

Liberian timber trade fuels regional insecurity

There is overwhelming evidence that the Liberian backed RUF [Revolutionary United Front] are still operational, nurtured by Taylor and his primary funders – Liberia's logging companies and shipping register. While the logging industry poses a threat to the future of the Liberian forests, both pose a critical risk to national and regional security.

Global Witness in *Taylor Made: the pivotal role of Liberia's forests and Flag of Convenience in regional conflict*, Global Witness, September 2001

"Liberia's continued access to illegal arms and mercenaries is due to the availability of funds and logistics provided by the Liberian timber industry. The omission of timber sanctions in Resolution 1343 (2001) adopted by the UN Security Council, 7 March 2001 and Resolution 1408 (2002) adopted by the UN Security Council, 6 May 2002, has allowed Liberia to maintain regular imports of arms and cash to pay both its domestic security forces and the mercenaries recruited for Côte d'Ivoire and Sierra Leone."

Global Witness in *The Usual Suspects: Liberia's Weapons and Mercenaries in Côte d'Ivoire and Sierra Leone*, Global Witness, March 2003

Throughout the world, ancient forests are in crisis. Some 80% of the world's original ancient forest cover is already gone; illegal and destructive logging now poses the single greatest threat to what remains. The uncontrolled international trade in ancient forest products fuels this destruction. As part of its campaign to protect what is left of the world's ancient forests, Greenpeace is carrying out investigations into companies involved in illegal, destructive and abusive activities and is calling on consumers, trading partners and governments around the world to stop their role in driving this unscrupulous industry.



Liberia's threatened forests are the last stronghold of the forest elephant in West Africa



October 2001, Sète, France - DLH logs from Liberia

Liberian logging: destroying forests and funding war

Logging is a lucrative business in poverty-stricken Liberia and has long been one of the prime sources of government revenue. Indeed, while Liberia's estimated Gross Domestic Product (GDP) in 2000 was only around US\$450 million, well over US\$ 100 million of this was raised by the forestry sector.² The relative role of Liberia's timber industry as a contributor to its export revenue increased further in 2002 with import the declarations of 37 reporting countries rising to US\$152 million.³ Of this, the European Union imported

"We have the right to use the funds from our natural resources to protect our sovereignty in the case of civil war," [Vaani Paasewe, spokesman for Liberian President Charles Taylor]. "april 2003"¹

almost half, at US\$72.6 million.⁴ Indeed, following a United Nations (UN) ban on all diamond exports from Liberia in March 2001, logging has become the single largest source of export earnings for the Liberian government.⁵ But at what cost?

Recent reports by a Panel of Experts to the UN Security Council (UNSC) reveal that the Liberian timber industry is involved in both environmental destruction and human rights abuses. These crimes include driving the destruction of Liberia's remaining forests and facilitating illegal arms trafficking to Revolutionary United Front (RUF) rebels in Sierra Leone⁶ and other rebel groups in Côte d'Ivoire.⁷ Since the UNSC diamond trading sanctions were introduced the timber industry has become the main underlying financial driver funding weapons trafficking, state fraud and paramilitary activities.⁸



Summer 2001, Italy - DLH imports of OTC logs

Liberia's ancient forests

After years of over-harvesting throughout Western Africa, Liberia's forest now represents almost half of what remains of the Upper Guinean Forest Ecosystem, a rainforest belt which once covered the whole of Liberia, plus parts of Sierra Leone, Guinea, Ivory Coast, Ghana and Togo. It has been identified as one of 25 threatened biodiversity 'hotspots' globally, and supports many species that are found nowhere else⁹.

This forest is home to some 9,000 species of plants and more than 1,300 species of vertebrate animals. It supports the only remaining viable populations of the pygmy hippopotamus (*Hexaprotodon liberiensis*) and represents the last stronghold of the forest elephant (*Loxodonta africana cyclotis*) in West Africa.¹⁰

Liberia's forest is also the lifeline of the country's indigenous communities. The forest provides shelter for their physical, cultural and religious life, including hosting shrines, traditional bush schools and cover for streams. It is also a vital source of foods, medicinal herbs and other materials. But despite its high level of biodiversity and its critical value to local communities, little of this forest has been protected, with Sapo National Park remaining the only forest area protected from industrial activities such as logging in Liberia.

"Liberia's forests are of tremendous biological value, harbouring many endemic species and many more that are nearly extinct outside the country. For example, nearly all the remaining viable populations of the Pygmy hippopotamus are found in Liberia.

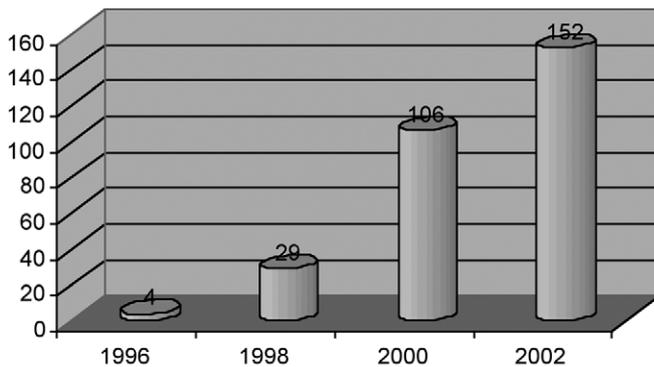
Fauna and Flora International, Restarting Nature Conservation in Liberia, April 2000

The threat of logging

Industrial logging has already destroyed much of the accessible lowland and coastal regions of West Africa's tropical forests. It is estimated that almost 90% of these forests have already been destroyed and what remains is heavily fragmented.¹² By now the future of Liberia's remaining forest in particular is already in serious doubt. The European Commission's Joint Research Centre (ECJRC) reported high levels of deforestation in Liberia's remaining lowland rainforests as early as 1998, with intensive industrial logging named as the primary cause of forest loss.¹³ In the following years, just one company – the Oriental Timber Company (OTC) – was granted logging rights to one third (1.6 million hectares) of Liberia's remaining 4.8 million hectares of forest. That's an area many times greater than Liberia's only National Park, Sapo. According to the Liberian Forest Development Authority (FDA), a total of three million hectares of the forest (around 63%) have already been allocated to logging.¹⁴

More than 2.5 million Liberians and future generations of Liberians, as well as the entire West African region will be hurt by the depletion of our forest resulting in drought and desertification.

Open letter to the United Nations Security Council (UNSC) from Movement for Democratic Change (MDC), Liberia, 15 January 2002¹¹

Liberian Timber Exports 1996-2002 (US\$ Millions)

Source: World Trade Atlas (April 2003)

[President] Charles Taylor is engineering the environmental destruction of the last significant forest in that region in West Africa and that is the clear-cutting of the Liberian Forest, which is unconscionable.

Africa Subcommittee Chairperson Ed Royce (Republican of California), US House of Representatives Africa Subcommittee hearing, Washington, DC, 11 March 2003¹⁵

Recent figures reveal the Liberian timber trade has expanded dramatically over the last six years. The income generated by timber exports has risen from US\$4 million to at least US\$152 million a year between 1996 and 2002.¹⁶ This rapid expansion has resulted in an environmentally and socially destructive industry that is essentially unregulated.

The implications of an unregulated industry operating at this level of forest exploitation are severe, with the potential for wiping out vital ancient forest habitats and endangered species that depend upon them; for displacing communities, leading to cultural erosion; and for leading to long-term consequences of deforestation including floods, droughts and changes in regional and global climate. Moreover, the very nature of this uncontrolled industry opens it up to providing both financial and logistical support to the illegal arms trade, preventing vital revenue from reaching ordinary Liberians and fuelling social conflict in Liberia's neighbouring countries.

Key players in the scandal:**Liberian timber barons and the international markets**

In December 2000, a report submitted by a Panel of Experts to the UN Security Council (UNSC) named Liberia's timber industry as one of several regional players involved in illegally supplying arms to Revolutionary United Front (RUF) rebels fighting government forces and UN peacekeepers in the war-torn neighbouring country of Sierra Leone. The supply of arms to the RUF and more recently also to rebels in Côte d'Ivoire through to 2003, was in clear violation of existing UN sanctions banning the transfer of weapons into Liberia and from Liberia to combatants in the region.¹⁷

The report also revealed that the Liberian timber industry specifically was involved in a series of illicit activities including the acquisition of weapons, and noted that logging roads were also used to move weapons from Liberia to Sierra Leone. It therefore recommended a temporary embargo on Liberian timber exports "until Liberia could convincingly demonstrate that it was no longer involved in the trafficking of arms to, or diamonds from, Sierra Leone".¹⁸ But in early 2001, China and France – together responsible for two-thirds of Liberia's timber exports – objected, and the timber clauses were subsequently dropped from the final report.¹⁹

Many timber traders charged with importing this 'conflict timber'²⁰ have used the absence of accepted sanctions as good reason to believe that the Liberian timber trade is perfectly legitimate. However, further compelling evidence released by both the UNSC and the UK-based environmental and human rights organisation, Global Witness, has clearly demonstrated the continued involvement of Liberia's President Charles Taylor and the Liberian timber industry in the illegal trade in arms.²¹ This involvement has even been admitted recently by Vaani Paasewe, spokesman for Liberian President Charles Taylor.²²

The investigations carried out by Global Witness which are detailed in their recent report "The Usual Suspects" have revealed that:

- taxes from the logging industry have been used by Taylor to maintain brutal paramilitary units involved in human rights abuses
- the Liberian government is hiding large sums of embezzled money in Swiss bank accounts, amounting to at least US\$3.8 billion
- the Oriental Timber Company (OTC) and its importer to China, Global Star (Asia) Trading, have been directly linked to the large mainland timber processor, Global Timber Corporation, which has very close ties to the Chinese government
- Taylor tried to acquire several thousand AK-47 assault rifles and an unknown quantity of rocket-propelled grenades from Libya in May 2001
- illegal weapons trading, financed by logging, and contravening UNSC sanctions have continued into 2003, as recently admitted by Vaani Paasewe, spokesman for Liberian President Charles Taylor²³
- logging companies have been recruiting and arming ex-combatants, often from Taylor's now defunct National Patriotic Front, to build up private militias.



Van Kouwenhoven who runs OTC (also operating as 'natura', 'evergreen trading cooperation') and RTC.

[Gus] Kouwenhoven is responsible for the logistical aspects of many of the arms deals. Through his interests in a ... timber project in Liberia [OTC], he organises the transfer of weaponry from Monrovia into Sierra Leone. Roads built and maintained for timber extraction are also conveniently used for weapons movement within Liberia, and for the onward shipment of weapons to Sierra Leone.

Report of the Panel of Experts to the United Nations Security Council (UNSC), December 2000

Liberia's timber barons

Liberia's timber industry is largely dominated by a small number of companies known to employ indiscriminate logging practices, which show no regard for their environmental or social impact. Both the UNSC and Global Witness reports have revealed strong evidence that several of the twenty-five companies producing timber in Liberia are guilty of causing environmental damage, abusing human rights, running private militia or trafficking illegal arms to RUF rebels in Sierra Leone.

The largest of these – OTC (also doing business as “Natura” or “Evergreen Trading Corporation”)– is also the most notorious. Other companies implicated in one or more of these scandals include the Royal Timber Corporation (RTC), Mohammed Group of Companies (MGC), the Inland Logging Company (ILC) and the United Logging Company (ULC)²⁴. In addition, the UNSC 2000 report named three companies – Exotic and Tropical Timber Enterprise (ETTE), Forum Liberia and OTC – as “providing a large amount of unrecorded extra budgetary income to President Taylor for unspecified purposes”.²⁵



Autumn 2001, La Rochelle, France - MGC logs

Table 1: Some key players in Liberia's timber scandals

The logging company	Description
Oriental Timber Company (OTC)	Run by Dutch national Gus Kouwenhoven – a close associate of President Charles Taylor – OTC is by far the largest, and most notorious, logging company operating in Liberia. ²⁶ Kouwenhoven has been described as “responsible for the logistical aspects of many of the arms deals [with the RUF, Sierra Leone]”.
Royal Timber Corporation (RTC)	Gus Kouwenhoven also runs RTC, the second largest timber operation in Liberia. RTC is believed to have vastly under-reported its timber production over the last two years in conjunction with its closely associated company OTC. ²⁷ RTC began logging in an extension of Liberia's only national park, Sapo, in November 2002. ²⁸
Mohammed Group of Companies (MGC)	Mohammed Salamé, Liberian ambassador-at-large based in the Ivory Coast, has been involved in aiding sanctions-busting arms transfers to Liberia. He owns two additional companies, Salami Molowi Inc (SMI) and Bureaux Ivorian Ngorian (BIN).
Maryland Wood Processing Industries (MWPI)	Abbas Fawaz, President and chief shareholder of MWPI, is closely associated with President Charles Taylor. MPWI also operates Harper Port, through which illegal weapons enter Liberia. For example, in December 2002, several loads of weapons and ammunition were imported on board a Liberian coast guard vessel under the pretence of bringing in food supplies. Weapons are being transported through Harper Port with increasing regularity, with MPWI managing the port logistics, while OTC arranges the actual weapons deals. ²⁹
Inland Logging Company (ILC)	Maurice and Oscar Cooper, both long-term associates of President Taylor, manage ILC. The company reports that it exported around 20,000m ³ of logs in 2000; indications are that this figure was nearer 50,000m ³ . The destination of the missing revenue remains unclear. In addition, ILC is known to have a private militia which harasses and intimidates local communities in Sinoe county.

Given that OTC control approximately 43% of Liberia's forests, this one company will be responsible for the commercial extinction of just under half of this valuable resource. As the record of several of the other big loggers is little better... the future is bleak.

Global Witness in Taylor Made: The pivotal role of Liberia's forests and Flag of Convenience in regional conflict, September 2001



The OTC logo

Sources: UNSC (2000); UNSC (2001); Global Witness (2001); Global Witness (2002); Global Witness (2003)³⁰

Gus Kouwenhoven's Oriental Timber Company

By far the largest and most notorious logging company in Liberia, Gus Kouwenhoven's OTC is characterised by corruption, illegality and total disregard for the environmental or social impact of its operations.

The company is believed to have paid President Taylor between US\$3 million and \$5 million for its massive concession – the largest in Liberia's history. Although the concession is not legally valid and has never been ratified by the Liberian congress, OTC opens up between 5,000 and 10,000 hectares of undisturbed forest every month³¹. Each year, hundreds of thousands of cubic metres of Liberia's forest is exported as OTC (or "Natura" or "Evergreen Trading Corporation") logs to consumer countries such as China and all EU countries, especially Italy and France.

OTC also violates national and international labour laws, particularly regarding worker safety. In addition, it has shown a total disregard for the rights and customs of local people. Local government officials and Liberian Forest Development Authority representatives inspecting the company's interests have been met with police intimidation and arrest. The private militia the company operates to protect its holdings are armed with AK-47 assault rifles.

Gus Kouwenhoven has been described by the UNSC as "responsible for the logistical aspects of many of the arms deals [with the Revolutionary United Front in Sierra Leone]".³² He also runs the Royal Timber Corporation (RTC) in the Northwest of the country, strategically located on the border with Sierra Leone. In March 2001, the UN imposed sanctions on Liberia for its role in blocking the Sierra Leone peace process. The measures imposed included restricting the travel of certain individuals, of whom Kouwenhoven was one.

In addition to his key role in Liberia's timber trade and arms smuggling, Kouwenhoven has also been named as a key actor in the country's illicit diamond trade.³³ Moreover, joint European military intelligence has found evidence that this trade has been used to hide substantial terrorist assets in diamonds in an elaborate plot that began in 1998. Investigators from several countries concluded that President Charles Taylor received a US \$1 million payment for arranging to harbour terrorist operatives (with alleged links to al Qaeda), who were in the region for at least two months after the Sept. 11, 2001, attacks on New York and the Pentagon. The terrorists moved between a protected area in Liberia and the presidential compound in neighbouring Burkina Faso.³⁴

OTC and Sister Company RTC threaten SAPO National Park

Despite the high ecological value of the Liberian forests, the logging operations carried out in it do not respect even the only fully protected forest area in Liberia, the Sapo National Park (SNP).

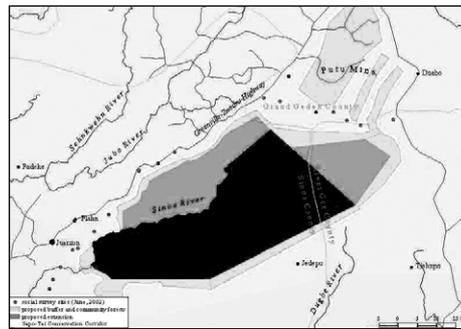
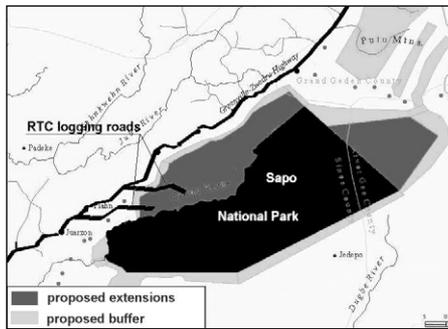
SNP is located in the Southwest of Liberia, surrounded mostly by concessions of Liberia's biggest logging company Oriental Timber Company (OTC). In a Memorandum of Understanding (MoU) between the Government of Liberia (GoL) and Conservation International in January 2002, the Government made a big public relations show about setting aside 30% of Liberia's forests for protection, including extensions of Sapo National Park to be implemented by Liberian law by July 2002. A logging moratorium in all areas proposed for protection was also agreed.



Summer 2001, Ravenna, Italy - ILC logs for IHC; Interholco is the Swiss subsidiary of the Germany Danzer group. Interholco is the exclusive trade agent of ILC.



January 2002, Sète, France - RTC timber



The reality, however, was very different: in the beginning of December 2002, a Liberian newspaper “The Inquirer” reported that two new logging roads had been built into the proposed extension of SNP by “an unnamed company”³⁵. Though this area lies within one of the concessions of OTC, it later turned out, that the roads were constructed by its sister company Royal Timber Company (RTC).³⁶ However, the above-mentioned MoU, just signed, includes the promise of a moratorium for this area. Furthermore, according to Section 17.11 of the New National Forestry Law of Liberia of 2000, “*It shall be an offence for the Authority [FDA] to award a permit or rights to any person or persons for forest lands falling within high forest areas which are planned for National Parks or Parks, Nature Reserves and other Protected Areas*”. The necessary legal components of this widely publicised MoU with Conservation International to conserve these extensions to SNP remain stalled on Charles Taylor’s desk, while the FDA pleads ignorance of the situation.³⁸ Although clearly the intent of the MoU was for conservation of these extensions to SNP and as Charles Taylor has not publicly indicated otherwise, these extensions remain planned and therefore in contravention of section 17.11 above.

In December 2002 at a workshop in Monrovia, Anthony Taplah, Deputy Managing Director for Forest Operations at the Forestry Development Authority of Liberia (FDA) was questioned about the illegal logging in the proposed park extension. Taplah simply stated that the FDA is not able to effectively control logging in Liberia because of lack of funding. Meanwhile, logging in the extension area continued into January 2003 when RTC stopped logging, but left all its equipment behind - as such being able to re-start at any moment. Subsequent to the seemingly temporary cessation of logging in the area, RTC trucks had been observed carrying logs to the port of Greenville, mainly for export to Europe.³⁹

Public outcry against RTC (and its controlling associated company, OTC) has been widespread in both the national and international press. Yet President Taylor continues to defend the company, and has responded to criticism by a process of removing people from office, and organising police intimidation and arrests.

The export market – driving the destruction

At least 70% of the wood produced in Liberia is destined for the export market.⁴¹ The key actors driving this destructive, corrupt and destabilising industry are countries and companies importing the timber.

Liberia's main log exports have traditionally been to Europe, but the market has shifted dramatically towards Asia as companies such as OTC have begun to tap into the rapidly growing Chinese market.

While sources on trade data vary considerably, recent investigations show that China is by far the largest importer of Liberian timber, consuming between 60% and 80% of all Liberian exports, with OTC being the main exporter. However, due to substantial amounts of unreported exports, exact figures are not available.⁴² The second biggest import market is the EU and Turkey, with France importing the biggest share of all EU countries (44%), followed by Italy (28%), Germany (8%) and Spain (6%)⁴³.

Despite a series of high profile international protests by Greenpeace between July 2000 and April 2003, which highlighted the illegal activities of OTC and other companies involved in Liberian timber exports, significant volumes of OTC and/or RTC logs continue to arrive into China, almost all EU countries and Turkey.

One of the most important buyers of OTC/RTC logs in Europe is the Danish multinational timber trader DLH Nordisk.⁴⁴ Listed on the Copenhagen Stock Exchange, DLH Nordisk has offices in 24 countries worldwide, making it one of the world's largest international timber traders. Its major markets are the US, France, China, UK, Belgium, Netherlands, Germany and Denmark with Europe accounting for more than two-thirds of all DLH sales.⁴⁵

Following investigations by Greenpeace and other NGOs, DLH was exposed, in July 2001, as a major buyer of logs from OTC and RTC.⁴⁶ As a consequence, DLH claimed it would suspend buying from OTC, making it clear that "they do not want to purchase wood from companies which violate human rights or have destructive logging practices as this would not be compatible with DLH's basic values". The company announced a full investigation and a reassessment of its position with regard to Liberia. In October 2001, a new UNSC report provided further evidence of OTC and Gus Kouwenhoven's role in arms trafficking. Independent investigations by Global Witness also revealed ongoing social conflicts in OTC's operations.⁴⁷

Yet despite the company's earlier commitment, and the evidence provided by the UNSC and Global Witness, Greenpeace investigations later discovered DLH's continued purchase of large quantities of logs from OTC and RTC in February 2002.⁴⁸

Subsequent Greenpeace investigations have revealed that while most logging companies clearly mark their logs with consistently identifiable logos, OTC and RTC (and associated companies, Natura and Evergreen) logs bought by DLH and other traders no longer carry a clear OTC marking. Rather, OTC and its associated companies have recently begun to mark their logs with a cryptic series of coloured dots which has the effect of obscuring their origin. Turkey, which is a major destination for Liberian timber ordered by Danish company DLH-Nordisk, imported US\$10.4 million of Liberian timber in 2002.⁴⁹

As of April 2003, DLH continues to refuse to make a clear and definitive statement that they will not purchase conflict timber from OTC or any other logging companies.



Nantes, France (March 2003), Greenpeace. Greenpeace investigations reveal that Liberian logs from the notorious Oriental Timber Company continue to be delivered to Europe with a cryptic series of coloured dots which has the effect of obscuring their origin. Most logging companies clearly mark their logs with consistently identifiable logos, while OTC and RTC (and associated companies, Natura and Evergreen) logs are bought by European traders without clear identifiable markings.*

"On the up side, production from Liberia continued at a steady increase, exporting logs destined mainly for French buyers."

Timber Trade Journal, January 2001⁴⁰

Box 1 - Wijma⁵⁰: Trading conflict timber from Liberia

In its company literature⁵¹, the Dutch logger and timber trader Gebroeders Wijma en Zonen BV (GWZ) – or Wijma - has made many claims about the environmental sustainability and social acceptability of its timber. However, Wijma has not only been involved in widespread illegal logging in Cameroon⁵², but it also buys from some of the most notorious logging companies in Africa.⁵³

Wijma and conflict timber: Liberia

Several Liberian timber companies that Wijma has purchased from, one (Inland Logging Company) as recently as March 2003, are known to be implicated in contravention of UNSC sanctions against providing financial assistance to rebel groups in the region.⁵⁴ Since Greenpeace first began exposing Wijma's involvement in illegal and conflict timber in November 2001, the company has made several statements about ending its purchases of Liberian timber in letters to Greenpeace.

Wijma statements about ending its purchases of Liberian timber:⁵⁵

- In November 2001, Wijma claims it does not buy from the notorious Liberian company OTC.
- In December 2001, Wijma claims it will stop buying from the company RTC, which is linked to OTC.
- In January 2002, Wijma agrees to stop buying from the Liberian companies LFCD, MGC and Forum.
- In April 2002, Wijma claims it stopped buying from OTC, RTC and SMI in the late summer of 2001.
- In July 2002, Wijma claims it has stopped buying azobé from Liberia.
- In September 2002, Wijma claims it stopped buying timber from Liberia earlier that year.
- In March 2003, Wijma claims there are no more wood transports from Liberia to Wijma.

Yet, despite these repeated claims, Greenpeace investigations have revealed that Wijma has received wood from Liberia⁵⁶ several times in 2002, and as late as March 2003. Among the logging companies Wijma bought from are both OTC and RTC. OTC is a known accomplice of the Liberian Government in the illegal importation of weapons into Liberia.⁵⁷ While RTC has recently logged in an area designated as an extension of Liberia's Sapu National Park.⁵⁸ Although most logging companies clearly mark their logs and sawn timber with consistently identifiable logos, OTC and RTC (and associated companies Natura and Evergreen) have recently begun to mark their logs with a series of coloured dots that has the effect of obscuring their origin.⁵⁹ The latest Liberian timber shipment for Wijma, arriving on the MV Liski in Nordenham, Germany, in March 2003, came from Inland Logging Company (ILC).⁶⁰ ILC's owner, Maurice Cooper, is currently under a UNSC travel ban, having been implicated in providing financial support to one of the brutal destabilising rebel groups (RUF).⁶¹ As with OTC and RTC, ILC has also committed human rights abuses through beatings carried out by their respective private company militias.⁶²

Apart from DLH, the main traders bringing Liberian logs into Europe are the Dutch logger and trader Wijma (see Box 1), the Swiss/German Danzer-Group (buying mainly from their partner company ILC, but also from OTC through its trade subsidiary IHC/Interholco – see Box 2), and the German traders Treemex and HBT Holzhandel. The German Feldmeyer-Group recently informed Greenpeace, that they also intend to resume business with OTC.

Any company buying Liberian sourced timber from any of these suppliers or directly from OTC (also operating as “Natura” or “Evergreen Trading Corporation”), RTC, MWPI, ILC (and other Liberian companies implicated in the environmental scandals and armed conflicts uncovered by organisations such as the UNSC and Global Witness) is contributing to the destruction of Liberia’s forests.

Box 2 - Danzer Group and Interholco: fuelling civil war and environmental destruction

The German Danzer Group (officially headquartered in Switzerland) is one of the largest producers and traders of hardwood veneers in the world. With more than half a billion Euros of revenue per year, Danzer claims: *“We are confident that a sustainable, environmentally and economically viable forestry program can be established in the tropical forests...”*⁶³

But Danzer’s commitment to the protection of forest biodiversity is most clearly revealed through their choice of timber trading partners. Danzer’s hardwood trading company, Interholco (IHC), is working in close partnership with some of the worst suppliers on the African continent.⁶⁴

In Liberia, several of the timber companies that Interholco has purchased from, are themselves involved in illegal arms trafficking.⁶⁵ Indeed, Interholco is a key actor and on-going importer of logs from Liberia through their partnership with Maurice and Oscar Cooper’s “Inland Logging Company” (ILC). The Coopers are long standing allies of Taylor, and his brutal National Patriotic Front for Liberia (NPFL) rebels supplying funds from the extraction of timber, according to a report from the UN Security Council Panel of Experts.⁶⁶ The same expert panel accused ILC of grossly understating exporting volumes, while human rights abuses by ILC’s private militia have been documented as late as 2003 by the non-governmental organisation Global Witness.⁶⁷

Interholco is ILCs exclusive agent for their log shipments⁶⁸ to Europe and China, with major destinations being France, Turkey, Italy and Germany.⁶⁹

However, Interholco does not rely exclusively on ILC, as Greenpeace investigations have documented shipments from a variety of Liberian suppliers, including two accused of being involved directly in illegal arms trafficking - OTC and MWPI.⁷⁰ The human rights abuses of OTC and MWPI’s private company militias have also been documented by Global Witness.⁷¹



February 2002 - Greenpeace takes action in the French port of Sète to block import of Liberian logs

Greenpeace call for action

Liberian logging companies have been implicated in illegal and destructive logging. In addition, their role as a threat to regional security and human rights has been exposed.⁷² There are compelling opportunities for governmental and industry action at the upcoming UNSC meeting, 6th May 2003 and the upcoming AFLEG/FLEGT meeting to be held later this year. Greenpeace is urging governments and the timber industry of all importing countries to immediately stop their role in the destruction of Liberian forests by committing to:

stop the destruction

- by stopping any further industrial activities in intact ancient forest until responsible plans for forest conservation and sustainable use have been agreed
- By immediately imposing a complete embargo on the export and transport of Liberian timber and its import into other countries, until the issues around security and unsustainable forestry are resolved
- By ensuring that Liberia's timber industry is run in compliance with the best international standards of sustainable forest management

clean up the timber trade

- by ensuring that timber is produced and traded in a legal and ecologically responsible way; by refusing to trade with companies known to be operating illegally or destructively; and by demanding that all wood and wood products entering national ports must come from legal and well-managed forest operations according to high social and ecological standards.
- by instructing the UN Secretary General to mandate any further Panel of Experts on Liberia to conduct detailed investigations into the role of the Liberian logging industry in fuelling national and regional destabilisation
- by ensuring the trade in conflict timber is prohibited under international law by adopting the communication from the Commission to the Council and the European Parliament which proposes the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan and then bring in a Regulation banning the importation of illegally-sourced and conflict timber into the EU, as soon as is practicably possible.

References

Beaumont P (2001) *The tyrant and the logs of war*. The Mail and Guardian 06.06.01

Douglas F (2001) *Al Qaeda cash tied to diamond trade*. The Washington Post 02.11.01

Fauna and Flora International (2000) *Restarting nature conservation in Liberia*. FFI Newsletter, April 2000

Forests Monitor and Greenpeace (2003) *Forest Crime File: Corporate Crimes. Chainsaw Criminal Wijma*, Greenpeace International, April 2003

Global Witness (2002) *Logging Off: How the Liberian Timber Industry Fuels Liberia's Humanitarian Disaster*, Global Witness, September 2002

Global Witness (2003), *The Usual Suspects Liberia's Weapons and Mercenaries in Côte d'Ivoire and Sierra Leone*. March 2003

Global Witness and International Transport Workers Federation (2001). *Taylor-made: the pivotal role of Liberia's forests and flag of convenience in regional conflict*. www.oneworld.org/globalwitness/liberia/liberia_report_cover.htm

Greenpeace (2002), *Greenpeace Exposes Global Crisis in Last Ancient Forests*, <http://archive.greenpeace.org/pressreleases/forests/2002feb25.html>

Greenpeace, Global Witness, Nepenthes (2001) *European timber trader linked with Liberian arms trafficking companies*. Press Release, 16 July 2001

Hardwoodmarkets (2001) *European Imports of Tropical Wood*, www.hardwoodmarkets.com

Inquirer, The (2002) *Who is doing logging near Sapo?* 03.12.02

Lewis A (2001) *France and Taylor's 'presidential pepperbush'* The Perspective, 05 June 2001 www.globalpolicy.org/security/issues/liberia/2001/

MDC (2002) *Exiled Democracy Movement Calls for Sanction On Nation's Timber. (Open letter from the Movement for Democratic Change Liberia to the United Nations Security Council)*. The Perspective. (Smyrna, Georgia), 16 January 2002. <http://allafrica.com/stories/200201160584.html>

Myers N, Mittermeier RA, Mittermeier CG, da Fonseca GAB, Kent J (2000) *Biodiversity hotspots for conservation priorities*. Nature 403 pp.853-858

News24-South Africa (2003) *01-01-2003, Liberian auditors quit - UN*, http://www.news24.com/News24/Africa/0,1113,2-11_1302880,00.html

Peal A (2000) *Green spot in Africa*. In Topfer K (ed), *Our Planet. The Environment Millennium*. UNEP www.ourplanet.com

Pratt D (2001) *Sierra Leone: Danger and opportunity in a regional conflict*. Report to Canada's Minister of Foreign Affairs

Reuters (2003) CWS, *West Africa Delegation Tell U.S. State Department, Legislators: 'No Lasting Peace- No Development'* 02.04.03

SAMFU Foundation (2002) *Plunder. The Silent Destruction of Liberian's Rainforests*. SAMFU Foundation, September 2002

TREES (1998) *Identification of deforestation hot spot areas in the humid tropics*. TREES Publications Series B. Research Report No 4. JRC EC, Luxembourg

TTJ (2001) *Review of the West African timber market – 2000*. www.otal.com/ctimbe2.htm

UNSC (2000) *Report of the Panel of Experts Appointed Pursuant to Security Council resolution 1306 (2000)*, Paragraph 19, in Relation to Sierra Leone S/2000/1195 December 20, 2000 <http://www.un.org/Depts/dpko/dpko/reports.htm>

UNSC (2001a) *Report of the Panel of Experts Pursuant to Security Council Resolution 1343 (2001)*, paragraph 19, concerning Liberia, October 2001. <http://www.un.org/Docs/sc/committees/Liberia2/LiberiaSelEng.htm>

UNSC (2001b) *S/2001/1015*, Letter dated 17 October 2001 from the Chairman of the Panel of Experts on Liberia addressed to the Chairman of the Security Council Committee established pursuant to resolution 1343 (2001) concerning Liberia

UNSC (2002) *Expert Panel Report on Liberia* October 25, 2002 (S/2002/1115)

UNSC (2003) *UNSC resolution 1458* (adopted 28, January, 2003)

US Department of State (2003) *Gabon Sets Example for Conservation in Africa*, 13.03.03 <http://usinfo.state.gov/cgi-bin/washfile/display.pl?p=/products/washfile/latest&cf=03031305.alt&ct=/products/washfile/newsitem.shtm>

Washington Post (2002) *Report Says Africans Harbored Al Qaeda*. 29.12.02 <http://www.washingtonpost.com/wp-dyn/articles/A48929-2002Dec28.html> World Trade Atlas (2002) Trade Statistics. www.tradepartners.co.uk

End Notes

- 1 Reuters, April 2nd 2003
- 2 Estimated by Global Witness based on figures published in the World Trade Atlas: Global Witness and ITWF (2001); UNSC (2001)
- 3 Moreover, some national import figures are significantly underreported. For example, Chinese log imports from Liberia in January 2002 through July 2002 for only one Liberian logging company (OTC) are known to be (via Global Witness investigations) approximately equal to World Trade Atlas figures provided by China itself for all Liberian logs imports for the entire year of 2002 (672,000 m³). Although shipments from OTC alone, to China, continued from August 2002 through December 2002 at the rate of two to three shipments per month (with average shipments to China in the preceding months equating approximately 24,000 m³ each). This would equate to a minimum of a 300,000 m³ understatement (2.5 shipments per month X 5 months X 24,000 m³) of Liberian log exports to China. Global Witness (2003)
- 4 World Trade Atlas (2002)
- 5 Global Witness (2003). The contribution made by the forestry sector is even more important now than in the past, following the UNSC (UN Security Council) imposed ban on Liberia's diamond trade in UNSC Resolution 1343 (2001) adopted on 7 March 2001. The ban is to be in place "until Liberia demonstrates convincingly that it is no longer involved in the trafficking of arms to, or diamonds from, Sierra Leone". UNSC (2000).
- 6 UNSC (2000); UNSC (2001a) The UNSC (2000) report states that "logging trucks and logging roads near the border with Sierra Leone are used to provide the rebels from the Revolutionary United Front (RUF) in Sierra Leone with arms and provisions".
- 7 UNSC (2002).
- 8 Global Witness (2003).
- 9 Myers et al (2000)
- 10 Peal (2000); Myers et al (2000)
- 11 MDC (2002)
- 12 UNSC (2000)
- 13 TREES (1998)
- 14 Ibid.
- 15 US Department of State (2003)
- 16 World Trade Atlas (2002) reports total timber exports in 2002 of US\$152 million. However, both Global Witness and ITWF (2001) and UNSC (2001a) note that official statistics are likely to underestimate real exports by 50 to 200 percent as a result of tax evasion, under-reporting by importing countries and undeclared timber flowing through the Ivory Coast.
- 17 UNSC (2000); UNSC (2002); UNSC (2003) The UNSC resolution 1458, adopted 28-Jan-2003, extended the sanctions (originally imposed via resolution 1343, 2001, and subsequently extended previously through resolution 1408, 2002) that demanded that Liberia: i) halt its support of RUF and other armed groups in the region; ii) abide by an arms embargo on weapons entering Liberia; iii) abide by the travel ban on Liberians listed on the UNSC list; iv) abide by the ban on the export of raw diamonds.
- 18 Pratt (2001)
- 19 Lewis (2001) In 2000, China (45%) and France (26%) were responsible for more than two thirds of Liberia's timber imports (World Trade Atlas cited in Global Witness 2001); Pratt (2001)
- 20 "Conflict timber is timber that has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers or by a civilian administration involved in armed conflict - either to perpetuate conflict or to take advantage of conflict situations for personal gain. Global Witness (2003)
- 21 Global Witness (2003); Global Witness and ITWF (2001); UNSC (2001a); UNSC (2002).
- 22 Reuters (2003)
- 23 Ibid.
- 24 UNSC (2000); UNSC (2001a)
- 25 UNSC (2000)
- 26 OTC is linked to the Hong Kong-based Global Star Holdings which is part of the Djan Djajanti Group in Indonesia. Djan Djajanti has taken responsibility for 70% of the capital investment in the [OTC] concession. Source: UNSC (2001a)
- 27 Global Witness (2003)
- 28 Ibid.
- 29 Similarly in May 2002 MWPI facilitated the transfer of 30 tonnes of weapons from the OTC controlled vessel, the timber ship Arktis Fighter. Global Witness (2003)
- 30 Information from Global Witness and ITWF (2001) unless stated otherwise.
- 31 The company never carried out a single environmental or social impact study before driving a network of criss-crossing roads through Liberia's pristine forest. OTC has flagrantly violated FDA and contractual regulations, and the company has plundered neighboring forest concessions. Global Witness and ITWF (2001)
- 32 Global Witness and ITWF (2001); UNSC (2000)
- 33 Douglas (2001); Beaumont (2001); Washington Post (2002)
- 34 Washington Post (2002)
- 35 The Inquirer (2002)
- 36 There has been no indication from the Forestry Development Authority of Liberia (FDA) that this sub-leasing of logging rights was legal, through provision of a valid third-party sub-contract approved by the FDA.
- 37 Forestry Development Authority of Liberia

- 38 Global Witness (2003)
- 39 Ibid. Greenville port is controlled by ILC/IHC, which mainly exports to Europe (with smaller quantities to China).
- 40 TTJ (2001)
- 41 This is based on a production figure of 934,006 m³ (Central Bank of Liberia) and total exports of 645,541 m³ (World Trade Atlas 2002). Both sources cited in Global Witness and ITWF (2001).
- 42 Global Witness (2003)
- 43 Based on data from Hardwoodmarkets (2001)
- 44 DLH Nordisk is the hardwoods division of Denmark's DLH (Dalhoff Larsen and Hornmenan) Group
- 45 www.dlh-nordisk.com
- 46 Greenpeace, Global Witness, Nepenthes (2001)
- 47 UNSC (2001a)
- 48 Greenpeace (2002)
- 49 Global Witness (2003)
- 50 The Dutch logger and importer Wijma (GWZ) specialises in marine engineering projects, utilising the African species Azobé (a.k.a. Ekki and Bongossi). Wijma operates one of the world's largest Azobé sawmills, located at the Wijma headquarters in Kampen, the Netherlands with subsidiaries and additional sawmills in Germany, Cameroon, Ghana and Ivory Coast, and sales offices in the US, France and the UK.
- 51 Company publications provided by Wijma, current as of March, 2003
- 52 Forests Monitor and Greenpeace (2003)
- 53 Recent Greenpeace investigations have revealed that Wijma continues to buy timber from Liberia, despite numerous written statements from Wijma that it had stopped.
- 54 Global Witness and ITWF (2001); Global Witness (2002); (2003); SAMFU Foundation (2002)
- 55 Wijma statements in letters to Greenpeace
- 56 Wood species bought by Wijma from Liberian suppliers are usually Azobé (often for bridge construction and marine construction), Abura and Framiré (often used by the door industry), and occasionally other species such as Sipo, Sapelli, and Iroko.
- 57 Global Witness (2002); (2003)
- 58 Global Witness (2003)
- 59 Greenpeace investigations; Global Witness (2003)
- 60 Greenpeace investigations
- 61 Global Witness (2003)
- 62 The Usual Suspects (March 2003) Global Witness and ITWF (2001); Global Witness (2002); (2003); SAMFU Foundation (2002)
- 63 <http://www.danzer.com/en/03/03.html>
- 64 Greenpeace investigations. For example, in Cameroon they are now known to cooperate with "Mba Mba Georges" (MMG), a company with documented, large scale illegal logging.
- 65 Global Witness and ITWF (2001); Global Witness (2002); (2003); SAMFU Foundation (2002)
- 66 UNSC (2001b)
- 67 Global Witness and ITWF (2001); Global Witness (2002); (2003)
- 68 The most frequent species are Abura, Niangon, Framiré for use in joinery products and Azobé for waterworks (piers, docks, pilings, lockgates, etc)
- 69 Greenpeace investigations
- 70 Global Witness and ITWF (2001); Global Witness (2002); (2003)
- 71 Global Witness and ITWF (2001); Global Witness (2002); (2003)
- 72 Global Witness (2003)