENT the Parties hereto have set their hand and seal as follows:-

CONCORD PACIFIC LIMITED  
(First Plaintiff) in the  
presence of:  

[Signature]  
Director  
[Stamp: Concord Pacific Limited]

[Signature]  
Secretary  
[Stamp: Concord Pacific Limited]

Witnesses:

PABO COMPANY LIMITED  
(Second Plaintiff) in the  
presence of:  

[Signature]  
Director  
[Stamp: Concord Pacific Limited]

[Signature]  
Secretary  
[Stamp: Concord Pacific Limited]

Witnesses.
Letter from the FIA to the Chief Secretary:
13 December 2002

Justin Kaliano
Chief Secretary to Government
Dept of Prime Minister & NEC
PO Box 639
Port Moresby

Ref: Dept Dept of Settlement, Reissue and Discharge Concord Pacific & PNGFIA

Dear Sir,

The PNGFIA wishes to urgently bring to your attention the attached document, which was received by the PNGFIA today Friday 13 Dec 2002 for the signature of the FIA representative of the MPF. The FIA representative on the MPF advised that this document was not in accordance with MPF directives.

Furthermore the FIA representative (Mr. Sima Bai President of the PNGFIA) has been advised by the PNGFIA secretariat not to execute the document.

PNGFIA is completely opposed to such actions and seek your good services to fully investigate such blatant misuse of forest administration powers and responsibilities.

[Signature]

PNGFIA

Co S Bai President PNGFIA
Co Paul Barher PM’s Dept
Co Hon Patrick Pamela MP Minister for Forests
Co Hon Bart Palmeiro minister for Finance & Treasury
Co Hon Siuai Brown Minister for National Planning
Co Michael Mayberry PNCCI
Co MPF members

1 Dr Wari Isaac Secretary Office of Environment & Conservation
2 Ken Joshua Forestry Forum