

Stop Forest Crime!

Impunity still prevails in logging operations in the Democratic Republic of Congo

March 2010

On 17 February 2010, ten Greenpeace activists revealed the presence of a consignment of illegally-logged timber from the Democratic Republic of Congo (DRC) in the port of Antwerp, in Belgium. The activists displayed banners reading 'Stop Forest Crime' and 'Save Congo's forests'.

This evidence illustrates once again that forest sector reform in the DRC, home to the second largest rainforest in the world, is impossible while forest law enforcement is absent and loggers are free to operate in impunity.

The logs in the port of Antwerp were logged by the Lebanese company Industrie de Transformation du Bois (ITB) in the Lake Tumba region of Equateur Province, a zone particularly rich in biodiversity. But ITB's two logging titles in Equateur Province were invalidated by the government's recent 'legal review' of forest permits¹.

The 'moratorium' on allocation of new logging titles was never implemented and the results of a recent 'legal review' of logging titles are being ignored.

The 'reform' of the Congolese forest sector, led by the World Bank since 2002, was supposed to bring legal compliance and transparency to one of Africa's most corrupt resource-extraction industries. But despite the publication of dozens of new decrees, forest law enforcement is still absent and public information regarding logging operations remains almost non-existent.

Local communities continue to be completely marginalised and, in most cases, don't even know whether the logging in their territory is legal or not. For several years, Greenpeace has been collecting evidence of numerous cases of violent crackdowns on communities' peaceful protests against logging companies.

The logging lobby claims that so-called 'Sustainable Forest Management' (SFM) by industrial logging companies can bring solutions for the climate, biodiversity and local development. Evidence from the forest, however, shows that this model is neither suitable nor sustainable.

The donors' forest sector 'reform' efforts appear so far to be little more than an excuse for business as usual, to the detriment of proper land-use planning, climate protection, and local development alternatives.

¹ The final results of this review, conducted by an inter-ministerial commission, were announced in January 2009.

1. The 2002 moratorium and the 2005-09 legal review

Background 2002 – 2005

- On 14 May 2002, a Ministerial Decree imposed a moratorium on the allocation, renewal and extension of validity of logging permits. This moratorium was repeatedly violated². In July 2003, in a confidential memo, the World Bank denounced the award of 9.5 million hectares of new titles since May 2002, and called on the DRC government to 're-examine and reconsider' the awards 'before end September 2003'.³
- On 24 October 2005, a Presidential Decree confirmed the 2002 moratorium and set out criteria and a calendar for a formal legal review of all existing permits.⁴

Outcome of the 'legal review'

"The legal review was a process whereby the Government of DRC analysed all the forest contracts existing in 2005 to determine whether they were legal or illegal."

- World Bank website⁵

The 'legal review' of logging titles was marked by very serious irregularities, and denounced by Congolese civil society and international NGOs on several occasions.⁶

The last phase ended on **28 November 2008**: 65 logging permits were deemed suitable for conversion into long-term concession contracts, including 19 titles the Inter-ministerial Commission (IMC) had rejected in October 2008.⁷ Of the 91 titles rejected by the IMC, it is believed that all but a tiny handful were already inactive.

On **19 January 2009**, after a delay of almost two months, the DRC Environment Minister announced the IMC's final decisions and promised to send cancellation notices to holders of illegal titles within 48 hours.⁸ On 23 January, a Ministerial decree ordered the immediate seizure of moveable assets in cancelled titles.⁹

The forest area covered by the 65 validated permits amounts to at least 9.7 million hectares, according to administrative data announced in January 2009. However, official Geographic Information System (GIS) data published in March 2009¹⁰ revealed a far greater area: 12.6 million hectares.

² Le Potentiel, 2003. 'Situation des allocations forestières en date du 16/05/2003', 24 May.

³ World Bank, 2003. 'Mission de suivi du secteur forestier (1er – 12 juillet 2003)', undated. Office translation.

⁴ Presidential Decree, 2005. Décret n°05/116 du 24 octobre 2005 fixant les modalités de conversion des anciens titres forestiers en contrats de concession forestière et portant extension du moratoire en matière d'octroi des titres d'exploitation forestière. 24 October.

⁵ World Bank, 2009.
<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/CONGODEMOCRATICEXTN/0,,contentMDK:20779255~menuPK:2114031~pagePK:141137~piPK:141127~theSitePK:349466,00.html>. Updated 24 March 2009.

⁶ Greenpeace, 2009. Open letter to DRC Environment Minister, 23 July.
<http://www.greenpeace.org/raw/content/africa/press/reports/open-letter-to-mr-jose-endund.pdf>

⁷ MECNT, Communiqué officiel n°6500.

⁸ DRC Ministry of the Environment, 2009. Press conference : 'Conférence de presse de Monsieur le Ministre de l'Environnement, conservation de la nature et tourisme à l'occasion de la publication des recommandations issues de la deuxième saisine de la commission interministérielle de conversion des anciens titres forestiers en contrats de concession forestière', 19 January.

⁹ Ministerial Decree, 2009. Arrêté ministériel n° 090 CAB/MIN/ECN-T/JEB/2009 du 23 janvier 2009 portant mesures de mise en oeuvre des décisions de rejet des requêtes de conversion et de résiliation des anciens titres forestiers. 23 January.

¹⁰ MECNT, 2009. 'Processus de conversion des titres forestiers en contrats de concessions de concession forestiere', February.

2. ITB: Logging in breach of the 2002 moratorium and of the legal review

In February 2007, Greenpeace denounced the award of ITB's Equateur Province logging titles as being in breach of the 2002 moratorium on new title allocations.¹¹

In April 2007, Greenpeace provided further details of the negative impact of ITB logging on local Twa pygmy communities and on local Bantu farmers whose crops were being destroyed without compensation.¹²

On 24 May 2008, the French Ecology Minister Jean-Louis Borloo visited ITB with the Congolese Environment Minister. Congolese civil society denounced the misinformation he was being fed about the reality in the field and repeated its demand that local people be heard during the 'legal review'.¹³

ITB has continued to log in Equateur Province despite the results of the legal review.

Of the four ITB logging titles below, only those in Bandundu and Orientale Province passed the legal review. ITB's Equateur Province titles 001/04 and 030/05 were invalidated.

| | Location | Area (administrative) | Area (GIS) |
|-------------------------|--|-------------------------|-------------------|
| GA ¹⁴ 002/01 | Bandundu Province, Oshwe | 147,000 hectares | 156,404 ha |
| GA 001/04 | Equateur Province, Ingende / Bikoro | 214,000 hectares | 233,808 ha |
| GA 030/05 | Equateur Province, Bikoro | 80,064 hectares | 80,031 ha |
| GA 002/05 | Orientale Province, Basoko | 224,140 ha | 355,466 ha |

¹¹ AFP, 2007. 'Greenpeace dénonce l'exploitation illégale du bois en RDC', 23 February.

¹² Greenpeace, 2007. 'Carving Up the Congo'. <http://www.greenpeace.org/international/campaigns/forests/africa/congo-report>

¹³ Congolese Civil Society, 2008. 'Communiqué de presse de la Société civile congolaise à l'occasion de la visite du ministre français de l'Environnement en RDC', 24 May.

¹⁴ Garantie d'Approvisionnement

3. The results of the legal review of logging permits are not being enforced - logging business-as-usual continues

At the 13 February Council of Ministers meeting, the Environment Minister claimed that implementing the IMC's decisions would cost 20,000 jobs. The minutes of the meeting indicate that unspecified options for saving them were approved.

On 24 March 2009, the **World Bank** uploaded a FAQ page on its website stating "*the Bank strongly encourages that the DRC government **fully** implement the recommendations of the Legal Review.*"¹⁵ [Greenpeace emphasis]

It stressed that a post-legal review workshop in March had reached 'no consensus' on 'the possibility of revisiting some of the legal review's deliberation' and repeated: "*the Bank is monitoring the situation closely and encouraging the Government to **fully** apply the deliberations of the Legal review.*" [Greenpeace emphasis]

In an open letter to the Environment Minister dated 23 July, Greenpeace echoed Congolese civil society's alarm about the 13 February Council of Ministers' decision, called for full implementation of the 23 January decree halting activity on invalidated titles, and requested immediate publication of all 2009 cutting permits.¹⁶

On 3 December 2009, Greenpeace, Global Witness and the Rainforest Foundation raised these issues again in an open letter to the World Bank.¹⁷ The letter also pointed out that the DRC Environment Minister had issued an annual cutting permit to ITB on June 16, 2009, despite the invalidation of ITB's Equateur Province titles by the legal review in November 2008. The cutting permit had also been denounced by the Congolese NGO Réseau Ressources Naturelles in its August 2009 bulletin.¹⁸

The Bank emailed that a reply would be forthcoming. Greenpeace has not, so far, received any response.

4. The role of the European Market

Greenpeace research over the past years has shown that in addition to Belgium other European countries importing ITB timber include France, Italy and Portugal.

The 50m³ of timber in Antwerp is worth approximately 45,000 euros. It is wenge, mainly used for flooring and furniture.

A strong EU timber law needs to be adopted in 2010

The US has approved legislation that prohibits illegal timber trafficking. The EU must now speed up the adoption of draft legislation, proposed in October 2008, that will also exclude illegal timber and regulate the sale of timber products on the EU market. As a major consumer of timber, the EU currently plays a direct role in sustaining illegal and destructive logging practices worldwide. However, European consumers need a guarantee that the wood they buy does not contribute to the destruction of the world's last ancient forests.

The second reading of the legislative proposal to fight against illegal timber trade started in the European parliament in March. During the first reading, many EU countries - including Germany, Sweden, Italy and Portugal - voted in favour of the industry and at the cost of any significant improvements in the legislative proposal being made. These countries must now revise their position and contribute - genuinely and in good faith - to the adoption of legislation that prioritises the protection of the environment and forest-dependent peoples' livelihoods.

¹⁵ World Bank, 2009. *Op. cit.*

¹⁶ Greenpeace, 2009. *Op. cit.*

¹⁷ <http://www.greenpeace.org/international/news/congo-world-bank-031209>

¹⁸ <http://rnrndc.org/spip.php?article35>

5. Recommendations

Greenpeace is seeking to help develop solutions for the future of DRC forests, based on alternatives to industrial logging and conversion of primary forests to plantations, especially in Intact Forests Landscapes. Such solutions should combine high-value forests and climate protection processes with sustainable local development for the benefit of forest-dependent Congolese.

Unfortunately, we are still very far from this vision in forests management in DRC. Persistent impunity in the logging sector jeopardises any progress.

As a result, Greenpeace urges that, as a minimum:

The DRC authorities:

- maintain and enforce the 2002 moratorium on the allocation, renewal and extension of validity of logging titles;
- ensure that activities are immediately stopped in all logging permits that have been invalidated by the legal review and ensure that no other logging permits are validated; and
- make publicly available (including on the Environment Ministry website) the list of all 2009 and current cutting permits

The World Bank and other donors:

- be more accountable for the implication in the Forest Sector Reform and contribute to promote transparency in the DRC forestry sector (through for example encouraging publicly available basic information regarding logging operations in the DRC); and
- avoid spending public money (multilateral, bilateral or REDD funds) – directly or indirectly - on industrial logging operations in the DRC.

Instead, public donors funds for the forest sector need to contribute towards:

- ensuring a tangible improvement in forest governance and law enforcement in the DRC: at a minimum, results of the legal review of the forest sector should be implemented immediately;
- implementing a participatory land use planning process based on the needs and rights of forest dependent communities with a view to protecting the climate and biodiversity. These plans must form the basis of forest use and thus of DRC national REDD plan;
- investment in alternatives to industrial logging that support local development and sustainable forest use, for the benefit of local communities; and
- establishing and ensuring the participatory management of protected forest areas.

Greenpeace looks forward to receiving a response from the World Bank to the open letter issued by Greenpeace, Global Witness and the Rainforest Foundation on December 3, 2009.