

# KAIETEUR News Online

## High blood pressure a silent killer...

Top-up a mobile phone in Guyana! It's easy, online & very secure. **eze minutes** CLICK HERE

FRONT PAGE NEWS EDITORIAL FEATURES / COLUMNISTS LETTERS SPORTS WEB FEED

### Forestry deal with India's coffee maker raises questions

APRIL 10, 2011 | BY KNEWS | FILED UNDER NEWS  
...no permission for harvesting yet - GFC

In what is being considered one of the largest local deals of its kind, Guyana has awarded some 1.8 million acres of forest lands to an Indian coffee making company, but government yesterday said that the process is still ongoing with no harvesting permission granted. Yesterday, the Alliance For Change (AFC) described the deal as a shady one and said that it will be demanding answers. While the deal with India's Café Coffee Day was made last year, they were no announcements in the local media.

The 1.8M acres would be less than half of the Barama Company Limited, a Malaysian-owned logging and plywood manufacturing company, which has been here since the 90s and which controls more than 1.6M hectares of forest lands.



India's coffee maker mogul, V. G. Siddhartha, has acquired 1.8M hectares of Guyana's forest.

The news was made public on Friday in the Times of India, the world's largest English selling newspaper in that country. And according to the Times of India, V. G. Siddhartha, best known for his Cafe Coffee Day (CCD) chain, has taken 1.85 million acres of Amazonian forestland on a 30-year lease from Guyana in South America, to start a furniture business in India. The idea is to transport cut logs on chartered ships from the Guyanese capital Georgetown to the Mangalore Port and then carry them via road to the Coffee Day Group's furniture plant in Chikmagalur. It was disclosed that Greenheart, Purpleheart, Wallaba and Bullet Wood were among some of the woods targeted for export. The newspaper also said that the royalty Siddhartha will pay the Guyana Government is not clear as Siddhartha declined to comment on the matter. No harvesting Yesterday, Guyana Forestry Commission, James Singh, said that it has never been the norm for the body to publicise the issuance of State Forest Exploratory Permits (SFEP). "What the GFC publicises is SFEP's that are available for allocation." Singh explained that GFC through a public advertisement indicated that an SFEP was available for allocation. Simon and Shock International Logging Inc. (SSI), a US company, then applied for the SFEP and this application was reviewed firstly by the GFC Forest Resource Allocation Committee (FRAC), then the GFC Board Technical Committee. It was then approved by the GFC Board of Directors, then by the Cabinet Sub-Committee on Natural Resources, and finally by the Cabinet. This concession was for 391,853 hectares. "Unfortunately, due to the financial crises and other unforeseen factors, SSI was unable to undertake the required exploratory works, or pay the necessary acreage fees. The SFEP was then suspended for non-compliance with the SFEP agreement. Coffee Day Limited then approached the Government offering to pay all outstanding debts of SSI, and do the necessary exploratory works." According to Singh, government agreed for VHPI to take over as the shareholders of SSI. "Vaitarna then paid the outstanding monies (US\$254,000.00) to the GFC and committed to do a forest inventory, a business plan and an Environmental and Social Impact Assessment (ESIA), and submit these to the GFC and the Environmental Protection Agency (EPA) in 2011." Singh noted that the SFEP is issued for the conducting of exploratory operations only. "There will be no harvesting or extraction of logs until the SFEP meets all requirements, and is converted into a Timber Sales Agreement (TSA)." The GFC official said that the conversion of an SFEP to a TSA is not automatic or guaranteed. "GFC and EPA first have to give their approval of the submitted documentation, and approval has to be given by the GFC Board, Cabinet Sub-Committee on Natural Resources; final approval is given by Cabinet. If a TSA is issued, the public is normally notified via a press conference by the Ministry of

### Sports

#### Mentore wins Beacon Ministries Golf tourney

Alfred Mentore fired his way to victory in the Beacon Ministries Inc. 15th Anniversary Golf Tournament as the low handicappers... **Full Story**



#### Cat Messiah on mission to the top

Cat Messiah is certainly not a timid 'pussy cat' that is housed up in some attic somewhere. No, this is one of the... **Full Story**

#### Two Brothers Gas Station, Slingerz family make timely donation for Linden schools b/ball

With time running out for the staging of the ninth annual Linden Secondary Schools Under-19 basketball championship set to... **Full Story**

#### Colts trample Ravens in big upset

By Edison Jefford Colts literally trampled Ravens Saturday night on the Burnham Basketball Court to continue its ascendancy... **Full Story**

### Features / Columnists

#### Descent into masochism then suicide

This world holds many global secrets, some big, some small, depending on who is inside the conspiracy. Once humans remain... **more**



#### Speak no ill of the dead, until...

When a man dies, his family, friends and associates are thrust into deep state of grief. If that death... **more**



#### Supine and silent: The Caribbean in a vortex

By Sir Ronald Sanders How beneficial or not to the Caribbean is the Economic Partnership Agreement (EPA)... **more**



#### Dr Luncheon and the politics of confrontation

Confrontation is something that I have always tried to avoid but try as I might there is always... **more**



#### Bernadette Persaud AA, inducted into Caribbean Hall of Fame

Local Artist, Bernadette

**IMPORTANT MESSAGE**  
**WANT THE LATEST BREAKING NEWS?**  
Using any Smartphone, Register for **FREE** to **www.kaieteurnews.com** via the **WEB FEED ICON** on the top right hand corner of the web page. Alerts will pop up every time there is a **Breaking News** posted on our website.  
**WEB FEED ICON**



Agriculture and during GFC decentralised outreach visits."

CLICO deal

On Friday, GFC said that the Indian company was also awarded another concession for 345,961 hectares.

"The Timber Sales Agreement (TSA) awarded to Caribbean Resources Limited (CRL) was also terminated and re-possessed by the GoG (Government of Guyana) in 2010, because of continuous non-compliance with the terms and conditions of the TSA."

According to GFC, Guyana accepted an offer of \$600M (US\$3M) by VHPI to re-allocate this re-possessed concession of 345,961 hectares.

"This re-allocation was done in 2010. The sum of G\$600 million was applied to help meet liabilities owed to policyholders of CLICO (Guyana), given that CRL is part of the same group of companies as CLICO which went into receivership in 2010.

"CRL continues to have significant indebtedness to CLICO (Guyana)."

According to GFC, the Indian company has already commenced operational activities in this re-allocated concession.

The Commissioner noted

that this was a re-allocation of an already existing concession and the GFC has already publicised this re-allocation to the Forest Products Association (FPA) and at outreach meetings conducted since this re-allocation.

Regarding questions about a policy to reduce export of logs to promote more value-added products, the Commission said that the National Log Export Policy (implemented in 2009) does not prevent the export of logs; rather it uses an increase in the export commission as a disincentive.

"The National Forest Policy will be reviewed this year and it is expected that there will be even greater disincentives to prevent the export of logs. Until then, all companies are free to export logs in accordance with the provisions of the National Log Export Policy."

Regarding the price, this was arrived at through a process of negotiation with GFC and the government.

Factors considered included the fact that "no current concession holder has paid any monies for access to harvest the resources, other than acreage and royalty fees. Vaitarna agreed to pay in addition to these fees, an additional US\$3M."

Investigation needed

Yesterday, Presidential-candidate of AFC, Khemraj Ramjattan, said that he has received several calls on the issue.

"Yes, the issue is a troubling one and we (AFC) are discussing the matter with a view of calling for answers. This is but an example of the many cases of corruption to sell Guyana by this Jagdeo-led administration."

According to Ramjattan, it was President Bharrat Jagdeo who had ordered CLICO's former Chief Executive Officer, Geeta Singh-Knight, to transfer US\$34M being held by the Bank of Guyana to the Bahamas.

The transfer, Ramjattan said, was to ensure financing by CLICO for the building of the Berbice bridge a few years ago. By law, Guyana through the Bank of Guyana has to keep reserves from financial companies in case of claims. The US\$34M transfer would have been illegal since it represented insurance in case there were claims by policy holders of CLICO.

"So now you have this land being given away for a pittance and they are saying that they used the money to pay shareholders when in the first place the US\$34M which was sent out illegally could have been used to do so."

He said that Jagdeo authorised the illegal transfer of the US\$34 million to the external CLICO branch in the Bahamas.

"We also have Norway telling us that they will disclose how the US\$30M they promised through the LCDS is going to be spent while this government does not even have it on their website. So how can we be talking about transparency?"

Share this:



## Latest News Headlines

- ⌘ **High blood pressure a silent killer**
- ⌘ **N/A Lions Club nutrition programme continues to aid needy children**
- ⌘ **Burnt toddler remains in ICU**
- ⌘ **Police crack down on pornographic movie sales**
- ⌘ **Mystery fire destroys Duncan Street bond**
- ⌘ **Residents slam police probe of drag-racing crash**
- ⌘ **Aspiring forensic scientist pays tribute to literacy programme**
- ⌘ **Mother of slain US doctor wants cops to question close relative**
- ⌘ **PPP stalwart Pandit Reepu Daman Persaud dies**
- ⌘ **Protest over irregular ferry service turns ugly...Authorities ban Wakenaam truck driver from boarding MV Malali**
- ⌘ **Bandits nabbed hours later with victim's ID card**
- ⌘ **Suspect in North West shooting death reportedly found hanging**
- ⌘ **Despite Govt-imposed financial stipulations...Indebted Wireless Connections granted radio licence**
- ⌘ **Annual Easter Hat show remains a touch of class**
- ⌘ **Miner shot dead in North West, another killed in Venezuela**
- ⌘ **Gang hits local business community with bogus Manager's Cheques**
- ⌘ **American globetrotter crashes in Guyana while heading to Suriname**
- ⌘ **Harmon vows all-out fight to recall Jagdeo-issued radio licences**
- ⌘ **Four decades of selfless service...Sister Noshella Lalckecharran is a 'Special Person'**
- ⌘ **Dem boys seh...Dem could get a radio boycott**
- ⌘ **A battle for the promise**
- ⌘ **Fire-damaged school to reopen on April 15**

Local Artist, Bernadette Indira Persaud, has been inducted into the Caribbean Hall of Fame for... **more**



**Bhena's Footwear**  
120-11 Liberty Avenue, South  
Richmond Hill, NY 11419  
Tel: (718) 835-1335  
Fax: (718) 262-0251

- ⌘ **CURSE OF THE MUMMERY**
- ⌘ **Dem boys seh...Dem could get a radio boycott**
- ⌘ **Sunday Cartoon**
- ⌘ **The Baccoo Speaks**
- ⌘ **Passing of the old guard**

## Archives

April 2011

**M T W T F S S**

**1 2 3**

**4 5 6 7 8 9 10**

**11 12 13 14 15 16 17**

**18 19 20 21 22 23 24**

**25 26 27 28 29 30**

« **Mar** **May** »

## Links

- ⌘ **Antigua Sun**
- ⌘ **Barbados Nation**
- ⌘ **Cana News**
- ⌘ **Caribbean blogs**
- ⌘ **Caribbean Vacation Travel**
- ⌘ **Cariweb**
- ⌘ **Georgetown Guyana**
- ⌘ **Government Ads (GINA)**
- ⌘ **Jamaica Gleaner**
- ⌘ **The Caribbean Children Foundation**
- ⌘ **Trini Express**
- ⌘ **Wordpress**

- ❖ **Book Review...Guyanese dance through time hits mark**
- ❖ **Toddler severely burnt**
- ❖ **Harmon calls for across-the-board scrutiny of radio licensees**

>>> [Click to see more...](#)

---