



INTERNATIONAL CONSULTANT CAPITAL (ICC)

LIBERIA'S SUSTAINABLE LOGGER

14st. Bitar Compound
Sinkor
Monrovia, Liberia

Tel: +231-886410260/231-886544852

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contact@globalwitness.org

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International Consultant Capital

The following are the responses you requested from International Consultant Capital ("ICC") in your December 21, 2016 email. The bullet points in the responses track those of your email. Professionalism and integrity require Global Witness to include our full and unedited responses in any report it may prepare.

- In Article VI of ICC's 2007 articles of incorporation, Willie Mulbah is the sole subscriber to purchase all of the 100 no par value shares the company was authorized to issue. Therefore, your information is clearly incorrect that according to the company's articles of incorporation, Representative Tyler is a part owner of ICC. Therefore, there was no violation by ICC.
- There was no violation by ICC because once again, your information is incorrect and is without any factual basis that Representative Moses Kollie is a part owner of six percent (6%) of the shares of ICC.
- Since neither Representative Tyler nor Kollie were legal or beneficial owners of ICC's shares, ICC did not violate any of the reporting requirements in 2015 by failing to identify Representatives Tyler and Kollie as shareholders.
- We confirm that the company's articles of incorporation were amended by Willie Mulbah in 2009 when he transferred 92.5% of his original 100% ownership in ICC to Liberia Wood Industry. Because this represented a material change in the company's ownership, ICC was required to and did fully comply with FDA's pre-qualification process and procedure by submitting a copy of the company's amended articles of incorporation which reflected the change in ownership. Those changes were reviewed by the respective authorities at that time and approved.
- ICC Inc. has submitted a second 5 year strategic forest management plan to the FDA in 2016 as required by the regulations. Moreover, ICC Inc. has also submitted annual operating plans as required by regulations with the required detailed harvesting plans on a block by block basis. Our operations adhere to the sustainability criteria embedded in the chain of custody process.



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- In the last quarter of 2016, we completed the renewal of our social contracts with all the communities for the second 5-year period. As part of this renewal process, performance under the previous contracts were reviewed with the CFDC authorities

and the communities. Whereas we clearly had delays in the implementation process, we completed all projects at the end of the period including roads, pumps for drinking water and the provision of basic medications. We completed 49.05km of road construction. As part of the renewal process, we have agreed specific projects and targets with the CFDC authorities and the villagers for the next 5 years. This process was time consuming and resource intensive but took place in an atmosphere of collaboration. We do not provide employee housing except in the bush camp for the workers. Those camps are built in collaboration with the workers and meet the customary standards. The camps are moved regularly as the bush operations progress.

- Per our records, we had an outstanding bid premium amount \$6.015 million and an outstanding land fee amount of \$0.892 million in May of 2016, or, as you suggest of roughly \$7million. In the period June to September, we made payments of roughly \$850'000. According to the LEITI report, ICC Inc. is today one of the largest tax payers in Liberia. In the logging season 2015/16 we paid \$4'985'444.—dollars taxes to the Liberian government. In the current season 2016/17, we expect to reduce the outstanding balance from the \$ 7 million to \$ 2million while we also pay the regular timber, corporate and social taxes. The Liberian government agreed to extend the payment period for bid premiums and land fees as compensation/reparation for the financial losses the timber industry suffered because of the Liberian Government's non-compliance with the terms of the concession agreement. Per the concession agreements, the government of Liberia is responsible for roads, bridges, ports and the general infrastructure including power. The government was not able to live up to those commitments due to a lack of resources. We are in a situation today, for example, where we have imported saw mills to process timber but cannot export the processed products because no container facilities are available for timber exports. The list of challenges is long. The Liberian government and ICC Inc. as a member of the Liberian timber industry are collaborating to overcome those hurdles. With the extension of the payment terms, ICC Inc. could continue to invest and scale the operations. Your letter suggests the amount of outstanding taxes is the result of some sinister arrangement. This is not the case. The government of Liberia and ICC Inc. as a member of the Liberian timber industry are collaborating to develop the industry to a position of financial and environmental sustainability to enable a positive socio economic impact for the country.

Your reporting seems to evidence little respect for the facts on the ground and seems driven by a desire to undermine the legitimacy of the Liberian timber industry. That is



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most regrettable. We would like to invite you to review and share your documentary evidence prior to any publication and to engage the industry in a proper dialogue for you to understand the facts on the ground beyond check lists.