

MUTUALLY AGREED TERMS

(MAT)

FOR THE COMMERCIALIZATION OF GENETIC MATERIAL OF ROOTS OF
THE PLANT *Echinops giganteus*

Ref No: _____

00000027

BETWEEN

V. MANE FILS S.A.

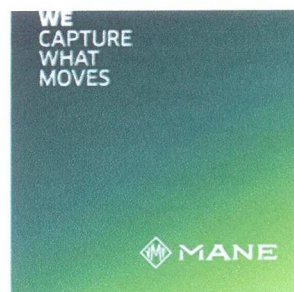
AND

THE LOCAL COMMUNITY OF MAGHA-BAMUMBU

AND

THE MINISTRY OF ENVIRONMENT, PROTECTION OF NATURE AND
SUSTAINABLE DEVELOPMENT

Local Community
of Magha - Bamumbu



MUTUALLY AGREED TERMS

(MAT)

**FOR THE COMMERCIALIZATION OF GENETIC MATERIAL OF ROOTS OF
THE PLANT *Echinops giganteus***

BETWEEN

V. MANE FILS S.A.

REPRESENTED BY Mr. MANE MICHEL

AND

THE LOCAL COMMUNITY OF MAGHA-BAMUMBU

REPRESENTED BY H.M.the Fon of Bamumbu, LEKUNZE Nembo Andreas

AND

**THE MINISTRY OF ENVIRONMENT, PROTECTION OF NATURE
AND SUSTAINABLE DEVELOPMENT**

REPRESENTED BY H.E. Dr. NANA ABOUBAKAR DJALLOH

PREAMBLE

Reaffirming the sovereign rights of the Republic of Cameroon on its natural resources,

Considering the national legislation in the areas of flora and fauna and its relevant provisions on genetic resources, biotechnology safety, scientific research and phytosanitary protection,

Acknowledging the rights of use and / or customary law of the indigenous peoples and local communities in relation to the use of biological resources and their associated traditional knowledge, in conformity with the laws and regulations in force,

Taking into account the prior consultation of the indigenous peoples and local communities concerned, realized by the signature of a PRE-PIC proposal on January 19th2013,

Considering that the fair and equitable sharing of benefits arising from the utilization of genetic resources is the third objective of the Convention of Biological Diversity which has been signed and ratified by Cameroon,

Recognizing the signature of decree No. 2014/262 of 22 July 2014 for the adhesion to the Nagoya Protocol on access and the sharing of benefits arising from the utilization of genetic resources,

In view of the Memorandum of Understanding of May 23rd 2014 signed by the Ministry of the Environment, Protection of Nature and Sustainable Development (MINEPDED) and the company V. MANE FILS S.A. relating to the utilization of genetic material of the roots of the plant *Echinops giganteus* following the ABS procedures in Cameroon,

THE V. MANE FILS S.A.

Limited liability company with a board of directors and a supervisory board, under French law; with a capital of € 24,640,000, its registered office being located at 620, Route de Grasse 06620 Le Bar-sur-Loup, France, registered with the Trade and Companies Register Grasse under the number 415 550 284, **hereinafter referred to as the Company (user),**

And

THE LOCAL COMMUNITY OF MAGHA-BAMUMBU

Located in Wabane Subdivision, Lebalem Division, South-West Region of Cameroon, **hereinafter referred to as the Local Community,**

And

THE MINISTRY OF THE ENVIRONMENT, PROTECTION OF NATURE AND SUSTAINABLE DEVELOPMENT

Ministerial Building No. 2, P.O. Box 320, Yaoundé, **hereinafter referred to as MINEPDED,**

Have agreed as follows:

Chapter 1 : **GENERAL PROVISIONS**

Article 1 : Objectives of the Mutually Agreed Terms (MAT)

The purpose of this MAT is to set out the modalities for the sharing of benefits between the local community and the company **for the purposes of commercialization of genetic material of roots of the plant *Echinops giganteus*** in conformity with the Prior Informed Consent (PIC) to be granted by the Competent National Authority.

Article 2 : Collection site

The collection site is the village Magha – Bamumbu (long. 619,253.322 and lat. 628,316.053), located in Wabane Subdivision, Lebalem Division in the South-West Region of Cameroon.

Article 3 : Duration of the MAT

- (1) The present MAT are agreed upon for a duration of three (3) years, renewable by agreement of the parties on site or off site.

CHAPTER 2 :

OBLIGATIONS OF THE PARTIES

Article 4 : Joint obligations

- (1) Once the MAT is signed, the user and the local community shall annually make available a monitoring and evaluation report to the national ABS Committee for examination and validation;
- (2) In case of a breach of obligation by one of the parties, a crisis meeting is to be organized by the competent authority.

Article 5 : Obligations of the Company V. MANE FILS SA

The company is obliged to comply with the following measures:

- (1) With respect to the access for the purposes of commercialization
 - To obtain the Prior Informed Consent (PIC) of the MINEPDED for the commercialization phase prior to any export of the resource;
 - To submit to the Local Community, MINEPDED, the Ministry of Scientific Research and Innovation (hereinafter MINRESI) and the Ministry of Forests and Wildlife (hereinafter MINFOF) an annual summary report indicating the received quantity, collection and domestication techniques;
 - To access the roots of *Echinops giganteus* only through the representative of the Local Community of Magha-Bamumbu;
 - To obtain an export authorization from MINFOF for the annual quantities to be exported;

- To obtain a phytosanitary certificate before exportation.
- (2) With respect to the development of the final product for the purposes of commercialization,
- To comply with the terms of the research permit issued by MINRESI;
 - To make available to MINEPDED, with copy to MINRESI, information concerning potential partners who are involved;
 - To inform the Local Community and MINEPDED in writing and electronically of the costs and the revenue generated by the use and the commercialization of the products derived from the genetic material of *Echinops giganteus*.
- (3) With respect to the sharing of non-monetary benefits during the commercialization phase,
- To recognize Cameroon as the country and Magha Bamumbu as the area of origin in each publication made in connection with the use of this genetic resource;
 - To share with the Local Community, MINEPDED and MINRESI the results and best practices of farming and drying of roots in the form of a manual;
 - To build the capacity of the members of the local cooperative MoBECoS regarding the sustainable management of the plant;
 - To consider, if appropriate, contracting a national consultant to identify an operator of the local private sector who could help the Local Community to transform the resource into extracts responding to the specifications established by the Company;
 - To strengthen the institutional and operational capacities linked to technology transfer;
 - Explore possibilities through the Mane foundation to develop / accompany community-based development projects in the village Magha-Bamumbu;
 - Explore possibilities through the Mane foundation to provide scholarships to Cameroonian students, in particular to students coming from the local community where the plants are exploited (BAMUMBU) to encourage the students, above all the girls attending secondary school and university, to take an interest in environmental studies.
- (4) With respect to the sharing of monetary benefits during the commercialization phase,
- To guarantee the purchase of the dried roots at the price of 2700 FCFA per kilo, to be paid by bank transfer according to the amounts specified in article 6 and onto the accounts specified in annex 1;
 - To define jointly with the Local Community at the beginning of each year the quantity of the dried roots requested;
 - To pay 25% of the benefits before taxes associated with the selling of products arising from the utilization of genetic material of the plant *Echinops giganteus* by bank transfer to the account of the Local Community specified in annex 1;
 - To ensure transparency in the sharing of monetary and non monetary benefits resulting from the commercialization of the genetic resource.

(5) With respect to intellectual property rights,

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- Not to hold any rights to intellectual property on the genetic material of *Echinops giganteus*;
 - To only sell products deriving from the roots of *Echinops giganteus* as agreed with the Local Community. Any other new product must be negotiated in a new agreement with the Local Community according to the laws and regulations in force in Cameroon.
- (6) With respect to the conservation of the resource and local culture,
- To ensure a rational and sustainable management of the site as well as the conservation of the environment;
 - To conduct an environmental and social impact assessment of the activities of the exploitation of *Echinops giganteus* in conformity with the laws and regulations in force in Cameroon.

Article 6 : Obligations of the Local Community and its Cooperative MoBECoS

- To grant exclusive rights of the exploitation of genetic material of the roots of *Echinops giganteus* to the company V MANE FILS S.A. for the duration of this MAT;
- To provide, over the specified time period, the annual quantity mutually agreed upon with the user, and to notify the MINEPDED;
- To inform the Company in advance, of any request for modification concerning the quantity demanded by the company;
- To collect the amount of dried roots of *Echinops giganteus* between mid-February and mid-March of each year;
- To comply with the specifications pertaining to harvesting, drying and packaging of the roots of *Echinops giganteus* prior to their delivery to the exporter;
- To ensure the maintenance of drying stations for the roots of *Echinops* and to construct others following the same model according to the supply forecasts communicated by the Company;
- To ensure transparency in the management of benefits resulting from the exploitation of the material and the different transactions and associated procedures;
- To produce a detailed report on the positive and / or negative impacts of the *Echinops giganteus* project to the attention of the Company and MINEPDED, including a description of the undertaken activities aiming at community projects and funded through the payments of the Company linked to the exploitation of *Echinops giganteus*;
- To proceed to the distribution of revenues arising from the access and commercialization of the *Echinops* roots in accordance with the fee schedule hereafter:
 1. 1600 FCFA of the price of dried *Echinops* roots for the collector by bank transfer to the account of the "Mount Bamboutos Echinops Co-operative Society" (MoBECoS) of Bamumbu as specified in annex 1;

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2. 500 FCFA of the price of dried *Echinops* roots for the Local Community of Bamumbu through the chiefdom of Magha-Bamumbu by bank transfer to the account of the Local Community as specified in annex 1;
3. 300 FCFA of the price of dried *Echinops* roots for the cooperative "Mount Bamboutos Echinops Co-operative Society" (MoBECoS) of Bamumbu by bank transfer to the account of the cooperative as specified in annex 1;
4. 300 FCFA of the price of dried *Echinops* roots for the community of Wabane by bank transfer to the account of the Wabane Council as specified in annex 1.

CHAPTER 3 :

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Article 7: Entry into force

- (1) The present MAT shall take effect upon the signature by the authorized representatives;
- (2) Paragraph (1) above shall be effective only after signature by the Competent National Authority of the Prior Inform Consent.

Article 8: Amendment

The present MAT may only be modified, amended or completed after a consultative procedure as was adopted in the negotiation of the present document.

Article 9 : Dispute resolution

- (1) With respect to any dispute that may arise in the implementation of the present MAT, the Parties shall endeavor to negotiate an amicable settlement.
- (2) If at the end of a period of one hundred twenty (120) days, a solution has not been found, the dispute shall be resolved by a competent Cameroonian court within territorial jurisdiction.



Article 10: Termination

The present MAT shall be terminated under the following circumstances:

- (1) When the contract comes to expiration as stipulated in article 3 (1) here above;
- (2) By mutual agreement of all the Parties;
- (3) Any other cause for termination before expiration shall be subject to judicial decision in conformity with article 9 (2) here above.

02 AVR 2015

Yaoundé,

For V. Mane Fils S.A.
The General Director of
V. Mane Fils



MANE Michel

For the Local Community
His Majesty the Fon of
Bamumbu



H.M. LEKUNZE Nembo
Andreas

His Excellency, the Minister Delegate, Ministry of Environment,
Protection of Nature and Sustainable Development



H. E. Dr. NANA ABOLBAKAR DJALLOH