

Opinion, Letters

 27

## Is the Vaitarna forest concession another Asian scam like Barama?

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Dear Editor,

Exporting Guyana's timbers to create wealth in India: I refer to your article 'Indian company controls 1.82M acres of forest -plans to export logs for furniture manufacture' (SN, April 9).

This article extracts from a statement reputedly made by Minister for Forestry Robert Persaud (according to Demerara Waves internet radio) about the acquisition of logging concessions totalling nearly 738,000 ha by Vaitarna Holdings Private Inc (VHPI), a subsidiary of Coffee Day Limited of India, which is a coffee shop chain of the Starbucks type. Coffee Day Limited formed a subsidiary enterprise to make all kinds of domestic and commercial office furniture to satisfy the booming market in India. Minister Persaud's reputed statement was not on the Ministry of Agriculture's website on April 8.

According to this reputed statement, the State Forest Exploratory Permit (SFEP) issued in 2007 to Simon & Shock Inc was suspended in 2009 and transferred to VHPI. In the same year, the Timber Sales Agreement (TSA) of Carib-bean Resources Ltd, a subsidiary of CLICO insurance company in Trinidad, was rescinded by the Guyana Forestry Commission. However, having been allocated in 1989 for 15 years, the TSA had been incorrectly extended year by year since 2004. This TSA was awarded non-competitively in 2010 also to VHPI.

According to Article 5A of the Forests Act, "No exploratory permit with respect to any forest produce shall be granted to an applicant unless the [Guyana Forestry] Commission is satisfied that - (d) his [the applicant's] objectives are compatible with national development objectives." Now we have two quite different versions of what are the applicant's objectives. In your report 'Simon and Shock aiming for \$19M Rupununi forestry investment - lumber to be exported to India' (SN, January 15, 2011) is the statement, "The main purpose of the logging operation within the concession is to secure raw materials needed for the sawmilling operation and other downstream processing plants in the manufacture of high quality tropical hardwood furniture.

This project is designed to produce top quality air and kiln-dried and dressed lumber for world class furniture manufacturing and building construction projects. The main goal is to revolutionize the local lumber market by providing dimensional wood stock ready for the production line. The bulk of the production, initially, will be exported to India, other Asian

countries and Caribbean markets, the summary says.” However, on April 8, 2011, The Times of India (as reproduced by Demerara Waves internet radio) said that “the idea is to transport cut logs from the Guyanese capital Georgetown... to the Coffee Day Group’s furniture plant in Chikmagalur.”

The January statement accords partly with National Forest Policy 1997, section IV A 3 (A), “Priority areas for foreign investment shall be the more capital intensive, higher technology projects, and those that are linked to an overseas marketing network.” However, the proposed sophistication of processing is no greater than that already used by Guyanese-owned loggers and millers which do not enjoy FDI tax concessions from the government and which do have overseas marketing networks. Section IV A 5 (A) of the National Forest Policy, “Measures shall be taken to maximize in-country returns on exports” is not satisfied by the proposed simple processing apparently proposed by VHPI. Clearly, the April 8 statement from India, about exporting unprocessed logs, is incompatible with the National Forest Policy.

Could Minister Persaud say which is the real objective of VHPI, from the due diligence checks carried out by the Guyana Forestry Commission and funded by the USD 20,000 application fee for a SFEP?

Another question arises from Article 5A (a) of the Forests Act. This sub-article requires that the SFEP applicant “has financial resources, technical competence, and experience to carry on effective exploratory operations.” No evidence has been given in the public domain that this coffee retailer has any competence in or experience of conducting natural resource inventories, preparing environmental and social impact assessments, or preparing a forest management plan. What were the due diligence findings about these competencies?

I turn now to the non-competitive award to VHPI of the CRL concession (TSA 04/89). After being rescinded by the GFC in 2009, the GFC should have followed section II A 4 of the National Forest Policy 1997: sub-section (a) “Concession licences and permits shall be allocated through a process of advertisement and bidding or tendering.” This clearly did not happen. Perhaps the GFC was relying instead on sub-section (d) “Concessions shall be transferable to new concessionaires provided that qualifying standards are satisfied.”

But VHPI has no qualifications or experience of tropical rainforest logging, so how could it satisfy GFC standards?

Moreover, the entire concession allocation process should have been in the context of the strategic plan for forest allocation called for in sections NFP 200/210 (forest zoning and classification) and NFP 300/320 (forest resource planning and allocation) of the National Forest Plan 2001. These NFP sections respond to section III A 3 (a) of the National Forest Policy 1997 – “The Guyana Forestry Commission shall develop a fair and transparent framework for the allocation, revocation, renewal and re-negotiation of forest concessions.” But this strategic plan has yet to be prepared by the GFC.

The arrival of VHPI hardly seems to comply with the election manifesto of the People’s Progressive Party in 2006, page 15 – “Implementation of a National Forests Plan will focus

primarily on:

“● Promotion of value-added products and value-added industries, such as kiln dried lumber and furniture manufacturing industries.

“● Increasing direct and indirect employment through value—added industries and new investments.”

If The Times of India report is correct, then the VHPI is another Asian scam like Barama, where the plywood mill has an installed capacity of 108,000 m3 per year but Minister Persaud is apparently overjoyed that Barama will re-start plywood production in June this year at 27 per cent of capacity. Meanwhile, Barama continues to draw down tax rebates as if it was in full plywood production, while actually exporting the bulk of its logs unprocessed to Asia.

What is the point, Editor, of the Norway-Guyana MoU calling for a REDD-plus Governance Development Plan if that is just an unused paper process, and what is the point of Norwegian Minister Erik Solheim calling for transparency when Minister Persaud is applauding the above-mentioned non-compliances with national policies and law?

*Yours faithfully,  
Janette Bulkan*

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Dear Editor, Easily one of the most memorable photographs printed in the media in Guyana during 2014 was the disturbing image on the front page of your competitor's news paper showing dozens of Bai Shan Lin trucks lined up loaded with fresh cut hardwood logs destined for the Georgetown harbour...

In "Letters"

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Logging company Vaitama Holding Private Incorporated (VHPI) has been granted a Timber Sales Agreement (TSA) for the 391,853 hectares of forest originally awarded in 2007 to US-based Simon and Shock International Logging Inc (SSIU), and can now harvest logs from the concessions. The concessions are located in Regions Nine and...

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**VijaySingh** · 5 years ago

There can be little doubt, however, that the most fundamental constraint to investment in Guyana are the regular disputes and uprisings which seem to accompany all our national elections. The stark truth is that the returns on the capital invested must be extremely high for potential investors to want to risk their financial resources in a country which is routinely subjected to mayhem. In this, as in most developmental matters, political stability is all.

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**VijaySingh** · 5 years ago

Our forests protect our soils from erosion, regulate and purify our water supplies and, most important, ensure environmental stability. On top of all this, the forests yield wood and non-timber products which, if commercialized could greatly assist the country's social and economic development. Indeed, the forest resources of the country could play an important role in transforming and developing our relatively uninhabited hinterland. To the illiterate blogger no conflict with Janet championing forestry principles, her brothers have their own business. Also, I do not think she is involved in their business.

4 · Share >



**guyman** · 5 years ago

JANET,... HOW IS YOUR BUSINESS DOING.... has the market picked up yet?... bet you , not too good.... I GUESS YOUR POINT , IS TO ...INSTRUCT DE GOVT. TO LEAVE THE TREES WHERE THEY ARE ... untill the bulkans busines get into gear,... stop taking out your frustration on the govt.... and try focusing on getting yuh business on the fast track there is lots of lumber for all.... and besides the GOVT. has agreed to INTERNATIONAL BENCHMARKS FOR CONSERVATION, AND FOREST MANAGEMENT... WHICH THEY WOULD BE FOOLARDLY ,NOT TO KEEP.... IN SUMMARY.. show your obvious talent in more positive endeavours... .good luck

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**Peeping tom** · 5 years ago

if Jagan was alive today this could have never happen in Guyana, this is called whole sale selling out of the country

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**VijaySingh** > Peeping tom · 5 years ago

Peeping Tom, Maybe, but Jagan never promoted those with scholarship and brilliance, he cultivated peasants to continue to think like peasants with petit pois brains.

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**yana bana** · 5 years ago

de incompetence n negligence n crimes n coroption continues unabated ... hence, no foi bill .... monee talks ...

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**Quibian** · 5 years ago

how can janette bulkan be an "enviromentalist" when her family is in the forestry business? isn't there a conflict of interest?

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**Brandon Samaroo** > Quibian · 5 years ago

too bad the people running this show head harder dan greenheart

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**Quibian** > Quibian · 5 years ago

land of milk and honey, its a farce when logging companies claim that they can harvest hardwood in a enviromentally-friendly manner! there is no such thing! any logging destroys habitats for a multitude of flora fauna!

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dont attack the woman focus on the issues, stick to the issues quibian that is the problem wid the PPP an Jagdoe clan they are busy attacking people rather than addressing the issues at hand.

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**Land of Milk and Honey** > Quibian • 5 years ago

er...their company harvests hardwoods in a sustainable and environmentally-friendly manner - probably the quality company who does this and their products are world class...

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**Phantom Guru** > Quibian • 5 years ago

You should see Awara with Raj Kapoor, or go read a little bit more!

Even Donkeyman could have answered your question; he might even tell us the most up-to-date movie to answer your question.

No wonder the man got refugee status.

1 • Share >



**Dr.Evil** • 5 years ago

OH OH:::apperas like Janette Bulkan get special home at sn like dat of Cris Ram..oh well....

Janette Bulkan fuh President & Cris fuh prime minista.....

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**Brandon Samaroo** > Dr.Evil • 5 years ago

To you they may be sourpusses and if they were sourpusses why is your government busy defending deal and corruption after corruption?

How is Jud doing by the way any new updates on the luptup scam? I heard bids are open for the already procured luptups yet another scam.

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**Dr.Evil** > Dr.Evil • 5 years ago

Phantom Guru;

if dem do what you said den dem gat me vote.....ehehehehe.....

sameroo.....critics..so many...why.....

are they really critics or sourpusses???

didnt they worked fuh pee pee pee before.....

you and your bossman too became a critic since your boss man shifted over from pee pee pee....

i mean kicked from pee pee pee.....

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**Phantom Guru** > Dr.Evil • 5 years ago

Janet Bulkan and Chris Ram would more likely bring the one-hop-non-stop Toronto to Georgetown!

The thing you need per previous blog!

Both of them sound like very sensible persons. I don't know what is your beef with them!

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**Brandon Samaroo** > Dr.Evil • 5 years ago

How come the PPP has so many critics?

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**Evan Thomas** • 5 years ago

Ms. Bulkan needs to write these letters to the Norwegian press so that the Norwegian people would be aware of skunduggery their government is involved in and punish them at election time. Writing to Guyanese papers alone not do.

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**COLIN2NICE** > Evan Thomas • 5 years ago

Evan Thomas, the Norwegian READS SN!

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**VijaySingh** • 5 years ago

Money talks and panhandling is the govt.'s main thrust to garner money. Who cares about policies and establishe procedures.

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neilsen · 5 years ago

Are the Opposition Parties deaf to these issues?

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Brandon Samaroo > neilsen · 5 years ago

ministere lying through his teeth, bare faced lying

· Share >



Sunita from Couva > neilsen · 5 years ago

Janette's is the kind of intellect and analysis of which the PPP is neither appreciative or capable. Thanks Jan

5 · Share >



Mindintuit > neilsen · 5 years ago

Erik Solheim's stadium analogy to explain percentage deforestation in Guyana was, in my mind, the discour someone enamored by the present President and this government.

This guy and his entourage are totally ingenuous and will never be able to fathom the backdoor dealings of which the pradoites are capable. Solheim is just a gullible child in this game and will soon discover what a nightmarish deal he signed.

I cannot help but restate that every one needs to take a read of 'Economic Gangsters'-

[see more](#)

2 · Share >



Sloppy..... > neilsen · 5 years ago

There are 2 forces: the Up-POOH-Si-Shun and Free-for-Dumb boys. They dumb doys do and say nothing, th Poohs on the otherside, shun everything.

Many have said before that the PNC is good for the PPP. Actually, PNC merged with PPP gives you PPP/C, v the N being Nationally non-existent.

1 · Share >



mark jacobs > neilsen · 5 years ago

going once going twice

Guyana!

sold to the highest bidder

thank you ladies and gentlemen

5 · Share >



dougla > neilsen · 5 years ago

There is no real issues.

2 · Share >





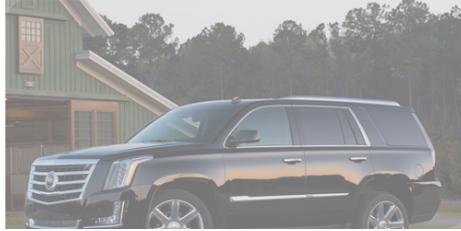


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