

PPP launches election campaign at Babu John

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HEIST OF GUYANA

The truth about the Bai Shan Lin episode

AUGUST 24, 2014 | BY CHRIS | FILED UNDER HEIST OF GUYANA, NEWS
July 4, 2014

Bai Shan Lin under fire 'fleecing' Region Ten

Bai Shan Lin has again come under fire from Region Ten Chairman, Sharma Solomon, this time for a breach of faith. There was an understanding that was entered into between the company and the Region, that concessionary measures would be granted for the company to have its trucks use the Mackenzie/Wismar Bridge, to transport laterite from Three Miles on the west bank to Moblissa. The laterite was to facilitate the rehabilitation of the \$40 million farm road that the company's trucks had significantly damaged, causing untold hardships to residents in the community. After the agreement had been entered into between the management of Bai Shan Lin and major stakeholders in the Region for Bai Shan Lin to fix the road, tests which were facilitated by the Region, were subsequently carried out at Three Miles, on the Wismar Shore for suitable road building material. There Bai Shan Lin identified a laterite pit and was granted permission to use it. "The arrangement with Bai Shan Lin was that we wanted the road at Moblissa to be fixed; we were going to give them all that was necessary to fix that road. We were going to give them access to the laterite pit; we were going to give them the results to show that this was the best material to use," Regional Chairman Sharma Solomon said. Solomon said that Bai Shan Lin was clearly excited about the prospect of having access to laterite, which is better material than the loam, a substandard material which they had been using initially, and which was taken from Moblissa. "The arrangement we had with them and the Linmine Secretariat, to facilitate the fixing of the Moblissa road, was that they were going to take the laterite from the Three Mile area, and we were going to ask the management of the bridge to grant them concession to allow the trucks free access to get to the material." The concession was agreed to by the management of the bridge, and the process of transporting the laterite from Three Miles commenced. But of the 144 truckloads of laterite that was removed from the laterite pit less than ten truck loads made it to Moblissa, Solomon said. The remainder went to Bai Shan Lin's concession. "I was at the site on Monday. What was done at the Moblissa Road is a travesty- with less than ten truck loads. It was deliberate, because Bai Shan Lin threw the material in front of the road to give the impression that work has started. It wasn't done the way they are doing their concession. Bai Shan Lin is putting grader and roller, and all the necessary road building and earth moving equipment to fix their concession with the material that the Region gave to them under concession; giving up \$216,000 in bridge crossing to fix the road at Moblissa. "Instead, in a level of dishonesty Bai Shan Lin diverted 140 truckloads to their site, while putting four truck loads in front of the Moblissa road, causing further hardship to the community." Solomon added that because of the obstruction to the road an elderly woman who was sick and three pregnant women were unable to leave the community on time, because transportation was unable to get them out. He further stated that the Moblissa Road should have been completed by now, as Bai Shan Lin had done a lot of work on their site, during the ten-day period that they had promised to have the Moblissa Road completed. He added that the company will have to pay for the 47,000 tonnes of laterite that it has already removed from the Three Mile area and diverted to their own use. In a correspondence from the CEO of the Linmine Secretariat, Horace James, to both Regional Chairman Sharma Solomon and IMC Chairman Orrin Gordon, James said that the concession that had been granted to Bai Shan Lin, upon request from the region, to allow the company's trucks to traverse the Mackenzie /Wismar Bridge has been withdrawn as of July 2. Bai Shan Lin will now have to pay the bridge, he said. "However, Bai Shan Lin is now requesting that it be granted some more concession to use the Mackenzie/ Wismar Bridge, to transport more laterite from Three Miles in order to fix the Mabura access road", Solomon said. "With such a massive investment, which is said will match Bosai's I am now wondering if this is a sneak peek at Bai Shan Lin's attitude. I'm wondering what is to come with regard to its corporate and social responsibility." Solomon added that he has told the residents of Moblissa that they should go in

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to Bai Shan Lin's concession and shut the operations down, if attention is not turned to that road.
In addition, from the more than 500 residents of Moblissa that are being affected by the damaged road, residents of Linden will also be affected as they depend on the community for a lot of its farm produce, which is likely to escalate, because of the hardships facing the farmers there, in getting their produce to market. (Enid Joaquin)

July 15, 2014

Robert Persaud tells Parliamentary Committee...Bai Shan Lin's forest claims bogus

Chinese company, Bai Shan Lin, does not have access to close to a million hectares of rainforest in Guyana as part of its mega

investment plans, Minister of Natural Resources, Robert Persaud said yesterday.

"It is wrong; it is misleading. And if Bai Shan Lin is saying that, it should withdraw it— and withdraw it immediately, because it is false," Persaud told the Parliamentary Sectoral Committee on Natural Resources. He said that the company only has access to 640,000 hectares of forest, with the majority being for various studies.

Regarding forests the company has access to, Commissioner of Forests, James Singh said, that Bai Shan Lin has two state forest permits. He said such permits are issued for a period of three years, and during that time the company has to do an Environmental and Social Impact Assessment, along with a forest inventory. In addition, Singh said the company has to develop a business plan.

Singh said that it is only if these documents receive a favourable review by the Forestry Commission's Board, that the company can be issued with a Timber Sales Agreement (TSA) that would allow it to extract trees. The two state forest permits encompass three proposed forestry concession sites.

According to the draft Terms of Reference (TOR) for the Environmental and Social Impact Assessment (ESIA), the proposed concession areas are in Regions Six and Nine. According to Singh the two state forest permits, give Bai Shan Lin access to 345,000 hectares of forest.

The permit for Area A and B was issued on November 4, 2011, and the permit for Area C was issued on April 26, 2013.

Apart from this, the company is involved in joint ventures with four local companies through which it has access to some 280,000 hectares of forest from which it can harvest timber for export.

Those joint ventures are with Sherwood Forests, Haimorakabra Logging, Puruni Woods, and Kwebana Wood Products.

Meanwhile, the Commissioner of the Guyana Geology and Mines Commission, Mr. Rickford Vieira, who accompanied Minister Persaud to face the Parliamentary Committee, said that Bai Shan Lin currently has in its possession 20 claims of one mile each to mine for gold, and not 20 kilometers as the company has claimed.

Those mining claims are not in Bai Shan Lin's name, but are under the name of a Guyanese. While it mines these concessions, the company has been issued with two prospecting licences, Vieira stated.

July 17, 2014

Amerindian leaders demand clamp of Bai Shan Lin's permit

- Want full details of proposed logging concession in Region Nine

Amerindian leaders of communities along the Rewa and Essequibo Rivers in Region Nine are demanding to know the nature, location and scale of proposed logging concessions for Chinese company Bai Shan Lin.

And as such they want the Guyana Forestry Commission (GFC) to "cease forthwith" any further processing of the Bai Shan Lin permit.

Their demand is contained in a letter sent to the Guyana Forestry Commission (GFC) following a meeting in the village of Maruranau.

On Monday, Commissioner of Forests, James Singh, confirmed that Bai Shan Lin has two state forest permits, one of which is located in Region Nine. But the 17 communities of South Central and Deep South Rupununi, claim that they were not informed of the move.

From the information they have received, the village leaders said that they are concerned that the proposed concession may affect their traditional lands and natural resources within proposed land title extension areas for the Wapishiana people.

"If the said concession does indeed affect our traditional lands and extension areas, we consider that the GFC and other relevant agencies of the government are in direct breach of our rights as protected under the constitution of Guyana, other applicable national laws and related international treaties ratified by our country," the leaders stated in their July 7 letter to the GFC.

The proposed concession area in Region Nine spans over 150,000 hectares. The Amerindian communities are demanding that the Forestry Commission meet with



Minister of Natural Resources, Robert Persaud

is still a talking point. The sentencing phase of the... [more](#)



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them and share all maps and other relevant information pertaining to the proposed concession.

"We've heard through the grapevine that Bai Shan Lin is coming in but we don't know exactly where," said Tony James, a former chief of the village of Aishalton, and now Vice President of the Amerindian People's Association (APA).

Further, the leaders are calling on the GFC to take immediate steps to ensure "full respect to our lands and free, prior and informed consent in line with Guyana's international obligation and commitments to uphold indigenous people's rights under the Low Carbon Development Strategy."

"The forest is our kitchen, it is our supermarket, it is our university, our playground, our school...it is our hospital as well," said James.

"So where are we going to go?"

According to the GFC, permits are issued for period of three years and during that time the company has to do an environmental and social impact assessment, along with a forest inventory and business plan.

Once these are considered favourably, it is then that a company is issued with a Timber Sales Agreement that allows it to begin logging operations.

July 20, 2014

Amerindian concerns over Bai Shan Lin legitimate - APNU

A Partnership for National Unity (APNU) executive member with shadow responsibility for Public Works and

Transportation, Joseph Harmon, is contending that the concerns that the Amerindians have over the Chinese company Bai Shan Lin having logging concessions on their land title, is a legitimate one.

Amerindian leaders of communities along the Rewa and Essequibo Rivers in Region Nine are demanding to know the nature, location and scale of proposed logging concessions for Bai Shan Lin.

They want the Guyana Forestry Commission (GFC) to "cease forthwith" any further processing of the Bai Shan Lin permit.

Their demand is contained in a letter sent to the Guyana Forestry Commission (GFC) following a meeting in the village of Maruranau. According to Harmon, APNU had asked for the information concerning the operations of Bai Shan Lin to be provided to the National Assembly. "We have asked for that and all this information the Minister has to provide us with."



APNU Executive Joseph Harmon

He said that the Amerindian communities have a right for consideration over licences "which can actually touch and concern over areas they have title." Harmon is arguing that Government should not wait until the information has to be presented in Parliament for it to be released. It should be divulged to the Amerindian communities so that they can know if they will be affected by the actions of the Chinese company. He said he is willing to lend his voice to that cause.

"They should've consulted with the communities before, if these permits were likely to affect the villages. These people should have known and the fact that they don't know is saying to me that the Forestry Commission is not doing its work properly," said Harmon.

According to Harmon, they would know "so all of these things about the permit and the environmental work which has to be done, the community should be consulted once they are likely to be affected."

"You don't have to wait until then because Bai Shan Lin will feel they have a legitimate expectation to be granted this permit once they have satisfied the requirement."

"You can't grant a legitimate expectation when the constitution and a land right is going to be affected in that way," said Harmon.

On Monday, Commissioner of Forests, James Singh, confirmed that Bai Shan Lin has two state forest permits, one of which is located in Region Nine. But the 17 communities of South Central and Deep South Rupununi, claim that they were not informed of the move.

From the information they have received, the village leaders said that they are concerned that the proposed concession may affect their traditional lands and natural resources within proposed land title extension areas for the Wapishiana people.

The proposed concession area in Region Nine spans over 150,000 hectares. The Amerindian communities are demanding that the Forestry Commission meet with them and share all maps and other relevant information pertaining to the proposed concession.

August 7, 2014

Bai Shan Lin circumvents Guyana's logging laws...Ships Billions \$\$\$ of high priced logs monthly

By Latoya Giles

Even though Bai Shan Lin International Forest Development Inc. is yet to actually receive a logging licence, the company has teamed up with four companies in joint ventures to export billions of dollars worth in timber monthly.

One official from the Guyana Forestry Commission explained that Bai Shan Lin International Forest Development does not have an actual licence for the Exportation of Logs. What the company has is a State Forest Exploration Permit. In that permit Bai Shan Lin is required to do an environmental and social assessment study. The company is also required to do a forestry inventory and business plan which is to be submitted to the Environment Protection Agency (EPA).

To circumvent the requirements, Bai Shan Lin has opted for the joint venture deals with Karbana Wood, Wiacho, Haimora Kabra and Paruni Wood Inc. The official said that as it is right now, there should be limited exploration logging. It was noted that not much is done at the level of the Forestry Commission. "Most things fall under the Ministry of Natural Resources now," the official told Kaieteur News.

In June Bai Shan Lin submitted an application to the Environmental Protection Agency seeking environmental authorization to undertake a large scale logging and sawmill operation.

According to the public notice which was published, the company asked for the authorization for several areas including the Left Bank Essequibo River, Right Bank Berbice River, Right Bank Essequibo River, Left Bank Corentyne River, Left Bank Lysles River, River Bank Berbice River and Right Bank Powis River, including Regions Nine and Six.

It was noted that the project would entail, felling, extraction of timber and transportation of same to a processing facility. They would also be doing grading, construction of roads, skid trails, bridges, culverts and camps with other ancillary facilities within the concession.

The EPA stated that it fully recognized that the impending works could have "significant impacts" on the environment. Thus, in keeping with the Environmental Protections Act of 1996, an "Environmental Impact Assessment" is required before any decision to approve or reject the project.

As such, the EPA had said that members of the public were invited within 28 days of the notice to make written submissions to it, setting out questions and matters which they required to be answered or considered in the "Environmental Impact Assessment". It is unclear whether they have completed everything with the EPA.

Bai Shan Lin has been granted a forestry concession that amounts to close on one million hectares of rainforest, from which it plans to extract logs and ship them out of Guyana. The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

In addition, it sought permission to dig up a 20-kilometre stretch of river to look for gold.

Other plans include setting up what it is calling a Guyana-China Timber Industry Economic and Trading Corporation Park, plus a 400-acre real estate development. The plans were announced in 2012 by Chu WENZE, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials.

The state information agency, GINA had reported that Bai Shan Lin has been in Guyana over the past eight years with operations through the Bai Shan Lin Forest Development Inc. These include Haimorakabra Logging, Karlam South America Timbers, Wood Associated Industries, Kwebanna Wood Productions, Sherwood Forests, Bai Shan Lin Housing Construction, Mining development Inc. and Bai Shan Lin Ship Building and Heavy Industries Inc.

It has been contended that the law does not allow one logging company to take over another, unless the President so agrees.

On Redd-monitor.org, it was stated that in November 2012, Chu WENZE, the Chairman of Chinese logging company Bai Shan Lin, gave a presentation outlining his company's plans for Guyana at the World Congress in Taicang, China. The company's plans have threatened Guyana's proposals to reduce deforestation and forest degradation.

Bai Shan Lin is part of a group of 11 companies operating in Guyana. The 11 are all part of the China Forest Industry Group (Hong Kong). These companies have seven logging concessions in Guyana, covering a total area of 960,000 hectares (about 4.5% of the area of the country).

In November 2012, Chu WENZE and David Dabydeen, Guyana's Ambassador to China, took part in a signing ceremony for a loan from the Chinese Development Bank for Bai Shan Lin's forestry projects in Guyana.

According to the website Global Timber, Bai Shan Lin's concessions were acquired from other concession holders, a process known as "landlording" which is illegal in Guyana (unless officially authorised by the President). Under Guyanese law, forest concessions cannot be traded, but must be re-advertised by the Forestry Commission in an open auction.

Bai Shan Lin also ignored a cease order issued by the Guyana Geology and Mines Commission at a sand excavation pit in Moblissa. The company has received no permission for excavation work in the area and this was the third time that the Guyana Geology and Mines Commission had cause to issue a cease order. Bai Shan Lin also started construction of a road, without any permission.

Despite the company's record, among its supporters is Guyana's ex-President Bharrat Jagdeo, redd-monitor.org stated. Jagdeo's photograph was included in Chu WENZE's presentation, as part of the Guyanese Project Promotion Team for an Economic and Trading Cooperation Park that Bai Shan Lin is developing in

Guyana.

August 8, 2014

Bai Shan Lin exploiting Region 10

...unable to say how much land under its control - Solomon

Investments in Region Ten must be mutually beneficial, but this is not the case with Bai Shan Lin. Instead, the Chinese company is raping the region of its resources through massive exploitation, says Region Ten Chairman, Sharma Solomon, who in an interview with this publication at his office in Linden on Wednesday, bemoaned what has been transpiring in the region in recent years, as it relates to the logging company.

Solomon told this publication that over 60 per cent of logging done in Guyana comes through or is from Region Ten.

Bai Shan Lin is now the largest logging operator in the country and according to Solomon, most of its logging is conducted in Region Ten.

"They are contributing significantly toward the exploitation of resources in that area," said Solomon.

According to Regional Chairman, the company has massively expanded its operations, and to date, an Environmental Social Impact Assessment (ESIA) has not been done, despite repeated requests by the Region.

They (Bai Shan Lin) are far advanced in their operations and they have still not done an ESIA to see what impact they have on the people in the region, he said.

Another source of lamentation over the company has been its compliance with set regulations.

"We have always expressed concerns about Bai Shan Lin's ability to comply with standards and regulations; we have always complained about that."

He used as example the processing plant that the company has established along the Soesdyke/Linden Highway and without compliance from any statutory agency, the company removed over 47,000 tonnes of loam to build the base of the plant, "in the process destroying and disrupting the lives of the people of Moblissa."

According to Solomon, in the process of building the plant, the company completely destroyed the farm to market road, and it was only when the people threatened to shut down the company that any action was taken.

He said, too, that action on the part of Bai Shan Lin to repair the road also included an intervention by Prime Minister Samuel Hinds.

Solomon said, too, that the Region is still extremely concerned that to date the statutory agencies that should be certifying the actions of Bai Shan Lin may not be doing so. He told this publication that efforts by the Region to secure the necessary documentation to see that this is being done have proven futile thus far.

The statutory bodies that Solomon is referring to, include the Guyana Forestry Commission, Lands and Surveys, the Environmental Protection Agency and the Guyana Geology and Mines Commissions among others.

"We have always said that we welcome investments; that we welcome the opportunity to develop the Region."

According to Solomon, the investments must be based on mutual benefits.

He said that the companies can be allowed to benefit, "but the community must be able to benefit and the people must also be able to feel comfortable that these investments will not disrupt their lives."

Solomon said that Bai Shan Lin and the other loggers using the road are destroying it, and when they are approached to assist in repairing it, the companies insist that they already pay royalties and taxes to Government.

"I believe that those companies must understand it is not doing well for social corporate responsibility and the

government too must understand that after taking so much taxes and making so much off of these infrastructure, they must be prepared to put back into it."

Meanwhile, as it relates to the amount of lands that Bai Shan Lin is currently logging from within the region, Solomon said that this is difficult to assess.

He explained that it is difficult to ascertain the concessions under which Bai Shan Lin is operating, given that outside of what is registered officially at the Guyana Forestry Commission for them, "there is a new arrangement that exists in the Region now where many associations and many loggers with concessions are in essence sub-leasing."

According to Solomon, there is a lot of intertwining of the holders of concessions and those who are exploiting the concessions. He noted too that



Region 10 Chairman,
Sharma Solomon



One of the container truck using the road way

many of those who would have collaborated with companies such as Bai Shan Lin are not reaping the benefits they would have signed on to.

August 10, 2014

Bai Shan Lin came to Guyana specifically for large-scale logging

- brought in over 200 trucks, 60 bulldozers, 40 loaders, luxury vehicles all duty-free

As questions continue to swirl over the arrangements between the Government of Guyana and a Chinese company regarding the export of large quantities of logs, there are revelations now that an unprecedented number of duty free concessions were granted.

These concessions include for luxury vehicles like Lexus' and even an Infiniti Q model. It did not stop there. Bai Shan Lin, the company in the midst of controversy, was reportedly granted permits that allowed it to also import scores of heavy trucks, bulldozers and loaders.

In terms of the hauler trucks, Bai Shan Lin was able to import more than 200 of them, Kaieteur News was told. This is in addition to more than 50 bulldozers and a significant number of loaders that the company has in its fleet.

While it is not unusual for Government to waive taxes and duties on vehicles, equipment and building materials for certain types of investments, in the case of Bai Shan Lin the questions would be many.

The fleet of equipment that was shipped is mainly what is known as primary processing equipment. In other words, equipment associated with harvesting or logging activities. The number of vehicles brought in would also be unprecedented for one foreign company, industry experts said. Government had initially not made known what exactly are the arrangements with Bai Shan Lin. Rather it was the company's Chairman, Chu Wenze, who made a presentation in November 2012, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials, in January 2013.

Bai Shan Lin is now facing investigations by the Opposition after revelations that it is involved in large-scale logging, even allegedly hiding behind third parties to mask the exports.

There have been questions over the company's involvement in Guyana with the Ministry of Natural Resources and the Environment appearing in Parliament to answer questions.

The Guyana Forestry Commission, which regulates the industry, has said that Bai Shan Lin has "invested" in a large fleet of skidders, log loaders, bulldozers, logging trucks and generators.

There was no mention of equipment which would be involved in value-added timber products.

Guyana has been vocal in pushing for a phased reduction in log exports but the Bai Shan Lin experience would signal a contradiction.

A look at export figures, unofficially supplied, indicated that for the first half of 2013, some 30,000 cubic meters of timber products were exported. For the first half of 2014, this figure rose to over 50,000 cubic meters.

This would be significant as Guyana has introduced what is known as a disincentive scheme - a gradually increasing tax and royalty scheme. Despite the increase in tax, the exports have shot up.

GFC itself has not explained the rise in the exports but industry insiders said that Bai Shan Lin is playing a major part in this. The deals with Bai Shan Lin were reportedly signed during the period when former President Bharrat Jagdeo was heavily promoting his Low Carbon Development Strategy which among other things targeted increased tracking of illegal logging.

Guyana has a groundbreaking, US\$250M five-year agreement with Norway to protect its forests. It is unclear whether Norway and its monitoring agencies have been paying attention to the increasing exports to determine the impacts. Bai Shan Lin has been granted a large swath of land at Providence and has announced plans to set up what it is called a Guyana-China Timber Industry Economic and Trading Corporation Park plus a 400-acre real estate development.

Commissioner of the Guyana Forestry Commission, James Singh, had said that the company is planning to construct Linden Wood Processing Factory which will be an integrated factory, beginning with log/lumber intake and resulting in the large-scale production of high-end furniture; flooring (parquet, multiple layered, outdoor quality); veneers; doors; mouldings; finger jointing and lumber, among others.

However, he has not given any timelines by which Bai Shan Lin intends to move into the different phases of its operations.

The Bai Shan Lin case would bring the spotlight sharply on how the Government of Guyana negotiates deals with foreign investors and the checks and balances to ensure that its resources are not raped.



Chairman of Chinese-owned, Bai Shan Lin, Chu Wenze

August 10, 2014

Bai Shan Lin has no permission to harvest or log - EPA Official

The Environmental Protection Agency (EPA) has denied ever giving Chinese company, Bai Shan Lin International Forest Development Inc. any permission to do logging. A senior official at the EPA said that as stands right now, Bai Shan Lin is having meetings with them regarding "scoping".

It was explained that "scoping" is another aspect of its Environmental Assessment which Bai Shan Lin needs to complete.

The official maintained that as of yesterday Bai Shan Lin had no authority to do any "logging or harvesting".

The official further told Kaieteur News that the EPA, once everything is done in accordance with the formal requirements, would grant Bai Shan Lin an "Environmental Authorization Permit" which gives the right to log and harvest timber.

But the Guyana Forestry Commission (GFC) has denied that Bai Shan Lin was logging without licence.

Bai Shan Lin International Forest Development Inc. is yet to actually receive a logging licence, but the company has teamed up with four companies in joint ventures to export billions of dollars worth in timber monthly.

Forestry officials explained that Bai Shan Lin International Forest Development does not have an actual licence for the Exportation of Logs. What the company has is a State Forest Exploration Permit.

In that permit Bai Shan Lin is required to do an Environmental and Social Impact Assessment study. The company is also required to do a forestry inventory and business plan which is to be submitted to the Environment Protection Agency (EPA).

To circumvent the requirements, Bai Shan Lin has opted for joint venture deals with Karbana Wood, Wiacho, Haimora Kabra and Paruni Wood Inc. The official said that at present, the company should only be engaging in limited exploration logging.

In June, Bai Shan Lin submitted an application to the EPA seeking environmental authorization to undertake a large scale logging and sawmill operation. That application is still pending.

According to the public notice which was published in June, the company asked for the authorization for several areas including the Left Bank Essequibo River, Right Bank Berbice River, Right Bank Essequibo River, Left Bank Corentyne River, Left Bank Lysles River, River Bank Berbice River and Right Bank Powis River, including Regions Nine and Six.

It was noted that the project would entail felling, extraction of timber and transporting the commodity to a processing facility. The company would also be doing grading, construction of roads, skid trails, bridges, culverts and camps with other ancillary facilities within the concession.

The EPA stated that it fully recognized that the impending works could have "significant impact" on the environment. Thus, in keeping with the Environmental Protections Act of 1996, an "Environmental Impact Assessment" is required before any decision is taken to approve or reject the project.

As such, the EPA had said that members of the public were invited within 28 days of the notice to make written submissions, setting out questions and matters which they required to be answered or considered in the "Environmental Impact Assessment". It is unclear whether the company has completed the process with the EPA.

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Other plans include setting up what it is called a Guyana-China Timber Industry Economic and Trading Corporation Park, plus a 400-acre real estate development. The plans were announced in 2012 by Chu Wenze, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials.

Redd-monitor.org stated that in November 2012, Chu Wenze, the Chairman of Chinese logging company Bai Shan Lin, gave a presentation outlining his company's plans for Guyana at the World Congress in Taicang, China. The company's plans have threatened Guyana's proposals to reduce deforestation and forest degradation.

Bai Shan Lin is part of a group of 11 companies operating in Guyana. They are all part of the China Forest Industry Group (Hong Kong). These companies have seven logging concessions in Guyana, covering a total area of 960,000 hectares (about 4.5% of the area of the country).

In November 2012, Whu Wenze and David Dabydeen, Guyana's Ambassador to China, took part in a signing ceremony for a loan from the Chinese Development Bank for Bai Shan Lin's forestry projects in Guyana.

According to the website Global Timber, Bai Shan Lin's concessions were acquired from other concession holders, a process known as "landlording" which is illegal in Guyana (unless officially authorised by the President). Under Guyanese law, forest concessions cannot be traded, but must be re-advertised by the Forestry Commission in an open auction.

August 12, 2014

Rohee dodges giving direct answers on Bai Shan Lin's operations

As Kaieteur News continues to expose the wrongdoing of the largest logging company operating in Guyana—Bai Shan Lin—General Secretary of the People's Progressive Party (PPP), Clement Rohee has suggested that the newspaper is doing so out of spite.

Yesterday Rohee hosted his Party's weekly press conference at Freedom House. At that forum Kaieteur News asked if the PPP is concerned with the operations of Bai Shan Lin as highlighted in the media.

In his response to the question, which he dubbed "loaded," Rohee said that he has been paying very close attention to the media over the past three months and has "discerned" that Kaieteur News has launched "not only a campaign but a crusade, (he repeated) a crusade against this particular Chinese company."

Rohee said he cannot understand why this "crusade" was initiated with focus on Bai Shan Lin, and what could have been at the root of all the disclosures.

He pondered, "Is it that they (Kaieteur News) asked Bai Shan Lin for something and Bai Shan Lin refused to give it to them, is it that they tried to cut a deal with Bai Shan Lin and the deal fell through? I don't know."

The General Secretary expressed hope that "a very good investigative journalist" with the capability of "digging and digging and digging" will get to the bottom of things and find out what is the "beef" between Kaieteur News and Bai Shan Lin.

He insisted that there "must" be something going on, "something must have gone sour... it seems as if the Kaieteur News is the only media house carrying this crusade of this intense nature...Something is rotten in the Kingdom of Sussex Street."

Asked if he has any concerns about what Kaieteur News has highlighted about the Chinese company, Rohee's response was "as far as Kaieteur News and Bai Shan Lin are concerned it seems to me that that is a matter of a different kettle; they should settle their internal problems then we will deal with it after that."

Recently, Kaieteur News has been very boldly highlighting the operations of Bai Shan Lin.

The logging company is yet to receive a logging licence, but has teamed up with four others in joint ventures to export billions of dollars in timber monthly. Forestry officials explained that Bai Shan Lin has only a State Forest Exploration Permit.

As part of that permit Bai Shan Lin is required to do an Environmental and Social Impact Assessment. The company is also required to do a forestry inventory and business plan which is to be submitted to the Environment Protection Agency (EPA).

Bai Shan Lin has been granted a forestry concession that amounts to close to one million hectares of rainforest.

The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

In addition, it sought permission to dig up a 20-kilometre stretch of river to look for gold.

Other plans include setting up what it is called a Guyana-China Timber Industry Economic and Trading Corporation Park, plus a 400-acre real estate development. The plans were announced in 2012 by Chu Wenze, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials.

August 13, 2014

Bai Shan Lin ignores local requirement in exporting Locust wood to China

Unprocessed Locust and Crabwood should first satisfy local demand before any such wood can be exported overseas; but this is not the case with Bai Shan Lin. It has been found that the company is planning to export over the course of the next six months, 250,000BM of Locust wood, despite local operators approaching them to buy.

On Monday last, Haimorakabra Logging Inc, one of Bai Shan Lin's companies, wrote to the



Guyana Manufacturers and Services Association (GM&SA) to indicate its intention to ship the lumber.

Haimorakabra Logging Inc. is now owned by Bai Shan Lin International Forest Development Inc.

A representative from a local company had approached the company last week to purchase some of the Locust wood for local consumption.

This publication has since been told that Gao Yuan, Manager of the Chinese-owned operations reportedly expressed shock that the Locust wood was advertised for sale since he indicated that it was destined for export to China. According to the letter of intention addressed to GMSA's President, Clinton Williams, by Yuan, the company intends to ship the wood to Heilongjiang Baishanlin Wood Company Ltd., in China.

Government had initially not made known what exactly are their arrangements with Bai Shan Lin.

The company is now facing investigations by the Opposition after revelations that it is involved in large-scale logging, even allegedly hiding behind third parties to mask the exports.

There have been questions over the company's involvement in Guyana, with the Ministry of Natural Resources and the Environment appearing in Parliament to answer questions.

A look at export figures, unofficially supplied, indicated that for the first half of 2013, some 30,000 cubic metres of timber products were exported. For the first half of 2014, this figure rose to over 50,000 cubic metres.

This would be significant as Guyana has introduced what is known as a disincentive scheme - a gradually increasing tax and royalty scheme. Despite the increase in tax, the exports have shot up.

The Guyana Forestry Commission itself has not explained the rise in the exports, but industry insiders said that Bai Shan Lin is playing a major part in this. The deals with the company were reportedly signed during the period when former President Bharrat Jagdeo was heavily promoting his Low Carbon Development Strategy which among other things targeted increased tracking of illegal logging.



August 13, 2014

Bai Shan Lin's "kickbacks" seem to have silenced Govt. - MP Harmon

"The government is silent about this immoral and abusive act and there can only be one logical conclusion for that—they are benefitting financially in exchange for allowing the rape to continue. Citizens need to understand the corrupt beast that it (Govt.) is dealing with. It is only a win-win deal for the parties involved and Bai Shan Lin's kickbacks seem to have silenced the government."

This is the contention of A Partnership for National Unity (APNU) member on the Parliamentary Sectoral Committee on Natural Resources, Joseph Harmon.

After seeing the aerial view pictures of huge piles of hundreds of Guyana's precious logs stocked and waiting to be shipped from one of Bai Shan Lin's Kwakwani areas, Harmon believes that the evidence showcased by Kaieteur News yesterday is simply "horrendous."

"It is sickening to come to grips with the reality that former President Bharrat Jagdeo invited Bai Shan Lin to this country under the pretext that it was going to foster good developments, and all along the true intention was to rape this country of its resources. This underscores the need for the Ramotar administration to resign en bloc.

"They have no interest in protecting the people. They have fooled this country. It seems that this Government is being paid to shut its mouth."

The MP pointed out that at a meeting of the Natural Resources Committee in the Parliament

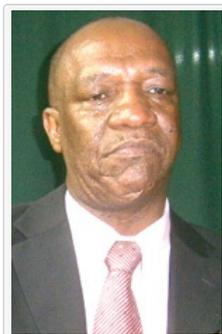
Office, Head of the Guyana Forestry Commission, James Singh, was requested to provide information in relation to the contractual arrangements that Government has with Bai Shan Lin, a Chinese company that has been in the spotlight for several months now, for its questionable activities.

Singh, according to Harmon, said that the Commission does not have a copy of the contract.

The Parliamentary Committee was referred to the Guyana Office for Investment (GO-Invest) for more information. But when contacted, GO-Invest was not even aware of the agreements.

"This is a most serious matter, because we have a Government that is so greedy and selfish that it is incapable of understanding that it has the responsibilities to protect the natural resources of this country."

Commissioner Singh had defended GFC saying that Bai Shan Lin is not operating in an illegal manner, but Harmon contends that he does not trust what the nation is being told about what is legal and what isn't in this matter.



Joseph Harmon, APNU
Parliamentarian

“These companies are just being encouraged to gut this country, and indicators show that Guyana is slipping further into the abyss of poverty.”

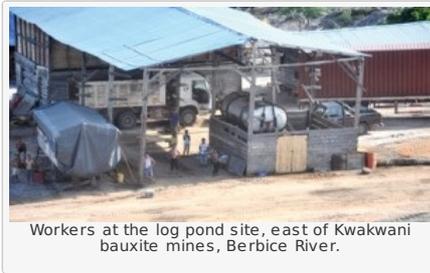
The Environmental Protection Agency (EPA) had made it clear that Bai Shan Lin does not have permission to cut or log. In fact, EPA denied ever giving the Chinese

company any permission to do logging. A senior official at the EPA explained it is currently in discussions with the company in relation to “scoping”.

“Scoping” is another aspect of its Environmental Assessment which Bai Shan Lin needs to complete.

This publication understands that once everything is done in accordance with the prescribed requirements, the EPA would grant Bai Shan Lin an “Environmental Authorization Permit.” This would give the company the right to log and harvest timber.

Though it is currently without a logging licence, Bai Shan Lin has teamed up with four others in joint ventures to export billions of dollars in logs.



Workers at the log pond site, east of Kwakwani bauxite mines, Berbice River.

It is in possession of a State Forest

Exploration Permit (SFEP) which allows for an Environmental and Social Impact Assessment, not large-scale logging. A Forestry official said that at present, the company should only be engaging in limited exploration logging. In June, Bai Shan Lin submitted an application to the EPA seeking



GFC stamped logs awaiting pickup by Bai Shan Lin.

environmental authorization to undertake a large-scale logging and sawmill operation for several areas, including on the left bank of the Essequibo River, along the Berbice River and in Regions Nine and Six. That application is still pending.

The Environmental Protections Act of 1996 says that an “Environmental Impact Assessment” is required before any decision is taken to approve or reject a project of this magnitude. EPA had invited members of the public to submit, within 28 days of the notice, questions or objections. It is not clear whether this process is completed.

Bai Shan Lin has claimed access to forestry concessions that amount to close to one million hectares of rainforest, from which it plans to extract logs and ship them out of Guyana. However, Government has denied it was that much.

The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

Additionally, the company sought permission to dig up a 20-kilometre stretch of river to look for gold. Other plans include setting up what it is called a Guyana-China Timber Industry Economic and Trading Corporation Park, plus a 400-acre real estate development.

The plans were announced in 2012 by Chu Wenze, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China. Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other government officials.

Redd-monitor.org stated that in November 2012, Chu Wenze’s plans have threatened Guyana’s proposals to reduce deforestation and forest degradation.

Bai Shan Lin is part of a group of 11 companies operating in Guyana. They are all part of the China Forest Industry Group (Hong Kong).

August 13, 2014

Residents growing weary of Bai Shan Lin’s exploitation, destruction - Region 10 Chairman

What is now being highlighted by Kaieteur News for all of Guyana, and indeed the regional and international communities to see, comes as no shock to Region 10.

“Our region has been dealing with this for some time now, but we are pleased that we are no longer fighting alone.”

This was expressed by Region 10 Chairman, Sharma Solomon, as he explained the extent to which Bai Shan Lin International has been going in terms of “the exploitation, disruption and destruction of Region 10”.

In an exclusive interview yesterday, Solomon told Kaieteur News that Region 10 residents and the Regional Democratic Council (RDC), which manages the

region, have for years been dealing with what is now being exposed by Kaieteur News.

"For years this region has been fighting for Guyana and Guyanese to be respected by foreign companies. The country must be able to benefit from its national resources."

According to Solomon, residents dwelling in Coomacka, Moblissa, Bamia, Kwakwani and Ituni can fully attest to the "wanton robbery and destruction of the region's environment and infrastructure".

"It's nothing new to those dwelling in Coomacka, as they know the truth about the processing plant that Bai Shan Lin was supposed to be operating there."

The Chairman said, that considerable concessions were given to Bai Shan Lin for the plant that the company operated for a few months, but instead closed it and started concentrating on logging in the area.

"We know too that other areas in the Coomacka Mines were almost given away to Asian companies."

Solomon added that "It is nothing new to the farmers of Bamia (located at the right bank of the Demerara River) who were displaced when Bai Shan Lin was, through NICIL, given concessions to operate there."

The Chairman lamented that he still does not know what exactly the arrangements are between NICIL and Bai Shan Lin.

Solomon also stressed that there were five meetings between Prime Minister Samuel Hinds and the then head of the Guyana Forestry Commission, Clinton Williams, just to get Bai Shan Lin to respect the people of Moblissa. He noted that the Moblissa people had threatened to block trucks from passing and obstruct operations at the processing plant. Bai Shan Lin was forced to cooperate as a result.

"The people of Moblissa are not the only ones who had cause to stand up and fight for what is right in this regard. The residents of Kwakwani and Ituni also had to protest when they became fed up with the destruction and exploitation." Kaieteur News understands that 20 persons were arrested and taken before the courts for protesting on that occasion; 10 of whom remain before the court.

"It's not yesterday. The RDC has been in constant battle with Bai Shan Lin. For years we have been fighting on behalf of the people," Solomon reiterated.

Solomon said that the Region is very concerned about the lack of mutual benefits in a case like this and the region does not see the benefits in accommodating a company like Bai Shan Lin "that is all about exploitation, disruption and destruction."

Solomon told Kaieteur News that at a recent meeting between the RDC and residents of Kwakwani, measures were discussed to deal with the situation. These included Bai Shan Lin fixing of the roads, but "frustration is building and we will have to act."

NEXT STEP

The Region is now preparing to send letters to the Guyana Forestry Commission, Guyana Geology and Mines Commission and Ministry of Agriculture asking for the names of all companies extracting resources in Region 10.

"There are many other Asian companies operating in Region 10, they too are getting concessions, but the locals are not."

Solomon believes that Bai Shan Lin is being encouraged to do wrong as it cannot be acting on its own accord. He said that even a very small sawmill has to do an Environmental Social Impact Assessment (ESIA) to ascertain how the dust will affect the community and so forth, but Bai Shan Lin was not required to do so.

"Someone in the government would have said to Bai Shan Lin that it is okay to have such a massive operation without the blessings of the statutory bodies."

Solomon said that the region will no longer be looking to the Government for answers but instead seek to go straight to the company which has remained uncooperative.

"I recall during the protest on the Ituni/Kwakwani road an Asian gentleman noted, in plain English, that he could have made one phone call and have everything removed with immediate effect. This just shows that the company has representation high up."

August 13, 2014

GFC attempts to defend Bai Shan Lin's large scale logging activities

In attempting to defend shocking revelations that Bai Shan Lin is involved in an unprecedented level in logging in the country, the Guyana Forestry Commission (GFC) has placed a full page advertisement in Kaieteur News.

However, the Commission has failed to address the large stockpiles of logs at Kwakwani and in Region 10 that was found during a fly-over of the area by Kaieteur News on Monday. Rather, the body spoke extensively about its policies.

August 14, 2014

More shocking revelations...Bai Shan Lin employs 70% Asians

- Pays locals as little as \$500 a day - Solomon

In January 2013, Bai Shan Lin Forest Development Inc. advertised for 700 Guyanese workers.

In advertisements in the media, Bai Shan Lin said that it had vacancies for 220 factory construction workers, 80 skilled chain-saw operators, 80 semi-skilled chain-saw operators, 30 bulldozer operators, 35 loading truck drivers, 60 dump truck drivers, two excavator and grader operators, 60 logging truck drivers, 20

container truck drivers, 10 mechanics, 10 servicemen, 13 cooks and 80 inventory clerks.

However, the company has developed a reputation of mistreating the few Guyanese workers it employs.

Kaieteur News understands that the company generally has a policy to give Asian nationals first preference at employment. From all indications, there are enough Asian nationals residing in Guyana to facilitate the elimination of Guyanese workers on any project the Asians embark upon.

Bai Shan Lin has a known presence at Moblissa, Coomacka, Bamia, Kwakwani and Ituni.

This newspaper has been able to verify that at the Coomacka and Bamia locations, Bai Shan Lin has an employment ratio of 70 Asians to 30 Guyanese. Region Ten Chairman, Sharma Solomon, has confirmed that the workforce is disproportional at these locations.

He said that some workers attached to Bai Shan Lin, have been frequenting the Office of the Regional Democratic Council complaining of the way the company has been violating their rights.

The Chairman said that workers have been lamenting the conditions they work under. They have also been complaining of bad treatment and poor payment. Solomon said Bai Shan Lin have workers on its payroll who are being paid as little as \$500 a day. He said these complaints have been coming mostly from those working at Coomacka and Bamia.

Kaieteur News has been made to understand that the few Guyanese employed by Bai Shan Lin are only allowed certain jobs.

Residents of Kwakwani said that about 90 percent of those driving the company trucks are Asian nationals.

Solomon confirmed this. Asian nationals are being given "permits to use our roads... This needs to be taken seriously, he said. These people don't qualify, but they are driving heavy duty vehicles on our roads."

Solomon said that the Asian drivers are not even complying with the rules and regulations of the roads.

He said that Casuarina Drive, Linden, has load restrictions hence Bai Shan Lin's trucks are not supposed to pass there; but, of course they do.

Solomon went further to explain that the road even had a barrier which was knocked down as Bai Shan Lin's trucks continue to use it.

The Regional Chairman said that that road is an emergency one as it leads to Mackenzie Hospital. There are also two schools on that very road, one of them a nursery.

In the advertisement for employees, the company said "In order to ensure and accommodate the timely commencement and completion of these projects (wood processing plant etc), meet the demands of the company and to fulfill our promise to utilize (a) local workforce, hence assisting Guyanese people with employment, at present management is in need of approximately 700 Guyanese workers."

At that time GINA had written that Whenze Chu, Chairman of the China Forest Industry Group Company Ltd, the parent company of Bai Shan Lin Forest Development Inc., has a 40-year involvement in the timber industry and has accumulated rich experience in this field. It said that last November.

China Forest Industry Group Company Ltd is the parent company for several operations across Guyana, including Haimorakabra Logging, Karlam South America Timbers, Wood Associated Industries, Kwebanna Wood Productions, Sherwood Forests, Bai Shan Lin Housing, Construction, Mining Development Inc., and Bai Shan Lin Shipbuilding and Heavy Industries Inc.

When the advertisement was placed, Bai Shan Lin was to start a timber processing plant at Coomacka. That plant operated for a few months before the company aborted that and started logging in the area.

In addition to the numerous containers of logs that Bai Shan Lin ships out the country on a daily basis, freighters loaded with logs are taken out from Kwakwani.

On the journey to Kwakwani, Kaieteur News noticed a number of loaded trucks, carrying Bai Shan Lin's logo, making their way to Georgetown. Then there were 24 containers of logs waiting to be exported.

Residents of Kwakwani estimated that no less than 30 container trucks pass through the streets of their community daily.

Earlier this year it was found that Bai Shan Lin did not have the statutory regulatory blessings of Lands and Surveys, Geology and Mines or the Environmental Protection Agency (EPA).

Kaieteur News confirmed that the EPA has not given Bai Shan Lin permission to operate in the Berbice River. This is the same river that runs through Kwakwani. Bai Shan Lin operates a forestry concession that amounts to close to one million hectares of rainforest, from which it extracts logs and ships them out of Guyana.

These included concessions owned by other companies but which are being used by the Chinese company.

The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

August 14, 2014

Parliament will have to wait until October to discuss Bai Shan Lin issue

Parliament will have to wait until October for any discussion on the activities of the Chinese Company Bai Shan Lin. Parliamentarian Joseph Harmon of A Partnership for National Unity (APNU) on Monday, sought the intervention of the Speaker of the House, Raphael Trotman, to call an "extraordinary sector

committee meeting” to have Bai Shan Lin officials come to Parliament and explain their operations in Guyana.

Harmon told Kaieteur News last evening, that he has received correspondence from the Speaker which indicates that they would have to wait until October for any meeting to be called.

He said that this new development is nothing short of unfortunate, knowing the seriousness of the matter.

Harmon has insisted that he does not believe that the Guyana Forestry Commission (GFC) is showing the type of energy to facilitate an investigation of this magnitude.

He had expressed that all operations of logging should be halted immediately and Parliament should have been given a full explanation about what the company is doing.

Over the weekend, the (EPA) denied ever giving the Chinese company, Bai Shan Lin International Forest Development Inc. any permission to do logging. However, a senior official at the EPA said that as it stands right now, Bai Shan Lin is having meetings with them regarding “scoping”.

It was explained that “scoping” is another aspect of its Environmental Assessment which Bai Shan Lin needs to complete.

The official further told Kaieteur News that the EPA, once everything is done in accordance with the formal requirements, would grant Bai Shan Lin an “Environmental Authorization Permit” which gives the right to log and harvest timber.

But the Guyana Forestry Commission (GFC) has denied that Bai Shan Lin was logging without a licence.

Bai Shan Lin International Forest Development Inc. is yet to receive a logging licence, but the company has teamed up with four others in joint ventures to export billions of dollars in timber monthly. Forestry officials explained that Bai Shan Lin International Forest Development does not have an actual licence for the exportation of logs. What the company has is a State Forest Exploration Permit.

That document allows the Chinese company to do an Environmental and Social Impact Assessment. The company is also required to do a forestry inventory and business plan which is to be submitted to the Environmental Protection Agency (EPA).

To circumvent the requirements, Bai Shan Lin has opted for joint venture deals with Karbana Wood, Wiacho, Haimorakabra and Paruni Wood Inc. The official said that at present, the company should only be engaging in limited exploration logging.

In June, Bai Shan Lin submitted an application to the EPA seeking environmental authorization to undertake a large scale logging and sawmill operation. That application is still pending.

According to the public notice which was published in June, the company asked for the authorization for several areas, including the Left Bank Essequibo River, Right Bank Berbice River, Right Bank Essequibo River, Left Bank Corentyne River, Left Bank Lysles River, River Bank Berbice River and Right Bank Powis River, including Regions Nine and Six.

It was noted that the project would entail felling, extraction of timber and transporting the commodity to a processing facility. The company would also be doing grading, construction of roads, skid trails, bridges, culverts and camps with other ancillary facilities within the concession.

Bai Shan Lin has been granted a forestry concession that amounts to close on one million hectares of rainforest, from which it plans to extract logs and ship them out of Guyana. The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

August 15, 2014

Tracking website shows significant exotic wood exports by Bai Shan Lin

- without proper declaration

More information continues to surface about the operations of Chinese company, Bai Shan Lin, in Guyana. Several questions which have now arisen include whether Bai Shan Lin, among other companies, is exporting rare wood such as Locust and Wamara, without declaration to the Customs Administration. Several sources within the Ministry of Natural Resources have said that the Wamara business is among the most lucrative business ventures that Bai Shan Lin is currently involved in. This newspaper was also told that the company has essentially infiltrated the market, since Guyana is providing the precious raw material at giveaway prices.

This newspaper was also told that low level ministry workers along with forestry officials who are tasked with monitoring the export of timber aren't able to complete their task. Some have expressed that since Bai Shan Lin along with several others entered into joint ventures, it has been “almost impossible” to have a tab on how much timber is being exported from Guyana.

An online search using Worldwide Export Tracker, Panjiva, provides some perspective. Panjiva, a New York-based company, is the first and only online information source designed to provide a level of transparency into overseas suppliers. Leveraging this type of trade data from suppliers, Panjiva is able to produce details of trends within sectors.

Information published by Panjiva has been used by news websites such as FT.com and CNNMoney.com, where it has been described as “innovative and revolutionary”. Panjiva was started by Josh Green (CEO) and Jim Psota (CTO) in 2006.

The website shows that Bai Shan Lin started exporting logs from Guyana since 2008. According to Panjiva, Bai Shan Lin Investments on December 26, 2008 exported 74,095 pieces of "SawnTimber (Mixed Floor Boards)". In 2009 Bai Shan Lin on July 9th exported Locust Sawn Timber. The company exported a total of 558 pieces from Guyana.

The next month, Bai Shan Lin exported six containers with approximately 30,439 pieces of Greenheart Sawn Timber.

In October 2009, the company exported Wamara Sawn Timber. A total of 5303 pieces were sent out in two containers.

In September of 2010, Bai Shan Lin again sent out six more containers of mixed timber. It was explained that the company had exported a variety of exquisite timber. The pieces amount to 50,829.

Further records would show that in December 2012 Bai Shan Lin exported 6771 pieces of Locust Sawn Timber. A few months later, the company in July, exported 24,136 pieces of mixed timber in seven containers.

The online tracker updates daily and is expected to provide more information on such exports.

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Bai Shan Lin International Forest Development Inc. has teamed up with four others in joint ventures to export billions of dollars in timber monthly.

August 15, 2014

Bai Shan Lin logging scandal deepens...Company halts massive E'bo operations

... but busy cutting new roads to Waini River

Chinese company, Bai Shan Lin's operations in Kwakwani, Upper Berbice River, may have evoked widespread public

anger and disbelief over the magnitude, but there are indications now that those operations pale in comparison to what is happening in the Kwebanna, Waini area in Region One, Essequibo.

Kaieteur News, as part of its investigations into the scope of the company's operations, flew into Region One (Barima/Waini) this week and found that the company has halted its logging operations there in the face of increasing scrutiny of its Upper Berbice operations.

The extent of the Essequibo activities reveals that the scope of logging operations by the company is way larger than Guyanese were initially led to believe.

For several days now, several trucks, laden with massive logs have been sitting on the roadside in the dense jungle in the Kwebanna area. The logs, seen by Kaieteur News, have already been certified with stamps and seals of the Guyana Forestry Commission (GFC).

In Essequibo, the company has been logging various species of wood and selling what it is not exporting to Barama Company Limited, an establishment which has an operation based along the Essequibo River.

Bai Shan Lin has also cut miles upon miles of road leading to the Waini River, and is looking to go even further.

There was a huge fleet of heavy-duty vehicles - some 35 bulldozers, 10 excavators, loaders and about 40 dump trucks - present on several sections of the road being built. Equipment was also present at various locations near loam pits, working to extract material for the road.

At several locations along the winding road, massive logs were seemingly left abandoned. This mimicked the state of play in Region Ten near the communities of Kwakwani, Ituni and Linden, in Region 10, where logs were strategically left waiting for pickup.



It is unclear why the company has stalled operations in Region One. At one location, several trucks were parked next to each other, but no one was in sight. Among the prized species of logs left unattended were some measuring as much as four feet in diameter and more than 70 feet in length.

Included among them in great number was the high-valued Purpleheart.

It is clear that Bai Shan Lin is serious about its investments as evidenced by the scores of vehicles and other heavy equipment in the area.

Following investigations and reports by Kaieteur News over the past week on Bai Shan Lin's operations, the GFC, headed by Commissioner James Singh, and its governing authority, the Ministry of Natural Resources and the Environment, led by Minister Robert Persaud, have launched an aggressive public relations campaign to defend the company.

Already, questions are being raised as to why state agencies would push badly



needed resources, to the tune of hundreds of thousands of dollars already, into defending what essentially is a private company, more so a foreign one. Opposition Parliamentary parties have already accused senior government officials of colluding with the company to hide the true nature of its operations, and taking kickbacks which have caused them to shut up in the face of what could be glaring violations of Guyanese law. Bai Shan Lin has been boasting of having access to close to a million hectares of rainforest in Guyana as part of its mega investment plans. But Minister Persaud had said that the information was false and called on Bai Shan Lin to retract its claims. The company never did and Persaud never demanded that it did.

On July 14, Persaud told the Parliamentary Sectoral Committee on Natural Resources that the company only has access to 640,000 hectares of forest, with the majority being for various studies.

Regarding forests to which the company has access, Commissioner of Forests, James Singh, said that Bai Shan Lin has two state forest permits. He said such permits are issued for a period of three years, and during that time the company has to do an Environmental and Social Impact Assessment, along with a forest inventory. In addition, Singh said the company has to develop a business plan.

Singh said that it is only if these documents receive a favourable review by the Forestry Commission's Board, that the company can be issued with a Timber Sales Agreement (TSA) that would allow it to extract trees. The two state forest

Excavators and dump trucks in operation



permits encompass three proposed forestry concession sites. Apart from this, the company was said to be involved in joint ventures with four local companies through which it has access to some 280,000 hectares of forest from which it can harvest timber for export. Those joint ventures are with Sherwood Forests, Haimorakabra Logging, Puruni Woods, and Kwebanna Wood Products. The logging activities of Bai Shan Lin would take on extreme significance because of the fact that company has not yet moved into its promised value-added processing phase. Guyana has actively been pursuing a reduction of log exports in favour of value-added operations, which would give

the country more revenue and also provide more job opportunities for Guyanese. However, figures provided have shown a major increase in log exports, especially for the first half of this year. And the increase is being blamed on the aggressive logging activities of Bai Shan Lin and other foreign operators.

August 16, 2014

Bai Shan Lin refutes allegations of \$500 pay, ignores claims of mistreatment, poor working conditions

- Region 10 Chairman stands by story

Bai Shan Lin has sought to debunk allegations that it has an employment ratio of 70 percent Asians to 30 Percent Guyanese, and that the company has been paying the few locals it employs as little as \$500 per day.

The company sent out a statement which sought to explain that the salary scheme is divided into three parts: interior, office/clerical and contracted. According to the company, for interior, most of the Guyanese employed are paid based on performance, "the more you have worked, the more you will earn."

Below is an extract from the statement:

"...Such as, truck drivers, the more trips a drive makes, a higher salary will be earned. For inventory staff, the higher amounts of inventory of blocks, a higher salary will be earned. For heavy machinery operators, the more cubic meter of logs skidded; a higher salary will be earned. However, most of Bai Shan Lin salaries for interior staff are more than 60,000 Guyana dollars per month. For office/clerical, Bai Shan Lin has different categories; Cleaner, Supervisor, Manager, Deputy General Manager, Finance Controller, Managing Director etc. But the minimum salary for the above mentioned position is at least 60,000 Guyana dollars per month.

For contracting, Bai Shan Lin has the consultant doing ESIA (Environmental Social Impact Assessment) for inventory blocks. However, those who are working for

the contractors, mostly the contractor is responsible for their salary, this also will be more than 60,000 Guyana dollars per month."

The company said that it has 51 non-Guyanese and 151 Guyanese employees. This will amount to 202 staff members employed with the company overall. But in January 2013, Bai Shan Lin Forest Development Inc. advertised for 700 Guyanese workers.

In advertisements in the media, Bai Shan Lin said that it had vacancies for 220 factory construction workers, 80 skilled chain-saw operators, 80 semi-skilled chain-saw operators, 30 bulldozer operators, 35 loading truck drivers, 60 dump truck drivers, two excavator and grader operators, 60 logging truck drivers, 20 container truck drivers, 10 mechanics, 10 servicemen, 13 cooks and 80 inventory clerks.

Kaieteur News was told that the company generally has a policy to give Asian nationals first preference at employment and from all indications, there are enough Asian nationals residing in Guyana to facilitate the elimination of Guyanese workers on any project the Asians embark upon.

Bai Shan Lin has a known presence at Moblissa, Coomacka, Bamia, Kwakwani and Ituni.

This newspaper has been able to verify that at the Coomacka and Bamia locations.

Region Ten Chairman, Sharma Solomon, had said that some workers attached to Bai Shan Lin, have been frequenting the Office of the Regional Democratic Council complaining of the way the company has been violating their rights.

The Chairman said that workers have been lamenting the conditions they work under. They have also been complaining of bad treatment and poor payment. Solomon said, Bai Shan Lin have workers on payroll who are being paid as little as \$500 a day. He said these complaints have been coming mostly from those working at Coomacka and Bamia.

When contacted yesterday, Solomon told this newspaper that he saw the statement and noticed that the company did not reject what he said.

"I highlighted that the company has been paying locals as little as \$500 a day. I spoke about the conditions under which my fellow Guyanese have to work and the treatment they are dealt. I spoke about the treatment towards communities such as Moblissa... there is nothing we said that they dispute.

Solomon also pointed to the incomplete Environment and Social Impact Assessment (ESIA) and said that Bai Shan Lin "nor those speaking on behalf of Bai Shan Lin, can say that the Region, on behalf of the people, is not making legitimate and objective concerns. And you know that we have every right to do so."

The Chairman said that all citizens should be concerned "and that they have every right to be" when Bi Shan Lin moves to disrupt the lives of people without notice.

"Are we being told that we are not allowed to or shouldn't raise legitimate concerns about the livelihood of our people? Are we without reason to do so?," asked Solomon.

August 16, 2014

Bai Shan Lin logging scandal...Evidence more than enough to warrant an immediate investigation - TIGI tells Gov't.

- No amount of revenue can compensate for the destruction of our forest resources

While the evidence of wanton exploitation of Guyana's forests has been exposed by this publication, the oversight bodies; The Guyana Forestry Commission and the Natural Resources and Environment Ministry, have started a campaign in an effort to repair the damage done to their image and refute the claims.

Transparency Institute Guyana Inc. (TIGI) via a missive yesterday said that it has been following with keen interest, the various news reports of the apparent exploitation of precious forest resources through the indiscriminate logging and exportation of logs, especially by two overseas companies reportedly enjoying substantial concessions from the Government of Guyana.



logs waiting to be shipped from Bai Shan Lin's Kwakwani Site

However, TIGI said that there are conflicting reports as to whether these companies; Bai Shan Lin and Baitarani, are permitted to conduct logging operations and to export the logs under the terms and conditions of their respective contracts with the Government.

The agency noted that it is also unclear whether the companies' operations are in conformity with Guyana's laws, specifically the Guyana Forestry Commission Act and the Environmental Protection Act.

TIGI said that it finds it particularly troubling that both the Ministry of National Resources and the Guyana Forestry Commission have opted to defend the operations of the companies even in the face of damning photographic

evidence. TIGI noted too that the defence by the Commission and the Ministry are cushioned with information that appears incomplete and misleading. In light of all that has been highlighted by various outlets, TIGI believes that it is more than substantial for the Government to make available publicly, the contracts entered into with the two overseas companies.

The anti-corruption agency also stated that the findings of the media and the public outrage, is also more than enough for the Government to place a halt on the operations of the companies until the truth is determined.

It also sought to remind the Government of its obligation under Article 149 (2) of the Constitution which requires the State to "protect the environment, for the benefit of present and future generations, through reasonable and other legislative measures designed to - (a) prevent pollution and ecological degradation; (b) promote conservation; and (c) secure sustainable development and use of natural resources while promoting justifiable economic and social development".

At the same time, TIGI strongly recommended that the Government take urgent measures to provide for an independent investigation to determine whether there has been any violation by the companies or any related entities, of their contractual and statutory obligations. Only after it is determined that there are no such breaches, should the two companies be allowed to continue operations, the agency suggested.

It said too, that recommendations from such an investigation should be applied across the entire sector and lead to a strengthening of the laws and procedures regulating the sector.

TIGI is also of the view that even if these two companies are operating within the confines of their contractual arrangements with the Government, to the extent that such arrangements conflict with national interest, especially as regards the protection of Guyana's environment and forest resources, the contracts should be rescinded forthwith.

August 16, 2014

Protestors told "no legal grounds" to halt Bai Shan Lin's operations

The Environmental Community Health Organisation (ECHO) staged its second protest against Bai Shan Lin, this time taking it outside the Guyana Forestry Commission (GFC)'s compound at Kingston yesterday.

This call for an investigation into the logging activities of the Chinese-owned company is grounded in the fact that the company appears to be posing environmental risks to Guyana with its exploitive logging activities.

According to ECHO's Executive Director, Royston King, Bai Shan Lin's operations should be put to a "halt", until proper investigations are carried out by the GFC, the Ministry of Natural Resources and the Environment and other relevant bodies.

There are questions over the extent of the logging activities of the company across the country and how it acquired the many concessions.

About one hour into the protest, officials of GFC invited members of ECHO to their conference room, to address the group's concerns.

GFC's Corporate Secretary and lawyer, Jaci Archibald; Head of Forest Monitoring Division, Tasreef Khan; Head of Plan and Development, Pradeepa Bholanauth and the Head of the Finance Division, Edward Goberdhan, were present.

One concern raised by ECHO member, Eon Andrews, was the legality and details of GFC's contract with Bai Shan Lin. Andrews made it clear that the contract should be made public by the Commission, so as to ensure the company is operating in accordance with "good governance of Guyana's natural resources."

The details of the contract, he said, would produce enough information on the company's operations, to clear any fears of illegal logging, exploitation, and unfair practices.

In response to this issue, Archibald made it clear that the public can only have access to the requested information "writing to the Commissioner of Forestry" for its release. He said GFC will not release the agreement until that is done.

"GFC has nothing to hide with regards to Bai Shan Lin's contract", the lawyer insisted.

"As a matter of fact, the company's operations cannot be halted, since no legal grounds were established to do so." Bai Shan Lin, he claimed, has maintained their "contractual legal limit", in terms of extracting timber from Guyana.

Another concern raised by ECHO member, Penda Guyan, was the level of local deforestation by Bai Shan Lin. She said the Chinese company is creating "dust bowls" which contribute to global warming.

However, Archibald in his response said that audits by several international agencies found "no form of destruction" to Guyana's forest. He said that Bai Shan Lin is bound by the system laid out in their contract - to conduct logging operations in a conservative manner.

Commenting on the issue, Bholanauth explained that auditing takes place under Guyana's Norwegian agreement. She said that annual reports must be submitted to Norwegian authorities concerning national levels of deforestation. She noted that GFC has invested in services from international satellites, to scan the amount of continuous blocks of one hectare of forest, and also compute the amount of broken hectares of forest present in Guyana.

In the 2012 national report, Guyana recorded a loss of 240 hectares cleared out of the 21 million hectares of local forest.

Bholanauth said that Norway deploys an independent auditor to Guyana to scrutinize GFC's annual report. She noted that all reports were confirmed to be accurate, and the system purchased to continually monitor deforestation is legitimately correct and internationally credible.

She also mentioned international field-based monitoring and audits from third parties which also take place.

Khan in his address to ECHO said that the company has to act in accordance with GFC's regulation of "selective logging."

The GFC officials noted that if any company were violating regulations, it would have been discovered, with the necessary actions taken. GFC said it knows of no recent violations.

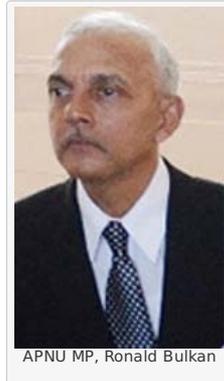
August 16, 2014

Bai Shan Lin's operations is a National Scandal

- reflects classic example of Industrial scale corruption - Bulkan

A Partnership for National Unity (APNU) Member of Parliament, Ronald Bulkan has called the revelations regarding Bai Shan Lin's operations in Guyana a "National Scandal" and said that all Guyanese should be concerned as the country is being faced

APNU MP,
Ronald Bulkan



with a "real danger."

In recent times, this newspaper has been highlighting the large scale operations of Bai Shan Lin and the fact that the company has been exporting Guyana's most exotic woods even without the blessings of the regulatory bodies. This newspaper has also brought to the public's attention, the concerns of Region 10, where Bai Shan Lin has significant concessions, and the way Guyanese workers are being treated. Bulkan, at APNU's weekly press conference held yesterday, referred to revelations by Chairman of Region 10, Sharma Solomon, that locals are being paid as little as \$500 by Bai Shan Lin, and said that it is tantamount to modern day slavery.

He said that, that and the other concerns of the people of Region 10 should be noted and taken seriously.

According to Bulkan, it is more than ridiculous that a foreign company can be allowed, moreover encouraged, to rape the country of its natural resources and get duty and tax exemption to do so as well.

Bulkan highlighted that the Parliamentary Sectoral Committee on natural resources had sought information on this company before but got nowhere with it.

The Member of Parliament said that it is basic for the government to, at least, demand that the material is processed before exported out of the country.

The politician, who has a background in wood working said, that the policy of domestic processing was taken seriously by Guyana in the past but seemingly not anymore. He said however, that companies should not be allowed to export without even having at least a small saw mill.

He stressed, "We really should not allow our lumber to be exported in the raw material."

The politician said that what Guyana is seeing unfold is a classic example of industrial scale corruption. Bulkan said this as he questioned "why else would our government allow this...they need to explain the reasoning behind allowing a foreign company to extract and export our resources on a large scale and give the country little or nothing in return."

Bulkan noted that the resources Bai Shan Lin is grabbing cannot be replaced in two or three generations, "we are faced with a real danger.

"We are not seeing how Guyana is benefitting and at the rate of exploitation, very soon all our resources will be all gone and that is the real danger."

Bulkan pointed to the whole page advertisement placed in the newspapers by Bai Shan Lin and said that it is the worst kind of three card trick.

The advertisement which carries a headline "Bai Shan Lin forest operations are in compliance with the sustainable forest management and legality guidelines of Guyana" was accompanied by a photo captioned "Bai Shan Lin Linden Timber Processing Plant"

Bulkan told the media yesterday that the photo which accompanied the ad is nothing else but fake.

He said "you can ask any Lindener about the processing plant. It is not what you saw in the paper, that is a computer image and probably in the fine prints they will tell you some funny story."

August 17

Bai Shan Lin logging scandal...Burns thousands of abandoned logs in E'bo

- ships in US\$25M in equipment before logging permission granted

Under-fire Chinese-owned firm, Bai Shan Lin, spent over \$5B (US\$25M) in equipment to conduct

primary extraction activities even before it _____

received permission to conduct large scale logging.

The admission by the company yesterday in a statement would raise questions whether Government and its agencies promised the company that it will clear the way for it to receive state forests to conduct logging activities.

Both Bai Shan Lin and the Government of Guyana are facing serious flak now over the arrangements the latter has with the company.

The company has been conducting significant logging activities in especially the Upper Berbice, Region 10, area without any clear moves to establish its promised processing facilities.

While Bai Shan Lin has two State Forest Exploratory Permits, it has not yet been granted the clearance to log as a number of studies have to first be completed and submitted first to the regulators.

Government says that the company has joint venture arrangements with a number of local companies and organizations but sheer number of heavy equipment far outstrips what is needed for these.

Yet the company went ahead and was granted duty free concessions to bring in hundreds of trucks, scores of bulldozers, loaders and other heavy duty equipment. This type of equipment is mainly used for logging, a clear signal of Bai Shan Lin's intent in Guyana.

How Government allowed the shipments of the equipment before the approval of logging permits in Bai Shan Lin's concessions is the big question.

According to industry officials, duty free concessions are normally granted after a business plan is submitted and the needs of the business would determine what these concessions are.

Since details of the logging activities hit the media over a week ago, the Parliamentary Opposition and local operators have been demanding details.

A letter from the Guyana Manufacturing and Services Association has been sent to Government requesting details of



The burnt remains of the logs at Kwebanna.

Bai Shan Lin's agreement with Government.

Among other things, stakeholders want the full text of all foreign direct investment (FDI) arrangements and supplementary contracts and details of all concession licences - Timber Sales Agreements (TSA), Wood Cutting Licences (WCLs) and State Forest Permissions (SFPs).

Government and the Guyana Forestry Commission are also being asked to table all Joint Venture contracts, showing signatures of government approvals on letterheads, and with dates.

Meanwhile, in its joint venture concession at Kwebanna, Region One, several logs which were apparently abandoned in one of the trails for months, were found to be torched.

It was reported that workers of Bai Shan Lin, in an attempt to get rid of the logs which had been lying there for a while, lit them on fire to get rid of them.

The GFC tags on several of half burned logs remained unscathed.

The Kwebanna concession has reportedly been a major problem for Bai Shan Lin because it is an area in which new roads have to be built.

The company is hoping to use the Waini River to help it move the cut logs out of the area.

It remains to be seen whether GFC takes action over the burning of the logs.



Chairman of Chinese-owned, Bai Shan Lin, Chu Wenzhe

August 17, 2014

Exotic, pricey wood species being shipped out of Guyana

As the controversy surrounding Bai Shan Lin's operations in Guyana continues,

the main question is why the company is exporting large quantities of exotic woods such as "Locust and Wamara". Conservationists have been arguing that countries where these "exotic" woods are found should not export large quantities since they are considered an "invasive species".

Invasive species, also called invasive exotics or simply exotics, is a nomenclature term and categorization phrase used for flora and fauna, and for specific restoration-preservation processes in native habitats, with several definitions.

Sometimes called Guyana Rosewood for its lustrous, dense, and colour, Wamara





technically isn't true rosewood (Dalbergia genus), but is in what could arguably be viewed as one of the most under-appreciated genera of tropical hardwoods: Swartzia.

This genus is filled with a variety of colorful and striped woods, most of which remain obscure. It is considered an "exotic wood" in many parts of the world. The Locust tree is native to the southeastern United States, but has been widely planted and naturalized elsewhere in temperate North America, Europe, Southern Africa and Asia and is considered an invasive species in some areas. Pricing for the species...

Bai Shan Lin on July 2009, last, exported 558 pieces of Locust Sawn Timber from Guyana.

In October 2009, the company also exported Wamara Sawn Timber. A total of 5303 pieces were sent out in two containers. World Market demand for these two species of wood could fetch a heavy price. The "Wamara" which is being sold by the cubic meter can fetch a price of between US\$200 and US\$600. Kaieteur News was told that the "Wamara" logs can be sold from between US\$260 and US\$290. Depending on the demand, the prices can triple, making it one of the best selling timber products being exported.

It is believed that Bai Shan Lin and other logging companies have not been declaring "Wamara and Locust" when exporting. Rather they have been passing this off as mixed hard woods.

Several sources within the Ministry of Natural Resources have said that the

Wamara business is among the most lucrative business ventures that Bai Shan Lin is currently involved in.

This newspaper was also told that low level ministry workers along with forestry officials who are tasked with monitoring the export of timber are not able to complete their task. It is being reported that since Bai Shan Lin along with several others entered into joint ventures, it has been "almost impossible" to keep a tab on how much timber is being exported from Guyana.

Bai Shan Lin, a Chinese logging company, has big plans for Guyana: forest concessions covering 960,000 hectares; a 20-kilometre river gold mining concession; a 500-hectare Guyana-China Timber Industry Economic and Trading Cooperation Park and a 160-hectare real estate development.

Despite the scale of the planned operations, Bai Shan Lin's agreements with the government of Guyana are not public and there has been no discussion in the National Assembly about the company's plans.

In Guyana, it is illegal for a logging company to take over another logging company's operation, unless officially authorised by the President. Yet Bai Shan Lin has managed to enter into large scale joint

ventures with a number of locals.

August 17, 2014

FRONT PAGE COMMENT - BAI SHAN LIN

It is not that Glenn Lall does not love the President of Guyana; he loves him like a brother. It is just that he loves Guyana more.

There is no one that I have met in my lifetime who is as concerned about the future of Guyana as Glenn Lall, the publisher of this newspaper. It is this love for the country in which he was born and raised that has allowed him to pursue so relentlessly issues that he feels are capable of endangering the future of Guyana.

The concerns that this newspaper has been expressing over the forestry activities of Bai Shan Lin should not be confused with any conspiracy being hatched against the government. Instead of leveling charges of conspiracy against this newspaper, the President should be addressing the concerns that have been exposed herein.

What are these concerns?

The first concern is that logs are being exported out of Guyana for processing as far as China. While Guyana's high energy costs would have no doubt contributed to the need to export logs rather than process them locally, the fact that the logs are being sent as far as away as China begs the question as to whether Bai Shan Lin has any interest at all in establishing sawmilling facilities to eventually process logs locally.

That company certainly has the financial clout to finance, as a private venture, the Amaila Falls Hydroelectric Project. This is something that the government should be exploring, so that cheap energy can be available to process the logs locally.

It is accepted that any logging company must cut first before it processes; it

must stockpile logs before it begins any processing operations. But from the evidence that Kaieteur News has presented, it does seem as if the emphasis is on log exports rather than processing. The President of Guyana should address this concern.

The second concern is whether Bai Shan Lin's operations are being properly monitored and regulated. The Guyana Forestry Commission is contending that it has been monitoring deforestation rates. It has, however, not provided any data on these rates, and specifically on Bai Shan Lin, so that an assessment can be made about whether the company is engaged in sustainable forestry practices. By addressing this concern as to the rate of deforestation nationally, and by the company, the President should be able to satisfy Guyanese that our forests' resources are not being exploited in an unsustainable way.

The third concern is related to the above. It is about ensuring sustainable forestry practices. Bai Shan Lin should be encouraged to launch a project in which it will replant a tree for every tree that it cuts down. In fact this should be the responsibility of all logging companies in Guyana. If you are going to cut trees you should be replanting.

The fourth concern is the availability of certain species for those manufacturers who utilize local logs. Many local timber companies have imperiled their own future by becoming buyers from private individuals and community associations engaged in logging.

Over the past ten years, timber companies have become reliant on chainsaw operators. Most timber companies, instead of engaging in their own logging, have been purchasing timber from these chainsaw operators whose numbers have multiplied because of the development of what is called "mobile saw mills." The fear of many of these local timber companies is that Bai Shan Lin will corner the local market because of their association with community logging associations and this will leave these local timber magnates, who are undertaking limited or no logging, without any supplies, since Bai Shan Lin could buy whatever these chainsaw operators and mobile sawmillers produce.

The President should work to ensure that local loggers are assured an adequate supply of logs, but he should also insist that Bai Shan Lin enter the domestic market so as to reduce prices. Those who control local timber sales are bound to resist this entry, but the President should insist on this in the interest of consumers.

The government is under no obligation to provide the Guyana Manufacturers Association with a copy of the contract and other documents relating to the deal with Bai Shan Lin. Those contracts would no doubt detail commercial information about the company's plans and financial projections, and these should be kept confidential. But certainly a sanitized version of the contract detailing the size of the forestry concession and the allowable rates of exploitation should be provided to the National Assembly, so that there can be some oversight of this company's operations in Guyana. The President should address this concern also.

August 17

Bai Shan Lin logging scandal deepens...Bai Shan Lin says in full page ad application took four years to process GO-INVEST has no application for logging or any related activity - Opposition

The recent expose by this publication on what appears to be the exploitation of Guyana's forests by Bai Shan Lin has driven the Chinese firm and the Guyana Forestry Commission into campaigns which seek to repair their image.

Through paid advertisements, the two entities have attempted to provide the public with the information some critics have refused to accept because they feel it is not the entire truth. In one of its ads in the Kaieteur News Sunday publication, Bai Shan Lin stated that in 2008, it applied to the "Government of Guyana through the Guyana Office for Investment (GO-Invest) and other agencies to lease lands to set up a factory to process logs and engage in value added production, such as the making of furniture, craft and hard wood flooring."

Since issuing this statement, several opposition members have said that Go-Invest should publically state its role with the said company and why it has failed as the government's main investment agency to monitor how Guyana is benefitting from the deals struck with the company and the government.

However, when contacted yesterday, Keith Burrowes, CEO of GO-invest, declined to release any information in this regard.

Burrowes told this publication, "I prefer not to comment on your questions on Bai Shan Lin and considering that only recently I was appointed the CEO of this company, I can assure that I will look into it."

However, after being apprised with these comments, some opposition members said that the CEO's response only leaves one to wonder as to why he could not answer simple questions about the company's role regarding Bai Shan Lin. Burrowes' statements does little to quell mounting concerns that Bai Shan Lin never went to GO-Invest for any investment deal that involves interest in logging or any related activity as it claimed in its advertisement. It is believed by reliable political sources that the company skipped Go-Invest and was in partnership solely with the Ministry of Natural Resources and the Guyana



Keith Burrowes, CEO of GO-Invest

Forestry Commission for all its "sweet investment proposals." Shadow Finance Minister of A Partnership for National Unity (APNU), Carl Greenidge, said that the gathering storm over the management of Guyana's forestry and related concessions raises a number of troubling questions especially as this Government approaches the end of its term in office. Greenidge said that the questions relate to what benefits the country is getting from the destruction or utilization of resources that are not being replaced or renewed, and whether Guyana has to set up special and independent Courts to prosecute those who facilitate large scale economic crimes before the PPP will desist from this behavior.

The politician said that another question which needs to be answered is what are the criteria governing the extension of such large and varied concessions across sectors to investors in general and foreign firms in particular. The Parliamentarian said that the current controversy over the policies associated with the operations of Bai Shan Lin and Vaitarna Holdings Private Inc (VHPI) are only part of a more insidious process already under way in Guyana. "We need to get answers to some specific questions such as what informed the size of the concessions granted to these companies."

He said that Barbados' area is 166 sq miles and the Iwokrama Reserve is 3710 sq miles. Greenidge highlighted that the concessions granted to the two companies alone, are almost as large as the Reserve. The Chairman of the Public Accounts Committee said too that Vaitarna Holdings Private Inc (VHPI) has been granted 2469 sq miles - apparently the largest of all the concessions, and Bai Shan Lin 1058, giving a total of approximately 3237sq miles.

The reason for this remains unknown, Greenidge said.

"Guyanese need to know the real truth and they should start first by answering these questions," the politician asserted.

August 17, 2014

Bai Shan Lin logging scandal...Ramotar needs to act in the interest of the Guyanese people - GTUC

The people are on one side fighting to ensure the nation's protection ...and government officials on the other side aligned with foreign forces to plunder and rape our resources for personal enrichment.

The Guyana Trades Union Congress (GTUC), having followed the incisive investigative reports on Bai Shan Lin's operations in Guyana, has concluded that the nation is witnessing a scandalous affair that threatens sovereignty. This the Union declared in a missive released yesterday.

The statement reflected GTUC's view that President Donald Ramotar is failing in his foremost responsibility to the nation; "loyalty to the people."

GTUC said that the growing concerns and alarm by local stakeholders over the management of Guyana's forest and infrastructures, environmental impact, the exclusion of local workforce and the conditions of service for those employed, are not to be dismissed and treated as though it's business as usual.

The Union expressed that the government should not put up a defence as "there is no defence to the indefensible."

GTUC stated, "Guyana is a sovereign nation. When foreigners are made to think the citizenry is irrelevant, as conveyed by the President's flippant disregard for our concerns, he is transmitting a message to all that the concerns of Guyanese are unimportant and he is an active partner in aiding and abetting a process to treat us as second class citizens in the land of our birth."

"Not once as President, when nationals raise concerns about the disregard for our rights, the laws of this land and the sovereignty of this nation, has Ramotar communicated that the concerns are noted, will be examined or that the people's interest will be protected."

The Union said that as a result, Guyanese are being placed in a position to conclude that "We and country are mere pawns in a scheme to carve up our resources through unholy alliances between foreigners and government officials in cahoots with their cohorts."

GTUC opined that the government is abrogating its responsibility to the people and creating a situation of "us versus them. The people on one side fighting to ensure the nation's protection...and government officials on the other side aligned with foreign forces to plunder and rape our resources for personal enrichment. This is not a good place for the citizens or government to find themselves, i.e. on opposing sides on matters of foreign investment."

The Union pointed out that most "foreign sweetheart deals" were started and rushed through under the Jagdeo Administration and have continued with aplomb under the Ramotar Administration.

The Union opined that the Ministry of Natural Resources and Environment was specifically created and headed by Robert Persaud to ensure execution of the plans. "The people of this nation are not fools!"

GTUC said that citizens need assurances that concerns will be addressed, information revealed and contracts and laws reviewed to ensure foreign companies are operating in compliance with the national interest.

"The GTUC is not adverse to foreign investments. The GTUC is adverse to investments that disregard the rights of citizens, the laws of our land, and the sovereignty of this nation...This is not the time for President Ramotar to engage in political arrogance and contempt for the people. The raping and plundering of our resources do not attract political divisions. These are concerns of every Guyanese regardless of race, class, creed and political persuasion. The President needs to understand this, desist from the political grandstanding, and address the people's concerns with the seriousness they deserve."

The Union highlighted that "Guyana belongs to all Guyanese. Guyanese are today saying we face clear and present danger as a people in the presence of

continuous foreign onslaughts! We have serious concerns about the management of our resources, the abuse of workers and the laws of the land. It is in the President's interest to remember to whom he has taken the Oath of Office to serve and pay heed to growing concerns."

August 17, 2014

Bai Shan Lin logging scandal ...Government has established a principle of law breaking - Greenidge

Once "kickbacks" are "sweet" foreign companies are allowed to disregard laws which seem to be a new waiver -Greenidge

"The investor is more important than the people. The PPP has given up on the people and the people will make it clear to them soon that they have given up on them."-Harmon

As soon as evidence of the Chinese and Indian firms' large scale exploitive logging practices are exposed, the government is eager and ready to deny the claims.

But government, according to some critics, could simply prove its case by getting an independent investigation done. It was recommended that all operations of the companies would need to come to a halt and only continue until the government can prove that the pictorial evidence and testimonies tell a different story.

However, from indications thus far, the PPP and its associated regulatory agencies of the forestry sector may be far from willing to facilitate such. More than likely, it is because the "the kickbacks are so sweet, that foreign companies are allowed to disregard or disrespect the laws of the country and exploit its resources. It's become like a new waiver now," one politician asserted.

The recent controversy over the policies that are supposed to govern and prevent the "abusive" operations of Bai Shan Lin and Vaitarna Holdings Private Inc (VHPI) has attracted much commentary.

Chairman of the Parliamentary Economics Services Committee, Carl Greenidge in giving his take on the matter, said that the priority of economic policy has always been to seek to implement projects that will do a number of things. He noted that economic policies such as the ones governing the logging industry seek to; utilize local labour as a priority, train labour where they do not have the skills and treat all labour with respect in the workplace and pay a fair wage.

Government, he opined, has established a principle of law breaking and disrespecting the country's policies.

There have been increasing accusations over the past week, that Bai Shan Lin's employment ratio is 70 Asian nationals to 30 Guyanese and that the pay is as low as \$500 per day in some instances. Of course, the company has refuted these claims.

However, Greenidge said that in the case of the Chinese firms if not those from India as well, the matter of employment of locals in skilled and managerial areas seem to always be a challenge. Having had to struggle against this under colonialism, the politician asserts that "we seem destined to repeat this nightmare, overseen by a local Government in the second millennium."

Were the roles reversed, would China allow Caribbean countries to manage their businesses with total disregard for its

laws? Of course not, Greenidge asserted. He said that we are not permitted to do it so "why do the enterprises of fraternal states feel that that they may ignore laws and regulations as well as local practice?" The answer, he believes, lies in the attitude of the Government.

In view of the Parliamentary recess, the A Partnership for National Unity (APNU) member said that the Government should have an independent authority review the policy material and advise on the problem.

As the Chairman of the Economic services Committee, he expressed that he, and more than likely his colleagues of the Natural Resources Committee, would be quite willing to be consulted on with regards to the choice of the appropriate vehicle for such an investigation.

Greenidge insisted that Guyanese need to know several things in relation to this controversy. These include; why companies have been able to export commercial quantities of lumber and ores although they have only exploration licences, and what additional legislation, regulations (e.g. transferability of rights) or amendments of responsibilities are required to ensure that these abuses are brought to an end forthwith. He added that citizens also needs to know which agencies and officials, if any, have been negligent or culpable, in the event that the laws and regulations have been broken and lastly, which ministers have been responsible for this fiasco.



Carl Greenidge, Chairman of the Parliamentary Economic Services Committee



Former president Bharrat Jagdeo

The Former Finance Minister added, "We will not be put off by silly and contemptible PPP smears of, 'anti-Chinese', 'anti Indian' or 'anti-Russian'. Our entrepreneurs, whether state sponsored or not, do not enjoy exemption from the requirements of the laws and regulations in China and India. Disrespecting our laws seems to be a new waiver and we need to change that."

APNU member of the Natural Resources Committee, Joseph Harmon said that like Greenidge, he supports the

position taken by Transparency International Guyana Inc. which recently stated that the evidence provided by the media is more than enough to warrant immediately, an independent investigation.

Harmon said that this inquiry should include all the other companies under whose aegis the "big ones" are operating in the forestry sector.

He said that this would have to be a full Commission of Inquiry but it is clear from the statements coming from government, that they would not facilitate such an inquiry.

The Parliamentarian said that the PPP has made it clear that they have made their choice. "The investor is more important than the people. Do note President Ramotar's statement on the rape of our forestry resources. He is under the belief that the company is right and that there is no abuse. The PPP has given up on the people and the people will make it clear to them soon that they have given up on them."



Minister of Natural Resources, Robert Persaud

August 19

ECHO tells Bai Shan Ling to cease logging operations or face the Courts

The local Environmental Community Health Organization (ECHO) has warned Chinese company Bai Shan Ling to cease all its logging operations being conducted in the country's interior region or face legal intervention.

ECHO which is headed by Mr. Royston King is demanding the company's operations to cease until it can be verified that it is operating within the ambit of the law.

The law office of Moore, Harmon, Sobers and Gaskin yesterday dispatched the letter to the company's Corporate Secretary and local head explaining that the environmental group is dissatisfied with the manner in which the logging activity is being conducted and sees harm being done to the local ecosystem.



ECHO members protesting at the Ministry of Natural Resources last Thursday

The letter by Attorney-at-law Leslie Sobers said that (ECHO) has requested him to do all things necessary concerning the operations of the company as it relates to the extraction of logs and other timber resources from within the interior of Guyana and the country as a whole.

"We have been instructed that your company has embarked upon a course of conduct whereby large quantities of this country's forest resources in the form of logs, dressed and undressed timber of several varieties have been and continue to be exported by your company contrary to the licence granted to your company for the purpose of exploration."

"Our client further instructs us that your company's logging operations are of such a magnitude that it raises concerns about the impact such activities are having or are likely to have upon the ecology and biodiversity of this country's standing forest, and further as to whether any proper Environmental Impact Assessment was done in relation to your operations and in accordance with the Environmental Protection Act of Guyana, and further whether any meaningful broad-based consultations and public engagements were conducted by your company in keeping with the said Environmental Protection Act."

"In view of these concerns our client has instructed us to call upon your company, to immediately cease operations at all locations under the control of Bai Shan Lin Inc. whether operating under another registered name but which is a subsidiary of your company or in which your company has an interest or contractual engagement, that is to say; in the form of felling, cutting, dressing, extracting, or otherwise removing any forest resource of Guyana until it can be established that your company is operating in accordance with the laws of Guyana and with consideration for sustainable operations in the extraction and processing of this country's forest resources."

"Take notice that should you fail, refuse and/or neglect to comply with this demand our client has instructed us to take further steps to ensure your company's compliance with the same."

During recent weeks, this newspaper has unearthed massive logging operations being conducted by the Chinese company in parts of the country's interior. This is despite Bai Shan Lin being granted permission by the authorities to only conduct exploratory activities.

ECHO has been in Guyana since 2006 and is located at 185 Charlotte Street, Lacytown. The agency has environmental clubs within primary schools and ECHO teams in various communities across the country, offering educational programmes and projects to foster environmental protection awareness. Following the revelations by this newspaper, ECHO hosted two protest actions; one at the office of the Natural Resources Minister, Robert Persaud and the other at the Guyana Forestry Commission. A public forum was also held at the National Library last Friday where local and public presenters discussed the effects of the indiscriminate logging.

August 20, 2014

GFC says Bai Shan Lin did no logging at Kwebana in 2014...Photos evidence rubbishes GFC claims

- Residents and photos of parked trucks tell totally different story

Information provided by the Guyana Forestry Commission (GFC) regarding logging activities

by Chinese-owned Bai Shan Lin in Kwebana, Region One, in Essequibo, is totally false.

The information has raised further questions about what other information provided by GFC is also untrue.

Companies with which Bai Shan Lin has Joint Venture Arrangement	Maximum Sustainable Harvest Level (m ³) for 2013	Production (m ³) for 2013	Utilized Quota %	Maximum Sustainable Harvest Level (m ³) for 2014	Production (m ³) for 2014	Utilized Quota %
Hainwendu Logging Co. TSA 0211	8,866	7,390	17%	8,866	4,455	50%
Kwebana Wood Products Inc TSA 0409	19,809	10,188	49%	19,809	0	100%
Parrot Wood Products Inc TSA 0107	22,251	0	100%	22,251	5,528	75%
Wood Associated Industries Co. Ltd TSA 0109	6,129	5,784	6%	6,129	0	100%
Total	57,056	23,362	39%	57,056	9,984	83%

This information (circled) provided by GFC is incorrect as ongoing logging activities on the ground at Kwebana say otherwise.

This information provided by GFC is incorrect as ongoing logging activities on the ground at Kwebana say otherwise.

Last week, in published statements and again on Monday during a press conference at the

agency's Kingston head office, Commissioner James Singh said that for the year, no logging activities took place in the Kwebana concession - an area of 87,361 hectares that is under the control of the Chinese company.

The table, which Kaieteur News is publishing with this article, and which was presented to reporters during a press conference on Monday, indicates that Kwebana saw some 10,188 cubic metres logged last year. However, for this year, GFC claims that no logging activities took place there. The figure for the production provided was zero.

This is a startling claim from GFC, especially since Kaieteur News flew over the area last week and saw activities ongoing. There was an entire line of Bai Shan Lin trucks with logs parked at a section of the

Kwebana concession. There were GFC tags and official markings on the logs - a clear indication that logs were being harvested with the full knowledge of the forest rangers.

Commissioner Singh himself, in acknowledging the photos on Monday, said that the trucks may have been parked there as rain probably fell and it is standard procedure by logging companies to halt transportation of logs until the roads are in a better condition.



These Bai Shan Lin trucks were parked in the Kwebana forest concession, Region One last week. GFC said Monday that no logging took place there this year. This photo clearly says otherwise.

The GFC figures would also be in sharp contrast to what residents of Kwebana, a small Amerindian community about 40 miles away, told Kaieteur News. They confirmed that logging activities are indeed taking place in the area.

GFC and the government have been facing questions over the country's logging policies and its seeming cozy relationship with a number of foreign companies, especially those from Asia, and including both Chinese- and Indian-owned operations.

The Kwebana concession, according to GFC, was in the hands of well-known sawmiller, A Mazaharally and Sons, before a joint venture was entered into with Bai Shan Lin. The dense area has been proving a problem for the logging company because of an absence of roads. Several roads are now being cut through the area which is filled with especially prime species like Purpleheart, which is in high demand in overseas markets.

Bai Shan Lin and Vaitarna Holdings Private Inc. were two companies which have been under scrutiny

for their logging activities.

With Vaitarna's promised processing facilities still to come on stream, there have been questions whether the business proposals they tabled when entering the local forestry sector were a mere sham and whether the true intentions were really logging.

Several countries around the world and even in some parts of China have banned log exports.

GFC said Monday that most logging companies find it financially better to export, as it would not make economic sense to set up processing facilities here for some of the species being concentrated on.

The situation with especially Bai Shan Lin is a particularly touchy one for the administration.

Guyana has been taking significant loans for infrastructural works from China and to a lesser extent India. The Chinese presence here has been growing significantly to the point where the landscape of Georgetown's prime shopping areas has changed to include a number of Asian stores.

While the Ministry of Home Affairs has been mum on the number of work permits it has been issuing in the last few years, it is a public "secret" that a significant number of them have been entering Guyana.

In the Upper Berbice River area, at Kwakwani, the presence of the Chinese, and there are quite a number of them, have been viewed as a blessing by residents there involved in the logging industry. Never before has there been an assured market as there is currently.

Bai Shan Lin has even been allowed to lend its equipment to small operators from Kwakwani and other areas to help harvest the logs. Bai Shan Lin also has arrangements in place to move the logs, all reducing headaches that not so long ago plagued the Upper Berbice loggers.

A few years ago, GFC was not even allowing equipment owned by others to operate in a third party forestry concession. That has all changed now.

On the flip side, there are concerns that with the volume of equipment in the area, it will only be a matter of time before the area is totally harvested.

However, GFC has refuted these claims, saying Monday that it has robust tracking systems and in any case, the concessions across Guyana are not being utilized to the maximum or as the agency puts it, the annual harvesting is below the maximum annual allowable cut.

The reporting by the private media, including Kaieteur News and Stabroek News, has seen Government, and its regulatory arm, GFC, pulling out the stops to defend Bai Shan Lin and Vaitarna.

Several full-page advertisements to the tune of hundreds of thousands of dollars, YouTube videos, radio and TV interviews as well, mobilizing support for the Chinese company, were used to counter the reports by the two independent newspapers which have been accused of being anti-investment.



This GFC tag on the logs would clearly indicate that forest rangers were aware that logging has taken place in Kwebana.

August 21, 2014

Bai Shan Lin logging scandal...Angry Kwakwani prepares list of demands for Govt.

- Community will no longer allow advantage to be taken upon them ...will become very agitated if demands are not met- Solomon

The operations of Bai Shan Lin and the blatant "disrespect" the company has been perpetuating towards the people of Region

10 took center stage at a meeting the Regional Democratic Council (RDC) held with residents of Kwakwani on Tuesday evening.

The sustained showers of rain that poured in Kwakwani, a community in the Upper Berbice River area on that evening, didn't stop scores of residents from attending the meeting. Regional Chairman, Sharma Solomon, estimated that the crowd was in excess of 150 persons.

The meeting, held at the Kwakwani Workers Club, saw the creation of a five-point list of demands that will be submitted to Government.

At that gathering, it was agreed that for the community to continue accommodating the Chinese company, the written agreement between the Government of Guyana and Bai Shan Lin, if any exists, must be made available to the RDC.

Secondly, it was agreed that the Region must have representation in any further agreement between Government and Bai Shan Lin.

Additionally, Kwakwani residents decided that more benefits must be outlined for the people residing in the area and any other community where Bai Shan Lin or similar companies plan to operate. This is to protect communities from a replay of what is happening now.

Residents also want the road from Linden to Kwakwani to be fixed by Bai Shan Lin. The road is heavily traversed by especially Bai Shan Lin's vehicles, residents said.

It is also being demanded that local loggers must receive better rates from Bai Shan Lin for their logs.

An elected leader of Kwakwani, Jocelyn Morian, told Kaieteur News that the

meeting was very informative and renewed strength, hope and togetherness among the Kwakwani people.

Addressing the five point list of demands, Morian said that it is imperative that the representatives of Region 10 know what is happening and that the agreement must be handed over to the RDC.

He said that is the only way the RDC can be fully aware of what the problem really is and whether the Region is just being shortchanged by the logging company which has a major presence in the area.

"We believe that it is only fair that the Region has a full understanding of what really going on."

He said that Bai Shan Lin should be made to fix the road from Linden to Kwakwani "because they are the ones destroying it. He said that in previous years the journey from Kwakwani to Linden took no more than one hour, 30 minutes, "but now they destroy the road and it takes over four hours to travel the same distance."

Morian said that the road no longer has holes- they now have craters.

The official also claimed that local loggers are being robbed blind by Bai Shan Lin.

Giving an example, Morian said local operators sell Bai Shan Lin logs for US\$80 per cubic meter, which the company sells back for at least US\$250. Morian emphasized that it is only correct that the Region makes an input in any agreement with Bai Shan Lin as the RDC is



As section of the Linden- Kwakwani road

sure to look out for the interest of the people.

With regards to the benefits that must be outlined, Morian said that while Kwakwani is concerned about itself, the community is also very concerned about other communities and would like to know that others don't have to suffer the same fate.

Morian pointed out that other companies are operating in Kwakwani but are paying their dues.

He noted that the Reynolds Bauxite company built the Kwakwani hospital; "but look at how long Bai Shan Lin operating here and look how much the company has taken, think about the amount of revenues it has made but did nothing for Kwakwani."

He pointed out as well, that the Kwakwani to Ituni road was a project undertaken by bauxite workers.

"But Bai Shan Lin destroyed our roads. The roads are now in the worst state ever," Morian noted.

Morian said that "there is nothing tangible to indicate, from all these resources being extracted, that the community is benefitting in anyway.... I born and grow in Kwakwani but I never see our roads in this condition. We are not saying we don't want Bai Shan Lin but they must play their part."

The Kwakwani resident and leader lamented that at the rate at which Bai Shan Lin is extracting timber, coupled with the fact that bauxite mining is on the decline in Kwakwani, pretty soon there won't be much economic activity in the community.

He said that it is apparent that foreign nationals can do whatever they want.

In this regard Morian pointed out that, at the meeting, a nurse attached to the Kwakwani hospital complained that she was assaulted at her work place by an Asian national.

The woman reportedly expressed that she didn't take the matter further, out of fear.

According to Morian, the nurse is afraid to report the incident because of the perceived "contacts" the Chinese have and she believes her attacker would not be held accountable for the assault.

Morian said, "We heard that persons are in support of what Bai Shan Lin is doing in Kwakwani... we call on every one to visit Kwakwani and show us the development or any good that that company did for Kwakwani. I know we have lots of destruction to show whoever wants to come."

In Solomon's address to the gathering, he stated that Kwakwani residents have to ensure their rights are secured.

He told them that the major way to do so is to ensure that they make adequate representation for themselves.

He stated that Kwakwani, being the richest community in Region 10, having Bauxite, Timber, gold and diamonds, must get adequate returns for the resources that are being extracted from the community.

Solomon said, "As God Almighty above, as I speak to you now I have a headache, there is not a single instance where I travelled to Kwakwani in recent times that I didn't get a headache. We have a councillor that can no longer come to Kwakwani because of a C -Section she had many years ago. This is because of the conditions of the road."

He told residents that no longer can they allow advantage to be taken upon them; but must stand up for themselves. To this residents agreed.

In speaking to Kaieteur News yesterday, Solomon said that the people decided that if the demands are not met, "I don't want to give out all their secrets, but they will become very agitated."

August 22, 2014

Logging scandal...Kwakwani residents claim loggers paid to back Bai Shan Lin

Peeved Kwakwani residents have endorsed the words of Opposition Leader David Granger to the effect that the logging

company, Bai Shan Lin, has overstepped boundaries. However, in this case, residents are also lamenting the fact that some Guyanese have been "caught in the net of a few dollars, forgetting that at the end of the day, we are the little ones and those people are living large off of our resources".

Pressured by the daily revelations, Chinese-owned Bai Shan Lin and the Guyana Forestry Commission (GFC) have come out swinging in defence of the company's logging activities in Guyana.

GFC held a two-hour press conference on Monday last which saw the attendance of the likes of Lindener Phillip Bynoe, a former treason accused, who used the opportunity to abuse and threaten Kaieteur News reporters.

The following day, a meeting for loggers was held at the Umana Yana, at Kingston. This meeting was hosted by Bynoe, who has close ties to the administration.

The "loggers", inclusive of children and women, were brought to the city to "once and for all put to rest speculations abroad about alleged malpractices in the industry". They were reportedly drawn from 10 logging organizations in Region 10 (Upper Demerara-Berbice),

Bynoe told the gathering that "Kwakwani today is buzzing with economic activity that has come because of the Chinese."

However, hours after that meeting, another one was held in Kwakwani. During that meeting at the Kwakwani Workers' Club, residents expressed worry, saying that Kwakwani is not as well-off as is being painted by Bai Shan Lin and a few individuals who were in it for the money.

That meeting was hosted by Region 10's Regional Democratic Council.

At the meeting, Chairman Sharma Solomon reminded the residents of the significant resources in the area, but

reflected "look at the community, look at the roads, look at the conditions you are living under, I must say it is not impressive."

It was a resounding no when Solomon asked residents if they were satisfied with the conditions they are living under. The Regional Chairman expressed that he was sure there were people in Georgetown, at the time, saying that Kwakwani is satisfied.

He sought to make it clear that he was by no means advising that Kwakwani residents go against each other, mainly because "we live under a system that thrives by the divide and rule concept."

He urged, however, that residents take an aggressive approach to securing better lives for this and the next generation. Solomon said that under the present conditions, he cannot "not even barely", understand how some can say that "all is well." He wondered who was benefitting.

During the meeting at Kwakwani, it was also claimed that members of logging associations were paid \$10,000 to attend the meeting at Umana Yana. Two particular associations reportedly fined members \$5,000 each for refusing to attend the Umana Yana meeting.

The Chairman said that that money could have gone to better use. He estimated that the exercise executed on Tuesday "just to make a point" must have cost Bai Shan Lin in the millions as the company paid people to attend, provided transportation and food.

"This money could have gone to so many better causes. But look at it, this company prefers to do that before they give

you what you deserve," Solomon said.

Bynoe's presence at GFC's press conference on Monday was objected to by journalists. There were later accusations that he was placed there to strengthen GFC's case that nothing was wrong in Guyana's logging industry.

The press conference was called to refute the recent exposures in the media regarding the operations of Bai Shan Lin and other Asian logging companies operating in Guyana.

Bynoe was not the only non-member of the media fraternity and non-employee of GFC that attended the press conference.

In fact, a minibus load of Lindeners was brought to Georgetown and the passengers were in attendance.

During the media conference, Bynoe and the other



GFC Chairman, James Singh



Former President Bharrat Jagdeo



Natural Resources Minister, Robert Persaud

Lindeniers shouted in agreement with the responses by various GFC officials to the press and sought to distract reporters as they posed questions.

But Bynoe was the only one who attempted to ask a question, and he was obviously peeved when he hadn't the chance to do so. During the media event, he hurled inappropriate remarks and interrupted Kaieteur News's reporters whilst they were posing their questions.

He threatened reporters to deal with them individually and to protest in front of Kaieteur News' offices.

Reports are that money was also paid for the persons to attend the press conference.

In 2008, six years after being slapped with a treason charge, Bynoe was granted a pardon by the then President Bharrat Jagdeo.

A Government Information Agency (GINA) statement indicated that Bynoe had been writing to Jagdeo for a pardon for at least one year. GINA noted that, in his appeals, Bynoe had expressed his remorse over the invasion of the Office of the President, and the destruction of public property.

In 2002, Bynoe campaigned throughout the country, urging citizens to protest against what he called atrocities against the people by the PPP/Civic Government.

His campaign led to a massive march on July 3, 2002, which culminated in the storming of the Office of the President, leading to the shooting death of two persons, and injuries to several others, as presidential guards opened fire on the intruders.

GINA, after Bynoe's release, reported that Bynoe recognized that the event was an attack on a democratic institution of the state and not directed at the President. By 2011, during the last General Elections, Bynoe was on the PPP campaign trail and was recorded making a passionate plea to Lindeniers to vote for the ruling party.

August 24, 2014

Despite full page ads which claim compliance....Bai Shan Lin delinquent with NIS and PAYE payments

Even though Chinese Logging Company Bai Shan Lin in a full page advertisement last Thursday claims to be creating jobs and contributing to Guyana, it has not been up to date in its NIS and PAYE payments.

Checks revealed that the company, Bai Shan Lin International Forest Development which was registered in 2007 only started paying NIS and PAYE in 2013. Bai Shan Lin Housing and Construction Inc which was registered in 2012 only paid NIS and PAYE in October 2013.

Further checks revealed that Bai Shan Lin Ship Building Inc which was registered in 2012 has never paid NIS or PAYE. Bai Shan Lin Mining Development Inc was registered in August 2013 and has never paid any NIS or PAYE contributions. The records are a clear contradiction of what the advertisement by Bai Shan Lin claimed. In the advertisement, BSL stated that it is committed to abiding by the laws of Guyana in its execution of work in the forestry sector.

It is unclear whether workers are required to pay their own NIS and PAYE, but the company has not been up to date with payments, one source explained.

The company also claimed that having started operations in Guyana since 2007, it then moved to purchase logs from local concessionaires and entered into joint venture agreements with several.

However even though Bai Shan Lin International Forest Development Inc began local operations in 2007, the records would show something different. The company registered with the Deeds Registry in 2012. Required by law, it submitted financial statements up to August 2014.

Bai Shan Lin International Ship Building and Company Inc was registered around the same time and has submitted financial statements up until 2014.

Indian Logging Company, Vaitarna Holdings Private Inc, has been paying since 2007. But Vaitarna is not registered with the Deeds Registry as a company operating out of Guyana.

Bai Shan Lin, a Chinese logging company, has big plans for Guyana: forest concessions covering 960,000 hectares; a 20-kilometre river gold mining concession; a 500-hectare Guyana-China Timber Industry Economic and Trading Cooperation Park and a 160-hectare real estate development.

Despite the scale of the planned operations, Bai Shan Lin's agreements with the government of Guyana are not public and there has been no discussion in the National Assembly about the company's plans.

In Guyana, it is illegal for a logging company to take over another logging company's operation, unless officially authorized by the President. Yet Bai Shan Lin has managed to enter into large scale joint ventures with a number of locals. In June, Bai Shan Lin submitted an application to the Environmental Protection Agency seeking environmental authorization to undertake a large scale logging and sawmill operation.

According to the public notice which was published, the company asked for the authorization for several areas including the Left Bank of the Essequibo River, Right Bank Berbice River, Right Bank Essequibo River, Left Bank Corentyne River, Left Bank Lysles River, River Bank Berbice River and Right Bank Powis River, as well as locations with Regions Nine and Six.

Bai Shan Lin has been granted a forestry concession that amounts to close on one million hectares of rainforest, from which it plans to extract logs and ship them out of Guyana. The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-monitor.org.

In addition, the Chinese company sought permission to dig up a 20-kilometre stretch of river to look for gold.

Other plans include setting up what it is calling a Guyana-China Timber Industry Economic and Trading Corporation Park, plus a 400-acre real estate development. The plans were announced in 2012 by Chu Wenze, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials.

On Redd-monitor.org, it was stated that in November 2012, Chu Wenze, the Chairman of Chinese logging company Bai Shan Lin, gave a presentation outlining his company's plans for Guyana at the World Congress in Taicang, China. These plans have threatened Guyana's proposals to reduce deforestation and forest degradation.

In November 2012, Chu Wenze and David Dabydeen, Guyana's Ambassador to China, took part in a signing ceremony for a loan from the Chinese Development Bank for Bai Shan Lin's forestry projects in Guyana.

According to the website Global Timber, Bai Shan Lin's concessions were acquired from other concession holders, a process known as "landlording" which is illegal in Guyana (unless officially authorised by the President). Under Guyanese law, forest concessions cannot be traded, but must be re-advertised by the Forestry Commission in an open auction.

August 24, 2014

The Interest of Transnational Bai Shan Lin in Guyana

Guyana has been interacting with non-nationals since the first Dutch trader visited nearly four hundred years ago. So we should be well practised in harmonious and equitable relations. What has gone wrong with the arrangements with the Chinese transnational enterprise incorporated locally as a group of companies under the Bai Shan Lin (BSL) umbrella? Janette Bulkan explores the first of several major issues on this page -

Guyana and foreign direct investment arrangements (FDI concessions), and the roles of GO-Invest, GRA, the government technical agencies, Cabinet and the National Assembly.

At its Press briefing on 18 August 2014, the GFC Commissioner said that he had no information about the investment arrangements with Bai Shan Lin. The Commissioner of the Guyana Revenue Authority says he only acts on higher direction (Stabroek News, 22 August 2014). The Head of GO-Invest is still arranging his pencils but agrees that GO-Invest is failing to document and analyse the direct and indirect benefits of tax-assisted inward investment (KN, 30 July 2014). The Environmental Protection Agency, under the Ministry of Natural Resources and the Environment, is silent. With such a collection of wise monkeys in the government agencies - seeing, hearing and speaking no evil against Bai Shan Lin - is there anyone in charge?

Adam van Pere and his 60 or 80 Europeans and 6 African slaves began the colonisation of Berbice in 1621 under a charter from the GeocroyeerdWestindische Compagnie - the DutchWest India Company. That charter laid out a set of business rules, including how to treat with the Amerindian nations. In addition to the chartered colonial companies, many individual families have come to trade and to settle under less formal arrangements. Bai Shan Lin and other Asian transnationals have had their trading arrangements exposed when they have sought capital through the Hong Kong stock exchange; some details are on the Bai Shan Lin page of www.globaltimber.org.uk.

There was a wave of Asian interest when the Economic Recovery Programme opened Guyana's borders to inward investment in the late 1980s, under IMF-supervised structural adjustment after the collapse of the economy under the last years of President Forbes Burnham. Several transnational loggers from Malaysia expressed interest and what is now Samling Global Ltd. jointly with Korean industrialist Sunkyong created its subsidiary Barama. Details of the one-sided investment agreement in 1991 were obtained by the UK-based Forest Peoples Programme and published in 1997. Janette Bulkan has reproduced and commented on some paragraphs in her recent paper 'Forest grabbing through forest concession practices: the case of Guyana', *Journal of Sustainable Forestry* 33 (4), pages 407-434.





Since the end of World War II there have been several aids to international investors and host governments, to clarify reasonable expectations and limitations on both sides. The best known are the OECD Guidelines for Multinational Enterprises, now in its sixth revision, which are directed to both companies and governments. More recently the UN Global Compact formalised ten global principles for international business, covering human rights, labour relations, protection of the environment, and anti-corruption. The website of the Compact says 'The UN Global Compact and the OECD Guidelines for Multinational Enterprises are two of the foremost voluntary initiatives that promote corporate responsibility and sustainable business practices. The initiatives complement each other in the goal of creating a more responsible and accountable corporate sector, yet are also distinct and unique. They have complementary engagement and accountability mechanisms. Together they define and enhance the relationship between businesses and international standards, in addition to providing a comprehensive model for responsible business practices today.' Also, the Berlin-based Transparency International has several guides and handbooks covering socially responsible business practices, which can be requested from its local chapter, the Transparency Institute of Guyana Inc.

The Guyana Natural Resources Agency (GNRA) was created during the Hoyte administration to promote inward investment but seems not to have drawn on any of these international guidelines. An investment code was said to have been under development in 1998. The various sectoral guides created some years ago on the website of GO-Invest (www.goinvest.gov.gy, successor to GNRA) are the latest official versions of what Guyana has to offer in natural resources and what the government offers as tax and other concessions for local and foreign investors. February 2013 was the latest evaluation and guide by the US State Department to the practicalities of external investment in Guyana; see <http://www.state.gov/e/eb/rls/othr/ics/2013/204653.htm>.

Whether by deliberate Cabinet decision or by default, GO-Invest is only an advisory body. The current CEO has repeatedly emphasised that after months of being in office he is only just beginning his task, and that GO-Invest lacks resources to carry out its mandate. It is entirely unclear if GO-Invest has learned from the one-sidedness of the Barama investment contract and has developed templates to ensure a fair deal for Guyana. There is a wealth of guidelines and international support available to conduct due diligence checks on potential foreign investors. So how is it that we see Barama after 23 years in Guyana (and coincidentally holding 23 per cent of all logging and exploratory concessions – 1.6 million hectares (Mha) of 6.9 Mha) still generating apparently no taxable profits? Yet Barama secured and continues to benefit from maximum tax concessions on the import of equipment and spare parts and fuel – indeed, still by far the largest tax concessions given to the forest sector.

How is it that Guyanese occupy mostly the lowest levels of employment, have the least skills and are given the least training by the transnational investors? How does the government allow the transnationals to come in with the vaguest promises of inward investment in local processing facilities and adding value to products but then allow them for years and years to export raw unprocessed forest products?

Why doesn't GO-Invest have templates showing staged tax concessions matching staged actual investments? Why are the inward investments not tied to objectively-verifiable progress indicators set along a time line? For example, Bai Shan Lin's extravagant promises since 2007 could be checked each month against the verified volumes of specified kinds of high-value wood products produced by the company's factories to be built in Guyana.

The Commissioner of the Guyana Forestry Commission said at the GFC press conference on 18 August 2014 that two years should be allowed for an inward investor to start industrial processing of forest products; apparently forgetting that Bai Shan Lin had promised immediate investment in 2006. Seven years ago Minister Robert Persaud issued a press release denying BSL's application for log export, reminding 'the company of the commitment it had expressed to become engaged immediately in value-added activities and encouraging it to move in this direction' (Guyana Chronicle, 21 April 2007). That does not or should not mean simply importing 200 logging trucks, container transporters and timber skidders but not a single saw bench? Not to mention the alleged waiver of import duties on fuel to run the trucks and skidders. And the importation of Asian truck and skidder drivers for the more than 1.3 Mha of Guyana's State Forests (19 per cent of all logging and exploratory concessions) now under Bai Shan Lin's de facto control.

As the investment climate statement (2013) from the US Embassy points out, 'In spite of recent efforts to remove discretionary power from various ministries, ministers still retain significant authority to determine how relevant laws, such as the Investment Act, Small Business Act, and Procurement Act, are applied. . . . In the current absence of adequate legislation, much decision-making is centralized, with the Cabinet or the Office of the President resolving an extraordinary number of issues in a non-transparent process that often results in delays.' Only in the case of Bai Shan Lin it seems that decisions are made or reversed quickly in favour of the company, and that bureaucratic delays experienced by Guyanese-owned companies do not affect BSL. Now if BSL is smart enough to be able to obtain and ship logging and transport equipment

from China against no more than a down payment, with the balance paid as exported raw logs to China, is it likely that BSL is quickly going to start the long-promising milling and value-adding in Guyana? Perhaps some of the Ministers of Government could now step forward and explain their roles and that of Cabinet in the foreign direct investment agreement with Bai Shan Lin and its present operations?

And if we could see some published minutes of the meetings of the Natural Resources sectoral committee of the National Assembly, we could see if the parliamentarians are exercising appropriate scrutiny and if BSL is responding as one would expect from an enterprise partly owned by the Government of China and subject to guidelines from the Ministry of Commerce and State Forestry Administration in Beijing.

Perhaps also the Ministry of Foreign Affairs could call in the Chinese Ambassador for a formal explanation of how the Chinese Embassy is monitoring the conformance of Bai Shan Lin with those Government of China guidelines, and what are the results of such monitoring?

Paid advertisement by Concerned Stakeholders For The Protection of Guyana's Assets

September 1, 2014

ECHO asks GFC to make Gov't/ Bai Shan Lin logging agreements public

The Environmental Community Health Organization (ECHO) has requested of the Guyana Forestry Commission (GFC) to make public, logging agreements made between the government and Chinese company Bai Shan Lin. In order to assess the environmental condition of the hinterland logging locations, the environmental body is also asking that agreements with all lumber harvesting companies be made available. The body says it is concerned that unhealthy logging practices may be occurring in the interior locations.

According to the request sent by Head of the organization Royston King, the provision of the documents will, "facilitate our assessment of the natural environmental situation in our hinterlands, where logging operations are allowed by the Guyana Forestry Commission."

He noted that, "As an environmental organization, we are also concerned about the apparent wanton destruction of our environment since there is no evidence that Bia Shan Lin is either replanting or felling trees in a manner to secure our biosphere." He said the organization would be grateful if the information requested could be made available as early as possible.

The request has been copied to international organizations such as PAHO/WHO, the Natural Resources Minister Robert Persaud, the British High Commission, the US Embassy, the Environmental Protection Agency, Head of Go-Invest, and Green Peace's local representative among several other prominent organizations.

It was recently made public that Chinese Company Bai Shan Lin has been conducting large scale logging activities despite them not having the required permission to do so. Kaieteur News had exposed that the company had apparently found a way to conduct logging activities through smaller local logging companies.

However, the public was not made aware of the extent and manner in which the company has been harvesting the country's lumber. They were neither told about the proceeds of this investment. To date, citizens are still to be told the amount of money government has garnered from the lumber harvested and exported by the Chinese company.

The Administration and the GFC also came in for stiff criticism by persons who expressed discontent in the way the logging sector was being handled. Criticism intensified when allegations rose about the Chinese company paying local workers as low as

\$500 a day, working in poor conditions.

ECHO staged protest action at the office of the Minister responsible for Natural Resources and the GFC, demanding that logging operations cease until logging agreements are made clear.

Commissioner James Singh of the GFC has declared, however, that the Chinese company's operations are aboveboard.

He said that the country's harvesting of logs is way below the annual 1.6M cubic meters that is required and the sector is currently operating at just over a 30 per cent level, so there is no question of over-harvesting of logs, as is being



ECHO's Royston King



Logs

reported.

September 11, 2014

Looming debate between GFC and APNU... GFC declines to submit info on Bai Shan Lin logging operations to APNU MP

“The information the Forestry Commission provided is a bundle of hogwash but there is still time. James Singh needs to go and review my request and satisfy it,” Harmon

By Kiana Wilburg

The documents the Guyana Forestry Commission (GFC) provided to A Partnership for National Unity (APNU) on its management of Bai Shan Lin's operations, barely scratches the surface of the information the political party requested as a prelude to an upcoming debate between the two.

APNU member on the Parliamentary Sectoral Committee on Natural Resources, Joseph Harmon, deemed the documents handed over by Commissioner of Forest, James Singh, “a bundle of hogwash.”

Harmon said that although the debate between the two is expected to be later this month, Singh still has time to review his request and satisfy it.

After the politician accepted the challenge extended by Singh for a public debate on the operations of the Chinese firm, he had asked for certain information and documents to be provided.

At the centre of the issue is the stewardship of the Guyana Forestry Commission (GFC) over the forestry sector of Guyana and the Commission's relationship with Bai Shan Lin (BSL).

Harmon said that it is imperative and only logical for the public to be provided with certain information on the topic so that, they, the ultimate judges, can be equipped with the requisite background knowledge which will enable them to make an informed judgment when the debate occurs.

However, the APNU politician said that Singh did not even provide a “minimal amount of the information” he requested. As regards Bai Shan Lin, Singh provided information on the State Forest Exploratory Permits and the Timber Sales Agreement of Joint Venture Partners of Bai Shan Lin.

He also provided Harmon with the Commission's assessment of the Chinese company's forest operations and an overview of its proposed wood processing facility in Guyana and status update.

Singh also provided a summary of Bai Shan Lin and its Joint Venture Partners' exports of forest produce from 2007 to 2014. The Commission also provided documentation showing permission to export for Bai Shan Lin and its joint venture partners. The Commissioner of Forest also sent a schedule of the number of instances and corresponding number of foreign persons /posts for Bai Shan Lin's operations, to the APNU.

Also included was a schedule of local Guyanese employed by Bai Shan Lin and its Joint venture partners.

The lawyer had requested that Singh provide copies of all agreements between BSL and GFC, and BSL and Government of Guyana, copies of all agreements between BSL and other entities involved in the Forestry sector for the cutting and export of logs, a report on GFC's supervision of the aforesaid agreements and GFC's opinion on “landlord” in the Forestry Sector and copies of investment agreements with BSL requiring the company to set up wood processing facilities in Guyana.

Harmon also asked that copies of any GFC report on BSL compliance with the agreement for wood processing facility in Guyana and copies of any documents related to BSL export of logs from Guyana to China over the last five years, and a comparison of the said logs reportedly imported into China and if there is a difference in the figures, whether GFC can offer an explanation, be made available to the public.

Also of importance, the politician said, duplicates of documents related to Duty Free Concessions given to BSL, including any concessions on Duty Free fuel over the last five years should be made available for citizens. He called too for the disclosure of any agreements between BSL and any official of GFC, including any tenancy agreements which provide a personal benefit to any official of GFC. He also said that Singh should provide any document relating to the work permits issued to Foreign Nationals on behalf of BSL for employment in the Forestry Sector, and any document relative to the number of Guyanese employed by the company in the Forestry Sector.

Commenting on the information he did not provide, Singh made it pellucid that the politician would have to secure such from the “relevant authorities” as what he provided is within the direct purview of the GFC.

Harmon had also suggested that a date for the highly anticipated debate be set between September 15 and September 30. The Parliamentarian said that GFC can proceed with making the necessary arrangements for the debate and he requested that it be done in a community where the impact of the operation of BSL is felt most.

However, the GFC in its letter requested for it to be held in a mutually accepted studio setting with an agreed moderator to facilitate the “discussions.”

To this request, the politician said, “Is NCN he wants to take us? That studio will limit public participation. I don't want that. I want he pon de road. That's where my office is.”

Harmon said that by failing to provide certain information, Singh is by extension saying how seriously he takes the debate. “If he throws out a challenge to an elected official it means that he is getting the approval of the government and as such he needs to provide what I asked for.”

“Since he is now standing as the face of government on these issues, then he

needs to provide it because Bharrat Jagdeo, the former president; President Donald Ramotar and even Khurshid Sattaar, the GRA boss is hiding from me. It's now on the shoulders of the GFC Commissioner to satisfy my request." Harmon had previously compared the behaviour of Bai Shan Lin to that of a parasite, only feeding viciously off of Guyana's resources. The politician noted that it is now clearer than ever why the company tried its utmost to avoid parliamentary scrutiny for the past two years. The Parliamentarian said that since last year, the Natural Resources Sectoral Committee received reports of this sort of abuse in the logging industry but when "we called on the Minister, he only gave us a set of excuses. "For two years straight Minister Persaud avoided us. We cannot allow corrupt officials to be entering into agreements which facilitate this kind of destruction." Harmon had said that the "excuses" presented to the committee by the Ministry on behalf of the company can only be summed up as disrespect towards the Committee and by extension, the National Assembly. The heart of the excuses he said, was that the company was simply too busy to accommodate the questions of the Committee.

September 12, 2014

Bai Shan Lin delinquent with NIS/PAYE payments

- GPSU warns foreign investors to obey laws

President of the Guyana Public Service Union, Patrick Yarde, said Wednesday that foreign investors who come to Guyana

should adhere and respect the labour laws of the country.

Yarde was at the time responding to questions pertaining to reports about Chinese logging company Bai Shan Lin not being up to date with National Insurance Scheme (NIS) and Pay As You Earn (PAYE) payments.

Investigations have shown that even though Bai Shan Lin claimed to be creating jobs and contributing to Guyana, it is not up to date with its NIS and PAYE payments. Yarde said that these taxes must be paid and the fact that they weren't paid, the authorities should apply the law.

According to the GPSU President, there could be criminal charges for people and companies that do not comply with the law. "I want to make it clear; there must be good governance. Investors must respect the laws of the country."

"NIS is an important matter; it has to do workers remuneration and compensation among other things," Yarde noted.

Checks revealed that the company, Bai Shan Lin International Forest Development, which was registered in 2007, only started paying NIS and PAYE in 2013. Bai Shan Lin Housing and Construction Inc which was registered in 2012 only paid NIS and PAYE in October 2013.

Further checks revealed that Bai Shan Lin Shipbuilding Inc which was registered in 2012 has never paid NIS or PAYE. Bai Shan Lin Mining Development Inc was registered in August 2013 and has never paid any NIS or PAYE contributions.

The records are a clear contradiction of what advertisements by Bai Shan Lin claimed. In the advertisements, BSL had stated that it is committed to abiding by the laws of Guyana in its execution of work in the forestry sector.

It is unclear whether workers are required to pay their own NIS and PAYE, but the company has not been up to date with payments, one source explained.

The company also claimed that having started operations in Guyana since 2007, it then moved to purchase logs from local concessionaires and entered into joint venture agreements with several.

Indian Logging Company, Vaitarna Holdings Private Inc, has been paying since 2007. But Vaitarna is not registered with the Deeds Registry as a company operating out of Guyana.

Bai Shan Lin has big plans for Guyana's forest concessions covering 960,000 hectares; a 20-kilometre river gold mining concession; a 500-hectare Guyana-China Timber Industry Economic and Trading Cooperation Park and a 160-hectare real estate development.

Despite the scale of the planned operations, Bai Shan Lin's agreements with the government of Guyana are not public and there has been no discussion in the National Assembly about the company's plans.

In Guyana, it is illegal for a logging company to take over another logging company's operation, unless officially authorized by the President. Yet Bai Shan Lin has managed to enter into large scale joint ventures with a number of locals. In June, Bai Shan Lin submitted an application to the Environmental Protection Agency seeking environmental authorization to undertake a large scale logging and sawmill operation.

According to the public notice which was published, the company asked for the authorization for several areas including the Left Bank of the Essequibo River, Right Bank Berbice River, Right Bank Essequibo River, Left Bank Corentyne River, Left Bank Lysles River, River Bank Berbice River and Right Bank Powis River, as well as locations with Regions Nine and Six.

Bai Shan Lin has been granted a forestry concession that amounts to close to one million hectares of rainforest, from which it plans to extract logs and ship them out of Guyana. The company estimates that it will make US\$1,800 from each hectare of land, giving it profits totaling US\$1.7 billion, according to redd-



Patrick Yarde

monitor.org.

The company's plans were announced in 2012 by Chu Wenze, Chairman of Bai Shan Lin, at the Second World Congress on Timber and Wood Products Trade in Taicang, China.

Those plans were announced even before Guyana knew of it. The country became aware of what was happening only when Bai Shan Lin officials visited Guyana and held discussions with President Donald Ramotar and other Government officials.

In November 2012, Chu Wenze and David Dabydeen, Guyana's Ambassador to China, took part in a signing ceremony for a loan from the Chinese Development Bank for Bai Shan Lin's forestry projects in Guyana.

According to the website Global Timber, Bai Shan Lin's concessions were acquired from other concession holders, a process known as "landlording" which is illegal in Guyana (unless officially authorised by the President). Under Guyanese law, forest concessions cannot be traded, but must be re-advertised by the Forestry Commission in an open auction.

September 14, 2014

GFC report on Bai Shan Lin operations ...Report is a gross insult to citizens - Harmon

During his perusal of the documents sent to him by the Commissioner of the Guyana Forestry Commission (GFC), James

Singh, A Partnership for National Unity' s (APNU) Shadow Minister of Public Works, Joseph Harmon, discovered the Commission's report on the compliance and assessment of Bai Shan Lin's forest operations.

After examining the content of the report, the politician concluded that it can only be seen as a clear sign of disrespect not only to him and his party but to all Guyanese. He said that that report is a gross insult to the intelligence of citizens since the details of the report are far from what is expected in a compliance report.

Harmon had accepted a challenge by Singh for a public debate on Bai Shan Lin's operations and its effective management of the Chinese firm. Since the citizens are going to be the ultimate judges of the debate, as a condition, the APNU

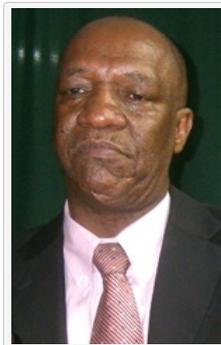
Parliamentarian had said that he wanted the Commission to provide certain documents on the Chinese company. But Singh did not even meet the minimum amount of information requested by the politician.

Instead, the GFC provided Harmon with a report on the assessment of Bai Shan Lin's forest operations and compliance with GFC's forest monitoring requirements. In the 20-page report, the Commission explained its role, enforcement guidelines and some of their key monitoring tools. The report added that the GFC's monitoring approach focused on a range of areas, systems of allocation of timber permits and concessions, trade in forest products and the collection and distribution of taxes, fines and other payments. Six pages of the report consisted of blank forms for large concession management while another seven were dedicated to explaining the compliance indicators for forest monitoring, most of which were not put into context to show how they were used on the Chinese firm.

Another three pages were used to show pictures of a monitoring exercise. The pictures showed logs being checked, the removal of a permit being verified and tagged lumber which was being checked. An additional part of the report showed the criteria and indicators to assess directional felling.

One page which made direct reference to Bai Shan Lin, spoke to the scope of audit of Bai Shan Lin and the associated joint venture partners. This section said that as part of the routine monitoring system of the GFC, its Legality Monitoring and Extension Unit conducted audits for the following companies over the period April 2013 to July 2014; Bai Shan Lin, Haimorkabra Logging Company, Kwabanna Wood Products Inc., Puruni Wood Products Ltd. and Wood Associated Industries company Ltd.

The report also noted that based on the inspection of the records, the company, Bai Shan Lin, has valid agreements with their joint venture partners. The monitoring exercises also concluded that Kwebanna Wood Product Inc. had not commenced harvesting over the period January to July 2014. The report also read that the log tag requisition procedure has been complied with and explained what the field application of log tracking and tagging entailed. It said that inspections showed that the company complied with the proximity stipulations and that the company was in general compliance with export procedure of the GFC. With the aforementioned in mind, Harmon said that the report could only be seen as misleading. He said that the report is supposed to be an assessment of Bai Shan Lin's operations and its compliance with the GFC forest management



Joseph Harmon, APNU Parliamentarian



James Singh, Forest Commissioner

indicators but it is a far cry from what it was supposed to be.

The APNU Parliamentarian said that the report did not reflect a true and proper assessment of the compliance of the operations with the GFC requirements. He said, "What we are basically seeing in the report is a lot of general statements and no proof. We don't even get to see some of the comments from the auditors and they did make reference to auditors with the pictures.

"Why wasn't this included in the report? More than 90 percent of the report was basic information on the GFC and some concession forms. What is this all about? Why (are) they sending this to me? I am not applying for anything. This compliance report clearly shows or proves rather that the GFC is not on top of its game."

"There is nothing there that says what work was done by the forestry commission to determine whether these standards have been met effectively by Bai Shan Lin, so even with the information they provided they are clearly trying to hoodwink the people of this nation."

The politician said that the documents provided to him by the GFC will be on display at the library for all Guyanese to read.

"I want the nation to see what I am talking about. This is the kind of disrespect which they have for the Guyanese people and it is disrespectful to even submit such misleading information to me."

October 13, 2014

APNU investigating Housing company closely associated with Bai Shan Lin

The main opposition political force in Guyana, A Partnership for National Unity (APNU) has launched an investigation into the deal between the government and the owners of Sunset Lakes Inc.

Sunset Lakes is a Chinese-owned company that has ventured into developing a massive housing community in Providence on the East Bank of Demerara, just behind the National Stadium. The name of the housing scheme which is now coming under scrutiny is 'New Life Community'.



A model of the houses to be offered by Sunset Lakes.

APNU leader, David Granger at his most recent press conference told the media that his coalition has an interest in the project and wants to know the details. He disclosed that APNU's General Secretary, Joseph Harmon, who sits in the National Assembly as the shadow Minister of Public Works, was the one who is handling the investigation.

Granger could not say whether or not his colleague was able to access any information.

"I do know he has been investigating but I do not know if he has been able to put his hands on any documents," said Granger.

Kaieteur News made attempts to contact Harmon but those proved futile. However, the newspaper understands that APNU wants to find out all details surrounding the deal, including the amount of money paid for the lands, how many ways will Guyana benefit, what qualified the Chinese company for the endeavor and when was the deal made between the Guyana government and the Asian Nationals.

Sunset Lakes made quite an impression on patrons who attended Guyana's recently concluded largest trade fair, GuyExpo. Sunset Lakes and the controversial Asian logging company shared a tent at the fair and the same officials handled the affairs of both booths.

Representatives of the two companies boasted that Sunset Lakes is offering, for the first time in Guyana, a five star state-of-the-art gated community where all modern amenities will be offered.

When Kaieteur News visited the booth at GuyExpo, the newspaper was told that the houses range "to suit all kinds of people". The company has decided to have different sizes of houses, with the smallest house costing \$50M and the largest, \$130M.

A brochure shared out at Guyexpo stated, "We at Sunset Lakes Inc. take great pleasure in introducing to you, for the first time in Guyana, a Five Star State-of-the-Art Gated Residence, offering all prestigious and modern amenities to ensure you live that deeply desired New Life."

The New Life Community, according to the website, offers a complete luxury package, including supermarket, bar, post office, telecommunication, swimming pool, gymnasium among other services to make life for Guyanese more convenient and delightful.

The website stated that safety and comfort is the company's main priority; "so you our prized residents can lay back and enjoy that life you envision in exquisite, comfortable homes. Your needs and wants are both sufficiently catered for in our strategic location along the lower East Bank of Demerara, Guyana. Our prime focus is to turn your everyday hustle and bustle into a relaxing, enjoyable lifestyle with all your desires met in a healthy and secure atmosphere."

The website specified types of houses offered. The "Caramel Collage" is the largest of all our homes offers ultimate sophistication to detail. This offers Land:

sq.ft - 11965.12 and the house of itself is sq.ft - 5181. The Sunrise Villa is the smallest and this has 6240.8 sq.ft in land space and the actual house covers 3353 sq.ft.

December 14, 2014

Bai Shan Lin ships 1,200 containers of logs annually

...refuses to maintain 100km of road it destroys daily

By Gary Eleazar

A significant escalation in logging activities over the last three years in Region Ten has led directly to the destruction of the more than 200 kilometres of roadway between Kwakwani, Linden and Georgetown.



According to official figures, an average of 40 heavily laden trucks traverse the worsening stretch of road each day between Kwakwani to Linden. They are also met by others heading to Georgetown, thus destroying that stretch of road also. The majority of the trucks on the Kwakwani to Linden road belongs to, or contracted by Chinese logging company, Bai Shan Lin, which has also significantly escalated its

activities in the Region.

Bai Shan Lin alone exports an average of 1,200 containers of logs annually. Logs are brought to Georgetown by way of trucks and barges.

The situation has led to the Ministry of Public Works having to assume maintenance of the roadway, pumping an average of \$100M annually, along the Kwakwani to Linden road over the past five years.

The road has deteriorated to the point where it is almost impassable. Huge craters punctuate that stretch of road and travel is routinely made worse by heavy rains.

To make matters worse, the logging companies that depend on the road have refused to assist in its maintenance and have argued this case since they claim to have already assumed responsibility for the Unamco Road.

The Unamco Road is primarily a logging road that runs along the eastern bank of the Berbice River.

The Public Works Ministry currently has a small fleet stationed in Region Ten, responsible for the maintenance of the road.

The fleet includes one front-end loader, one excavator, one roller, one Bobcat, two trucks and a grader.

The fleet is often times removed to undertake emergency works in other locations limiting the capacity to effectively maintain the Linden to Kwakwani road.

The situation has reached such dire proportions that the Public Works Minister has indicated to this publication that come early next year, Government is looking to install a toll booth.

While this would be a new source of revenue meant to assist in the maintenance of the road, Public Works Minister, Robeson Benn, has admitted that the revenue would be nowhere close to adequate and as such Government would still have to utilize money from the nation's coffers.

The predicament has now led to stakeholders calling for the timber companies to do more since it earns billions of dollars from the logs shipped out of the Guyana forest while paying Government a paltry royalty.

Forestry exports for the first eight months of this year have more than doubled compared to the same period of 2013.

A staggering 86,250 cubic meters of logs were exported between January and August. This earned US\$14.5M. Last year, for the same period, 41,518 cubic meters were exported, earning over US\$7M.

For this year, until August, log exports represented about 46 percent of the total forest exports as against the 30 percent for last year.

Regional Chairman of the affected area, Sharma Solomon, has told this newspaper that Bai Shan Lin and the other loggers using the road are destroying it, and that when they are approached to assist in repairing it, the companies insist that they already pay royalties and taxes to Government. To make matters worse the company has failed to embark on value added exports which was supposed to see Guyana earning more than 40 per cent above what it currently receives from Bai Shan Lin in royalties.

The company has also been accused of cheating Guyana in an attempt to avoid paying more through what is known as transfer pricing. Transfer pricing allows Bai Shan Lin's parent company in China to set the price on logs.

The issue was raised recently by Chartered Accountant Christopher Ram, who is on record saying "In effect, they can set whatever prices they want because nobody does any serious review. At the end of the day, the Government gets lower revenues from its royalties and of course, more importantly, the seller ...the poor local loggers...get whatever price is being offered to them."

The use of imported Chinese labour and the transfer pricing practice also opens a real possibility for Bai Shan Lin to use its proceeds in China to pay workers without local taxes and other commitments like NIS being remitted.

January 01, 2015

Guyanese continue to suffer at the hands of Bai Shan Lin

- *Workmen lament disrespect*

From all indications, workers attached to the Chinese logging company Bai Shan Lin continue to be treated

disrespectfully.

They have complained about the treatment dealt to Guyanese has gone from bad to worse.

One worker, who highlighted his concerns who sought anonymity, said that "the Chinese are in the habit of insulting Guyanese, especially when they have to receive the salaries that we work very hard for."

The employee said that upon being hired, the Human Resources Manager, identified as Mr. Ali, told him and a few others who were simultaneously hired that they have to live at Linden and that the company will provide meals and accommodation.

He said that much to his dismay, "every week we have to beg for money to buy food stuff. We had to sleep in the trucks...The place where we sleep is worse than a pig pen with no mattresses."

The disgruntled employee said that the treatment reminds him of the "days of slavery, when workers had no rights and no voice. 'What the Chinese tell you to do you have to do or else they tell you go home and they hold up your salary.'" He said that sometimes the trucks have mechanical problems but "the Chinese would say 'go work, fix later.' This is big risk for the drivers."

"Chinese have meetings every month where their matters and concerns are addressed, but the Guyanese do not have any meetings to discuss their problems."

Regional Chairman, Sharma Solomon, said that he receives similar complaints almost daily.

He said that Region Ten residents and workers who are stationed there are just fed up of the callous behaviour exhibited by Bai Shan Lin as a company which is getting so much out of Guyana but is prepared to give little or nothing in return. "Workers are complaining, Moblissa residents are complaining, the Kwakwani residents still complain about the problems with the road, in fact the entire Region is complaining," said Solomon.

"We are all still very concerned," said the Regional Chairman. Bai Shan Lin is still to do an Environmental, Social Impact Assessment (ESIA), he added.

He said that some workers attached to Bai Shan Lin, frequented the Office of the Regional Democratic Council complaining of the way the company has been violating their rights.

The Chairman said that workers lamented the conditions they work under, bad treatment and poor payment.

Two days after that story was carried, Bai Shan Lin released a statement refuting allegations of \$500 pay but ignored claims of mistreatment, poor working conditions

The company sought to debunk allegations that it has an employment ratio of 70 percent Asians to 30 percent Guyanese and that it has been paying the few locals it employs as little as \$500 per day.

Solomon subsequently told this newspaper that he saw the statement and noticed that the company did not reject what he said.

Bai Shan Lin has a known presence at Moblissa, Coomacka, Bamia, Kwakwani and Ituni.



Region 10 Chairman,
Sharma Solomon

January 13, 2015

Chinese logging company takes over Guyana's forests

By John C. Cannon (mongabay.com correspondent)

Foreign companies investing in Guyana's substantial forests are supposed to adhere to national laws and international agreements. But civil society leaders and activists inside and outside the South American country are crying foul, saying foreign corporations and government officials are paying lip service to the accords while quietly building a timber-harvesting empire in the country with few benefits for the average Guyanese.

In 2009 Guyana and Norway signed a landmark pact promising Guyana \$250 million over a five-year period to preserve the country's intact tropical forests and the 1.6 million tons of carbon contained within, according to the Food and Agriculture Organization (FAO). Globally, this was seen as a major stepping stone for REDD, which stands for "reducing



Felled timber in Guyana. Photo by Jeremy Hance.

emissions from deforestation and forest degradation," and it helped Guyana's leaders flesh out a bold Low Carbon Development Strategy (LCDS). "The LCDS really is one of a kind, and it really has been established to set a global model for the world to follow," said David Singh, vice president of Conservation International Guyana. "It was path finding, and it was meant to contribute significantly to the whole global debate in respect to how can developing countries with intact ecosystems, with intact forests, participate more effectively in the global fight against climate change, while at the same time, ensuring that it develops sustainably." He said the move toward carbon-limited development is reflective of Guyanese attitudes: "People do feel quite strongly about environmental protection." In size, Guyana is roughly comparable to Ghana, but at 735,000 inhabitants has less than three percent of that country's population. What Guyana does have a lot of is forest. Trees covered 91 percent of the country in 2000, according to data from Global Forest Watch. Half of its citizens live abroad, where they've sought better opportunities in employment and education outside the small country. That trend has meant little population growth for decades, leaving much of the country undeveloped, including a swath of forest in southern Guyana that is largely contiguous with the Brazilian Amazon. Further protecting the forest is its dearth of marketable tree species - until now.

Wamara

Rising incomes in India and China have precipitated a spike in the price of rosewood, a type of timber prized for its beauty that is used to make expensive furniture in Asia. As rosewood supplies in Malaysia and Indonesia have become depleted, suppliers have looked elsewhere - increasingly, the tropical forests of Africa and South America, said Janette Bulkan, a Guyanese-born professor in the forestry department at the University of British Columbia.

The Chinese company Bai Shan Lin now controls about 1.4 million hectares in Guyana, said Bulkan's collaborator, John Palmer, a senior associate at the Forest Management Trust based in Gainesville, Florida, who has worked in forestry for more than 50 years. (Guyana's Commissioner of Forests disputed that figure, saying in a letter to a Guyanese newspaper that the figure is closer to 627,000 hectares.) Palmer and Bulkan said that Bai Shan Lin doesn't seem to be concerned with following Guyanese laws, nor do Guyanese officials appear eager to enforce them.

"If you implemented these policies, if you implemented the mining law, the state land law, the [Guyanese] Environmental Protection Act, the country would be in enormously better shape," Palmer said. In reality, however, he said, "It doesn't happen." Rather, he suggests that companies like Bai Shan Lin likely pay bribes to key members of the country's government to turn a blind eye to violations. For example, Palmer said that Bai Shan Lin has "dubiously" acquired permits or rights to harvest timber in Guyana on more than a million hectares of forest. In some cases, it appears as though Bai Shan Lin has harvested timber by leasing land from other parties through what the forestry commission calls "venture agreements" - incongruous with Guyana's anti-"landlording" law. And native title stemming from their centuries-long relationship with the customary lands of native Amerindians should protect where they farm, hunt and fish. When it comes to logging those areas, the law "should prevent issuance of permits without consultation," said Palmer, "but consultation does not happen."

Defending Bai Shan Lin

In defense of Bai Shan Lin's activity in Guyana, the Guyana Forestry Commission published statements and placed editorials in the Guyanese press arguing that the company provides people who live in the forest with the tools to harvest the timber themselves and then sell it to Bai Shan Lin, thereby providing a source of income for forest communities.

For some in Guyana, just the ministry's defense of a foreign-owned company has been disconcerting. The Transparency Institute of Guyana Inc (TIGI) published a statement, saying that it "finds it particularly troubling that both the Ministry of National Resources and the Guyana Forestry Commission have chosen to defend the operations of these companies with information that appears incomplete and misleading rather than to seek to protect the patrimony of the country." TIGI has called for more transparency with the issuance of forest concessions in Guyana.

And the benefits to forest communities as a result of a market for timber, especially Guyanese rosewood known as wamara, are marginal at best, Palmer said. "They make very little money," he said, adding that sellers are paid "just about break-even price." He said suppliers like Bai Shan Lin stand to make substantially more by getting the unprocessed logs to mills in Asia. In fact, many are concerned that Bai Shan Lin is exporting the whole, round logs directly to China, instead of following through on a promise to build a job-creating processing mill in Guyana.

The Kwakwani Natural Resources Organization, an NGO that works in the region where Bai Shan Lin is operating in Guyana, published a statement that struck a hopeful tone about the economic benefits that foreign investment could bring. But they also acknowledged in the same statement that, "Like most other foreign investors, very little (if anything) is given back to the community from which all their wealth is derived."

Bai Shan Lin rebutted attacks that the company was hiring only Chinese labor to harvest the timber in a press release, showing that the majority of its workers in Guyana are Guyanese. Anecdotal reports indicate the opposite. Most of the workers seen along a 130-kilometer, Bai Shan Lin-constructed road - itself a point of contention as sources say the company did not carry out a proper environmental and social impact survey - were Chinese. Mongabay.com made repeated requests to speak with a representative of Bai Shan Lin that were not answered.

The road also threatens to open up large areas of intact forest in Guyana to destructive activities in areas that, by most accounts, are bastions of biodiversity and unspoiled wilderness. Hunting is a big concern, and easier access may tempt miners to alter forest and river ecosystems. Already, deforestation along river ways has been linked to gold and bauxite mining in northern Guyana. Permits for mining are readily available from the government, seen as a route to rapid economic development, Palmer and Bulkan confirmed. Guyana has seen a steady increase in the amount of forest loss between 2001 and 2012, according to data from Global Forest Watch. Sources said that deforestation often follows the global price for gold: as gold prices rise, mining becomes more profitable and miners cut down more trees to get at a share of Guyana's cache of alluvial gold tucked in the loose soils around waterways. FORMA alerts, which show areas of likely forest loss in near-real time, have also tracked upward. Bulkan argues that the deal with Norway in 2009 actually enables transgressions of foreign companies in Guyana, because, in search of expediency, Norway's Ministry of the Environment has found it easier to deal with a few key figures in Guyana rather than the representative group of citizenry. "The parliament of Guyana, however flawed, represents the key constituency groups in the country, and to have this parliament marginalized by Norway is simply really bad," Bulkan said. "If you can't do good, you should at least do no harm." <http://news.mongabay.com>

February 26, 2015

Bai Shan Lin leases 27.4 acres of Amerindian land at \$5,000 an acre

In a bizarre event yesterday, Amerindian Affairs Minister Pauline Sukhai anxiously signed a "communist" lease agreement with Chinese company, Bai Shan Lin, and the Amerindian village of Hururu. The lease agreement was not fully negotiated between the Company and the Village at the time cameras were set up for the event. The negotiations took place in full view of the media. Before signing, Bai Shan Lin wanted the agreement to explicitly state that upon signing it would be able to use the existing wharf in the Village. Sukhai did not agree, and suggested that the Hururu Village Council could write to the company to say that it could use the existing facilities. Bai Shan Lin officials hesitated, but the Minister saw nothing unsure about what she was suggesting. "That will suffice in the communist kind of agreement too," a giggling Sukhai told the officials. The Bai Shan Lin representatives were not enthused, with the translator saying they could not see what was so difficult about putting their demand in writing. The Chinese company negotiated for a while more, as Sukhai made suggestions to the representatives of the Village, including its Toshao. With Bai Shan Lin officials seeming to be taking too long, Sukhai became impatient and butted in: "Hello, are we signing?" Sukhai insisted that the lease agreement had nothing to do with use of facilities. She stated that the Village had no problems with the use of the facilities. She gave that commitment for the Village even while saying that the formal permission is needed after consultation with the community's Bridge Committee and the Village Council. The agreement sees Bai Shan Lin leasing 27.4 acres of land from the Village of Hururu at \$5,000 an acre. The Company will be allowed to construct a wharf and log pond, along with two buildings, and a parking lot for their equipment and other vehicles. The lease will run for 25 years. Bai Shan Lin has promised to upgrade 2.5 miles of road, which it will be using, and also to build a sporting facility for youths of the area. There was uncertainty about when the road project would start and the agreement had to be adjusted during the negotiations which took place in presence of the reporters. Again, Sukhai took the lead in negotiation for the Amerindian Village, suggesting when the road works should commence and end. When it came time for the formal ceremony, she then switched to saying it was the Village authorities that made all the decisions. "They have done all the Amerindian Act required with respect to the negotiation, the engagement, the discussion and the reviews. The other stakeholders were informed and comments were invited." In the end, the agreement was signed with an undertaking that the Village Council will write the company on the use of existing facilities, and with the company agreeing to commence road works within two weeks.

February 27, 2015

Bai Shan Lin lease agreement...APNU-AFC would rescind improper deal - Harmon

General Secretary of A Partnership for National Unity (APNU), Joseph Harmon, is convinced that the recently signed lease agreement between Bai Shan Lin and the Ministry of Amerindian Affairs is improper and does not reflect that sufficient consultations were done on the matter.

As such, the politician said that once the coalition, A Partnership for National Unity - Alliance For Change (APNU-AFC)



assumes office, the deal would be rescinded and properly reviewed to ensure that all the requirements were met.

Minister of Amerindian Affairs Pauline Sukhai on Wednesday, signed a “communist” lease agreement with Bai Shan Lin, and the Amerindian village of Hururu. It is believed that the agreement was not fully negotiated between the company and the village, as media operatives observed that discussions on the contract were still taking place. This was even as cameras were being set up for the occasion. Harmon told Kaieteur News that certain regulations which control the operations of the communities should have included in it, “free, prior and informed consent.” He explained that this means that the indigenous people of the Hururu community would be able to be a part of the decision-making process. But based on what he observed with the arrangements thus far, Harmon insisted that this requirement was overlooked during negotiations. He said that he is not surprised by the manner in which the Amerindian Minister was dealing with the negotiations.

The APNU General Secretary opined that this “peculiar lease agreement” ignored that requirement, and that it is the classic way the PPP/C deals with the indigenous people, “as though they are children to be dictated to.”

While he predicts this to be one of many incidents in the lead-up to election campaigns, Harmon asserted that one can only imagine what happens behind closed doors with these sorts of agreements.

He then reminded that before signing, Bai Shan Lin wanted the agreement to state that upon signing, it would be able to use the existing wharf in the Village. But apparently, Sukhai did not agree. She reportedly suggested that the Hururu Village Council could write to the company, giving permission for the use of the existing facilities.

The Bai Shan Lin representatives, however, found it a bit strange that something as simple as including that request in the agreement could not be done. After several minutes of discourse on the matter between the Chinese agents, an impatient Sukhai interrupted by saying, “Hello, are we signing?”

Sukhai made it clear that the lease agreement had nothing to do with use of facilities, but noted that the village had no reservations with the use of the facilities. At her wits’ end it seemed, she then took the initiative to make the commitment for the village, even after she confessed that formal permission is needed after consultation with the community’s Bridge Committee and the Village Council.

Harmon said that Sukhai’s impatience raises a lot of suspicion and questions, and the agreement is a clear representation of an election gimmick. “This agreement is tainted and is in my view, not an expression of the community’s consent. It is an improper agreement and the APNU-AFC partnership will, once it assumes office, revoke and review this programme,” he added.

In speaking with the Amerindian Minister yesterday, she sought first to comment that the Kaieteur News carried a “juicy article” on the matter, but she wanted to make it clear that the agreement was not being finalized as was reported. She emphasized that the negotiations on the land were four months in the making between Bai Shan Lin, the Village Council and the community. Sukhai said that the Bai Shan Lin officials had asked on Wednesday to use some of the existing facilities and she indicated to them that it would have to be dealt with as a separate request. She said that the Amerindian Act allows her to speak on land issues and give guidance in that regard, among other matters. She stressed that the Act allows the Village Council to operate as an autonomous body, and therefore such decisions would have to be determined by that body. She added that the affairs of the communities are also decided by that body.

Sukhai disclosed that she noted that the Company Director did not turn up to the event. Instead the General Manager did and because of that, the title for their signature on the document had to be changed.

The Minister said that she was given the assurance that the Village Council did consult with the community on the project, notwithstanding the fact that even if the community disagrees, it is the prerogative of the Council to still go forward with whatever decision it deems fit.

She said that at the end of the day, the Council is the custodian of the village. She noted too that this is not the first time that the Hururu village got into such an arrangement. She said that they had similar arrangements before with another company.



Minister of Amerindian Affairs, Pauline Sukhai



APNU General Secretary, Joseph Harmon

Sukhai was also asked if she was concerned with signing of the agreement, considering the allegations of abuse against the indigenous people by this very company. The Amerindian Minister said that she is not aware of any such abuses by the company on her people, and if that is the case, there are the relevant authorities at her Ministry who would be willing to take up the case or give a hearing. She emphasized that there has been no formal complaint in that regard.

The agreement sees Bai Shan Lin leasing 27.4 acres of land from Hururu at \$5,000 an acre. The company will be allowed to construct a wharf and log pond, along with two buildings, and a parking lot for their equipment and other vehicles. The lease will run for 25 years.

Bai Shan Lin has also promised to upgrade 2.5 miles of road, which it will be using, and also to build a sporting facility for youths of the area. Road works are said to commence within two weeks.

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