

What options are there for landowner groups?

There are two main formal legal options for communities who want to become organised - a Charitable Trust, and a Community Company. A less formal and non-legal option is a Community Association.

A Charitable Trust is an association registered under the Charitable Trusts Act. An 'association' means a group of people. A 'trust' means holding property for the benefit of another person or group. You can register an association under the Charitable Trusts Act for religious, educational, literary, scientific, social or charitable purposes. A Charitable Trust is a popular choice for landowner groups who want to become organised to promote conservation on their land. This fact sheet tells you how to form an association under the Charitable Trusts Act.

A Community Company is formed under the Companies Act. It is a separate legal entity in which there are directors and shareholders. Its purpose is to promote the community interest. You should get legal advice if you are thinking about forming a community company. One of its main duty is to promote economic/financial interest of the company. It is therefore money driven.

A Community Association is where a group of people join together for a particular purpose, ranging from social to business, and is usually intended to be a continuing organisation. It is not formally registered under the law, but you could have a constitution or rules and membership requirements, or it could just be a group of people joined together without any formal structure.





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What can a registered association do?

Creating a charitable trust association means that your community has a single legal body which can represent all the members of the association. The association can:

- Open a bank account to hold and spend money including money received from groups funding conservation work;
- Employ people including rangers to protect and monitor the land, or staff to work in eco-tourism;
- Apply for funding from donors; and
- Marchase things, including equipment, outboard motors or building supplies.

How to use a registered association for nature conservation?

An association can be a way of encouraging members to meet to discuss nature conservation. Generally members who sign up will agree with the objectives of an association, including any objectives for the conservation of the land.

However, an association will not legally prevent Landowners from doing certain activities on their land. For example, an association will not legally prevent Landowners from consenting to logging or mining activities. This can be important if an association has members from many different landowning tribes. It can also be an important issue over time as opinions on conservation may change, or the people who make the decisions may change.

Communities that wish to legally protect land from logging or mining, or to protect certain species on their land, may want to enter into a more formal conservation arrangement. Examples of three conservation arrangements are:

A community conservation agreement that is signed by Landowning groups. This is a simple agreement between Landowners in which Landowners agree to do, or not to do, certain activities on their land. For example, landowners may agree not to consent to logging or mining. This type of arrangement is easy to create but can be difficult to enforce. It can only be enforced against the landowners and not against other groups such as logging or mining companies. Donors can sometimes require a community conservation agreement before funding a conservation area;

A protected area created under the Protected Areas Act. This is an official arrangement that stops certain environmentally damaging activities on the land such as large scale logging and mining. It can also prohibit other things such as hunting and agriculture if the Landowners want it to. A protected area takes some time to create, but once created it is easy to enforce and can provide long lasting protection. For more information on creating a protected area under the Protected Areas Act please see LALSU's separate factsheet on this topic; and

A conservation area that is created under a provincial ordinance. This option is available in some provinces including Isabel, Choiseul and Western Province. The procedures are different in different provinces. Whether this option is available depends on whether your province has formulated an ordinance relating to this matter. For more information about using a provincial ordinance please contact LALSU.



Community based organisation process

If your community wants to set up an association and register it under the Charitable Trusts Act, here are the basic steps to follow.

Step 1- Hold a meeting to agree to incorporate an Association. You should hold a meeting with community representatives, chiefs, and any other person who represents the interests of the Landowners and Land users in your community. At the meeting, you should talk about why you want to form an association, and agree to form an association.

Step 2 - Nominate trustees. At the meeting to form an association, the group should nominate trustees to be in charge of the trust. This is called a 'board of trustees'. There should be between 3 and 5 trustees.

Step 3 - Draft a Constitution. The group should then draft a constitution for the association. A constitution is a document that describes the objectives and functions of the association. It should state clearly rules that the association must follow.

LALSU has prepared a model constitution which communities can use to make this step easier. Please contact LALSU to request a copy. You should read through these 'model' rules to make sure that they will work well for your community. The model rules do not set out the objectives of the association. Your community will need to decide what these should be.

Step 1- Hold a meeting with the community and decide whether the community wants to form an organisation

Step 2 - Nominate between 3 to 5 trustees

Step 3 - Draft a Constitution that sets out your objectives and the rules to govern your community based organisation

Step 4 - Send the draft Constitution to the Registrar of Companies to check

Step 5 - Complete a registration form

Step 6 - Hold a meeting to discuss the draft Constitution, make final changes and for trustees to sign

Step 7 - Take the completed registration form and signed constituion to the Registrar of Companies

Constitution contents

- The name of the association and its registered address;
- The aims and objectives of the association, for example, what do you want the association to be able to do? What is the purpose of the association?
- Rules for membershi such as who can join the association? How do they join? Is there a fee?;
- Rules for managing funds and accounts, for example, how is money managed and accounted for? What can the association spend its money on? Who makes those decisions?;
- Rules for the executive members of the association, for instance, how many executive members will there be? What are the duties of the Chairperson, Secretary, Treasurer, and other executive members?;
- The structure of the association, for example, will there be different groups responsible for different activities?;
- Rules for voting and making decisions, such as, how are Annual General meetings called? Will there be extraordinary meetings held for specific decisions? How do people vote?;
- Rules for the appointment of trustees and management of the trust fund;
- Rules for amending the constitution;
- Rules about how to solve any problems that might come up;
- Rules for dissolving the association, for instance, how can members decide to end the association?.

Step 4 - Registrar of Companies to check draft constitution.

Once the constitution is drafted, you should take the draft constitution to the Registrar of Companies' office in Honiara for checking.

Step 5 - Complete registration form

Collect a registration form from the Registrar of Companies' office. Fill in the form, including:

- The date the meeting was held to set up the association;
- What form of voting/nomination was done in the meeting, for example, showing of hands?;
- Summary of the objective or aims of the association (in the constitution);
- List the name of trustees (more than 3 and less that 5)
- Show the common seal by drawing it, or if the common seal is ready by then, stamp against the space allocated.

Step 6 - Finalise the constitution

Make any minor changes to the constitution and put it in its final form for registration. It should then be signed by the trustees. All trustees must also initial at the bottom of every page.

Step 7 - Register Association with Registrar of Companies

Go to the Companies' Office in Honiara with the completed registration form and constitution and lodge it with that office to be registered by the Registrar of Companies.



For further information or advice, please contact:

Ministry of Environment, Climate Change, Disaster Management and Meteorology

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