

Logging Sector Briefing for the Democratic Republic of Congo

DRC logging review: The carving up of the Congo continues

October, 2008

GREENPEACE

International

DRC logging review: The Carving up of the Congo Continues

In April 2007, Greenpeace published “Carving Up the Congo,” an investigative report exposing the social chaos and environmental destruction caused by the logging industry in the Democratic Republic of Congo (DRC). The report was published midway through the government’s legal review of 156 logging titles against criteria set out in a Presidential Decree in October 2005.¹ In 2002, under pressure from the World Bank, the DRC government had introduced a new Forest Law and issued a moratorium suspending the allocation of new logging titles. However, as the World Bank pointed out as early as 2003², the moratorium and the new Forest Code were immediately violated. To date, over 100 logging titles covering 15 million hectares have been allocated illegally³.

After a delay of two years, the legal review has finally come to a close. An Inter-Ministerial Commission, which has been evaluating the reviews of companies carried out by a government-appointed Technical Working Group, has decided which logging titles will be converted into long-term concessions. Last August, the Technical Working Group published the recommendations it made in 2006: it gave the go-ahead to 29 out of 156 titles.⁴ Astonishingly, 16 of these approved titles were illegal - allocated after the 2002 suspension of new allocations.⁵

On October 7, 2008, the Inter-Ministerial Commission released its long-awaited recommendations: 46 titles covering 7,001,970 hectares are to be converted into long-term logging concessions, 33 of which were issued in breach of the 2002 moratorium. None of the stipulated review criteria appears to have been properly verified and the most powerful foreign-owned companies have seen their concessions rubberstamped.⁶ At a press conference announcing the initial results of the conversion process, Environmental Minister Jose Endundo told Reuters that the new reduced surface area “should allow Congo to boost exports to 700,000 cubic metres per year” – over three times the current official level!⁷

DRC’s two biggest loggers, the Liechtenstein-based, Portuguese-owned Nordsüdtimber Group (NST) and Swiss-based, German-owned Danzer Group are the big winners of the “legal review.” Together, they now control 4,909,118 hectares of forest – just over 70 % of the total area recommended for conversion. 29 of the 33 titles these companies have seen approved were obtained in breach of the 2002 moratorium. Despite a wide consensus among the donor community and forest experts, the Commission chose to ignore the signature date of the May 2002 moratorium decree – preferring to use the decree’s publication date of 15 July 2004 as the cut-off date for title validity”.⁸

The recommendations of the Inter-Ministerial Commission are not yet final. Companies have 15 days to formulate their appeals, which the Inter-Ministerial Commission will analyze during its second session. Local communities are denied the same right to appeal and do not have the means available to contest the final decisions under administrative law.

The legal review was initiated and financed by the World Bank with the aim of bringing transparency and accountability to the logging sector in DRC. But the scope of the review was very limited, and the evaluation process marked by a high degree of secrecy. Basic information has not been made available – including maps showing changes in the boundaries of pre-moratorium titles re-awarded as new permits after the moratorium came into force. There is no evidence that the Technical Working Group attempted to determine companies’ compliance with permit or annual cutblock boundaries⁹. According to the Independent Observer¹⁰, it wasn’t even possible to determine whether companies paid their taxes.¹¹ Conclusion: even the very limited core criteria defined by the 2005 Presidential Decree were not properly assessed.

The Technical Working Group reportedly visited only 40 of the 156 titles it was obliged to investigate. Rather than eliminating titles obviously in breach of the moratorium, the team chose to include several post-moratorium titles in their cursory field visits.¹² Precious time and donor money

were thus wasted examining illegal permits. The full report of the Technical Working Group was finalised in early 2007 but as of September 2008 it has still not been published; only the list of 29 titles that received favourable recommendations was published last July without any information regarding the criteria for selection.

Affected communities have been systematically excluded from the legal review process and crucial information - such as maps, contracts, and logging plans - has not been made available at the local level (or elsewhere). The reports of the Independent Observer show that environmental and social aspects were barely taken into account.¹³ The government did agree that a single delegate would be designated to attend hearings of the Commission devoted to the respective title, representing all communities affected by the title's operations. Areas inhabited by indigenous peoples were allowed to send one additional delegate. However, given the absence of substantive information and the non-transparent selection process for delegates, this kind of "stakeholder participation" proved to be little more than window-dressing. While the list of permanent members of the Inter-Ministerial Commission is available, no list of community delegates has been made public.¹⁴

How can a process that is inherently opaque promote transparency?

During the review process, the situation in the forest has further deteriorated. Companies are cutting trees faster than ever, with no regard to social or environmental consequences. Forestry law enforcement remains all but absent. Local forestry administration – where present – depends almost exclusively on logging companies for information, logistics, transport, and financing. In some areas local forestry officials receive bribes of 10 to 20 percent of the total cash value of the *cahiers des charges*¹⁵ to "fix" ongoing conflicts.¹⁶ The situation is particularly troubling in areas inhabited by indigenous pygmy communities, where benefits of the *cahiers des charges* often end up in the pockets of corrupt Bantu leaders. In some cases even local NGOs are participating in this scam. As elsewhere in the Congo Basin, loggers and local military and police authorities enjoy longstanding and mutually beneficial relationships.

Anecdotal evidence from Bandundu Province suggests that the number of log trucks leaving with timber may have quadrupled since 2005¹⁷. Since official statistics are not available at provincial and local level, volumes can only be estimated. Inherently unsustainable artisanal logging is also on the rise. While a good part of small-scale logging feeds local demand, many of the valuable trees, such as Afrormosia, are cut by artisanal loggers at the demand of and/or are prefinanced by international companies and exported to Europe and Asia.¹⁸

The situation on the ground is so out of control in the DRC that Global Witness, recruited by the government last year to conduct an independent monitor scoping mission, recommends "a moratorium on all logging activities" until meaningful control and enforcement is established.¹⁹

The Companies: What's at stake

A glance at the activities of some of DRC's biggest and most powerful logging companies – all of them foreign – explains why basic information is kept under lock and key. Millions of hectares of forest are at stake. Social conflict on logging concessions is omnipresent, flagrant illegality goes unpunished.

The World Bank-imposed concept of *cahiers des charges* obliges companies to provide services that elsewhere are rendered by the State (such as schools, hospitals and infrastructure). They do little to address the fundamental conflict over forest use and environmental destruction.

Société Industrielle et Forestière du Congo (SIFORCO)

This subsidiary of the Swiss-based Danzer Group has been active in the DRC since 1972. Of the nine titles (totalling 1.9 million hectares) Siforco submitted for conversion, six (1.2 million hectares) were awarded after the 2002 moratorium. Most of Siforco's titles are located in intact forest landscapes, including Bonobo habitat.²⁰ Danzer maintains that its post-moratorium titles are a result of so-called "remapping" and that "all logging titles were obtained before 2002"²¹. At the same time, the company alleges that the moratorium "has always failed to have a legal basis".²²

During DRC's civil war, Danzer's concessions in Equateur Province were occupied by Mouvement de Libération du Congo (MLC) rebel forces. MLC commander Jean-Pierre Bemba is currently in custody in The Hague, awaiting trial on three counts of crimes against humanity and five counts of war crimes relating to MLC activities in the Central African Republic in 2002 and 2003.²³ In an official statement last year, Danzer stated that, although Siforco at no time made payments "directly" to the MLC, it did pay what the statement called "local administrative agencies."²⁴ At least one DRC expert has claimed that some of these agencies "must have served as sources of revenue for the rebels."²⁵

Siforco's relationship with local communities has long been marked by conflict. Management has apparently never denied the published allegation that, in early 2005, police called in to repress an anti-Siforco demonstration at Bumba opened fire on the crowd, leaving four people dead and 17 injured.²⁶

In a recent study of German business in the DRC, investigative journalist Dominic Johnson cites an internal company document dated 29 March 2007 describing an incident at Mba, in which villagers protesting the company's failure to honour its promise to build a schoolhouse temporarily sequestered several employees. According to the document, the incident ended with the arrival of "political authorities" and the beating and arrest of the protestors -- villagers Danzer describes as "accustomed to exerting pressure."²⁷

In November 2007 Siforco workers at Maluku, Engengele and Kpengbe went on strike, paralysing logging operations for over two weeks.²⁸ Their demands included higher wages, the contractualisation of day-labourers – some of whom appear to have been working without a contract for years - and the immediate firing of three abusive worksite managers. Local civil society organisations reported that numerous strikers were thrown in jail, and several appear to have been fired.²⁹

In March 2007, Danzer filed a libel suit against 29 villagers and human rights activists who had signed a petition to the government complaining of "abusive" logging by Siforco³⁰. The petition had been drafted at a seminar organised at Bumba by the Congolese human rights group Les Voix des Sans Voix (VSV) in September 2006.³¹ The right to petition is guaranteed by the Congolese Constitution. Local media suggested that the company had sued out of fear the petition would jeopardise expected financing from the German Development Bank KfW.³² In March 2007, VSV publicly denounced Danzer's "threats, intimidation and harassment."³³ In April 2008, after more than a year of reported delaying tactics on the part of Siforco, the court finally declared its lack of jurisdiction.³⁴

In the territory of Basoko in Orientale Province, conflicts with local communities have rekindled since the company's return there earlier this year, after years of absence. During the Mobutu regime, a popular saying in the region was "*Otumoli SIFORZAL*³⁵, *otumoli Mobutu*" ("Make trouble with SIFORZAL and you're making trouble with Mobutu"). In May 2008, discovering experts from the French forest management consultancy Forêt Ressources Management (FRM) preparing a management plan for Siforco in their forests, villagers organised a five-day sit-in at Lokutu to protest non-consultation. At a meeting with local representatives, FRM referred responsibility for the activities to its client, Siforco.³⁶ No official record of the proceedings is available.

In September 2006³⁷, South Africa-based certifier SGS awarded Siforco a “Timber Legality” certificate³⁸ – despite the fact that the legality of the company’s titles was still under World Bank-sponsored “legal review”. The certificate is valid until 2011.

Siforco supplements its own production with timber from other, often related, companies known for their destructive practices.³⁹

Société Africaine de Bois (SAFBOIS)

Safbois is a subsidiary of the Blattner Group⁴⁰, a family-owned enterprise active in construction, public works, plantations, and transport, as well as logging, with assets in Belgium, France and the United States.⁴¹ The Blattner Group was described last year as “one of the most powerful companies in Africa.”⁴² Its construction firm SAFRICAS⁴³ has won numerous public contracts financed by the World Bank⁴⁴

Safbois has submitted two logging titles (334,700 ha) to the legal review, both awarded after the 2002 moratorium. Safbois titles were absent from the list of titles recommended by the Technical Working Group for conversion.

A joint Global Witness – Ministry field mission undertaken at the behest of the European Union and the World Bank in August 2007⁴⁵ found Safbois logging in villagers’ fields near Yafunga (Orientale Province), 16 kilometres outside its authorised annual cutblock. In all, six different violations of the Forest Law were observed: unauthorised logging; unmarked annual cutblock boundaries; irregular (or absence of) log marking; irregular (or absence of) stump-marking; missing log storage paperwork; and irregular worksite records. The inspectors found that employees had not been paid in over three months and “are condemned to indebtedness and interest on debt to survive.”⁴⁶ Worker safety and health conditions were deemed “glaringly inadequate.” The company had yet to produce the benches for a school whose construction had been promised in 2004.⁴⁷

Safbois’ long history of social conflict in Orientale Province culminated on 14 January 2008, when an estimated two thousand villagers surrounded the company compound at Yafunga, demanding compensation for use of community land, the construction of a school and infirmary, road improvement, and the hiring of local people.⁴⁸ Their demands allegedly meeting with silence, they entered the compound and removed large amounts of equipment. At 4 o’clock on the morning of 20 February 2008, five members of the village committee that had been set up to recover the property were arrested, thrown in jail and beaten.⁴⁹ In a March meeting with local people and provincial authorities, the worksite manager promised new gifts: more bikes, more sewing machines, 20 sacks of salt, ten packages of sugar, etc.⁵⁰ Yafunga villagers were offered a special “dowry” including a carton of cigarettes, 25 litres of palm wine, and seven bottles of Johnny Walker.⁵¹ The Governor accorded Safbois nine months to make good on its commitments.

The population of Yafunga had already mobilised in February 2005, setting up roadblocks and temporarily paralysing company activity. According to the villagers, Safbois had neglected to pay for occupying village property; its bulldozers had allegedly destroyed fruit trees, crops, and graves. Five protesters were arrested, beaten and fined.⁵²

On 25 July 2006, a man and two young girls were reportedly beaten by a Safbois security guard while they were collecting caterpillars. As part of his punishment, the man was locked in a Safbois container for 24 hours.⁵³ The fate of the two young girls is less clear.

On 5 August 2006, a local activist and a lawyer investigating Safbois were reportedly threatened by police, accused of inciting villagers to riot, and escorted out of the area – on a Safbois vehicle.⁵⁴

In March 2007, a local stakeholders’ committee wrote to the president of the Provincial Assembly,

recalling the promise of 1,000 local jobs made by then-manager Françoise Van de Ven at an inauguration ceremony in September 2004. The authors complained that to date Safbois had hired only 184 people, of whom 150 were day labourers, making 4,000 FC (about 5 €) a month, for a 14-hour workday.⁵⁵ Not counting four well placed motorcycles – for three traditional chiefs and the local *administrateur de territoire* – Safbois gift-giving was said to have amounted to 60 sheets of zinc roofing, 26 bicycles and three sewing machines.⁵⁶ The committee called for an immediate suspension of logging, pending construction of decent housing and renegotiation of the 2004 agreement.

**NordSudTimber Group (NST)
(Société de Développement Forestier [SODEFOR], Société Forestière du
Mayumbe [SOFORMA], Société Forestière et Agricole de la M'Bola [FORABOLA],
Compagnie Forestière et de Transformation [CFT])**

Liechtenstein-based, Portuguese-owned NST Group submitted 37 titles covering 4.66 million ha for concession conversion. All but one were issued after the 2002 moratorium. At least 26 of these titles are located in intact forest landscapes, and a number of them are threatening landscapes identified by the US-financed CARPE conservation programme. 11 NST titles (1.2 million ha) received a positive recommendation from the Technical Working Group; of these, all but one were awarded after the moratorium.

The Swiss-based firm Precious Woods is a minority shareholder of NST.⁵⁷ The DRC government owns 18 % of the NST subsidiary Sodefor.⁵⁸

In a July 2003 memo to Congolese authorities, the World Bank requested the cancellation of all permits awarded to NST after the May 2002 freeze on new title awards. This action was to be taken “before the end of September 2003”.⁵⁹

A 2003 USAID report alleges that the NST company Soforma received special wartime permits in forest reserves in the province of Bas-Congo. The proceeds from these logging permits were split 50/50 between the company and the government, and according to USAID, “The Government’s share reportedly went to help finance the war effort”⁶⁰

In March 2006, when residents of Mbelo in Equateur Province protested against what they saw as Sodefor’s violation of its *cahier des charges*, the company informed local authorities. On March 30, police and military invaded the village, reportedly committing 38 rapes and looting and destroying property. The death of one of the 37 villagers arrested appears to have been caused by beatings received while in jail⁶¹.

Other NST social conflicts on record:

* February 2007 - Villagers at Bolikango block Forabola bulldozers, demanding construction of a school and health centre;

* August 2007- Employees in Lisala complain to Sodefor director of local manager’s “systematic violations of labour law.”⁶² Employees had reportedly been working for three years without a contract.

* February 2008 - Alleged illegal cutting near the village of Baonde leads to threats from angry villagers⁶³;

Various sources claim that NST collaborates closely with local and provincial authorities to keep out unwanted visitors. In March 2008, a Greenpeace mission to Bandundu province accompanied by the then provincial Environment Minister was stopped by the Governor, allegedly at the behest of Sodefor.⁶⁴ The company has denied any involvement in the affair.⁶⁵

On the Kasai River, barges loaded with illegal NST logs have been repeatedly stopped by Bandundu authorities in recent years. In one reported incident of September 2007, the Soforma

barge *MB Sapelli* hid out for several days upriver in order to avoid inspection. When it was finally forced to descend to Mushie, inspectors noted that “the entire cargo of this barge is illegal logs, cut without any authorisation. Certain logs are marked with authorisation numbers that don’t exist anywhere.”⁶⁶ The provincial Environment Minister, who was unusually effective in detecting and prosecuting infractions by NST Group and other logging companies, is no longer in office. In June 2008, he was abruptly transferred to the Ministry of Agriculture.

NST’s extensive relationships with companies such as Bimpe Agro and Forestiere du Lac (Folac) make its chain-of-custody particularly opaque. Local authorities have little or no information about these relationships.⁶⁷

Like Siforco, NST is a client of Forêt Resources Management (FRM).

FRM has been preparing management plans for NST since 2005 – an unusual investment decision for the group, given that the legality of its titles was still to be established. How could NST know its titles would be converted into legal concessions, despite the fact that almost all of them are in breach of the moratorium?

According to NST shareholder Precious Woods, “NST’s subsidiaries have begun preparing their operations for certification according to the criteria of the FSC.”⁶⁸ Clearly, for NST, the outcome of the legal review has been a foregone conclusion.

The moratorium must be maintained - and enforced

Illustrative of the Congolese logging sector as a whole, the above examples suggest that, far from bringing transparency and accountability, the “legal review” has served only to cover up the role of the logging sector in blocking real development for the people of DRC.

The question is not how many titles or how many hectares will be cancelled. The question is: will logging be reduced as a result? Will community rights be respected? Will the government and the courts take action to stop illegal and destructive logging activities and abusive labour practices? When will the donor community wake up?

Without a list of active annual cutblocks including the authorised volume of tree species to be harvested – which is not available – it is impossible to assess the impact title cancellations will have on the actual amount of logging taking place. We can expect companies to accept (or noisily protest) the cancellation of titles they know are nearly logged-out or of titles they don’t expect to log for several years and are confident they can reacquire if and when the moratorium is lifted.

There is no reason to believe that even a significant reduction in the surface area under allocation will result in less logging. And if the moratorium were to be lifted, the areas could easily be re-allocated.

What happens to cancelled titles?

Civil society groups and even the Independent Observer have repeatedly alerted the donor community and the government to the need for well defined procedures for implementation of title cancellations.⁶⁹ As of September 2008, no decree specifying the modalities of cancellations has been adopted. It remains unknown how the decisions of the Inter-Ministerial Commission will be implemented: how timber stocks and company assets will be dealt with, for example, if and when logging in cancelled titles actually stops. Such modalities would have had to be published and disseminated at the local level well in advance in order to be effective.

Greenpeace has also repeatedly called on donors, especially the World Bank, to provide funds for capacity building, monitoring and enforcement in the field.⁷⁰ Equally, we have pointed to the need for programmes to mitigate potential social impacts of title cancellation. Companies are likely to exploit tension among laid-off workers in cancelled titles to argue that logging is “necessary.” Our warnings have fallen on deaf ears. It’s impoverished forest dependent communities that will again lose out in this game.

The companies profiled in this briefing present themselves as the best and most “progressive” companies operating in DRC. Danzer/Siforco entered a partnership with the WWF; so did the company Saibois⁷¹. NST group is polishing its image with the help of the Swiss company Precious Woods, an FSC-certified wood trader for many years.

If these companies are “the best” – what can we expect from the worst?

Without control and law enforcement, no credible “forest management” is possible. Where the rule of law is absent, an opaque, corrupt industry is free to flourish -- no matter what laws are on the books. Notoriously underfunded local authorities are readily participating in the game of informal give-and-take, living off a logging industry that needs corruption to survive. The inertia of the international donor community, including the World Bank as the driving force behind forest reform, is hard to comprehend.

After the legal review, a moratorium – one that is actually implemented and enforced - is needed more than ever.

Greenpeace supports the recommendation of international and Congolese civil society organisations to extend the existing moratorium, until meaningful control and governance is established and until a participatory land-use plan is in place, based on the needs of local communities.

Beyond the Legal Review: Logging is not the solution. But there are others.

There is increasing recognition of the fact that tropical forests can provide far more benefits if they are protected and used in a way that directly benefits those who depend on them.⁷² Recent international climate negotiations have focused on the links between tropical deforestation and greenhouse gas emissions that are threatening the climate. Tropical deforestation is responsible for about 20 percent of global greenhouse gas emissions. Congo is home to the second largest tropical forest on the planet, and the livelihoods of an estimated 40 million people depend on it.

Greenpeace believes there is a real opportunity to design new REDD (Reduced Emissions from Deforestation and Degradation) mechanisms that will help protect biodiversity, support local communities and indigenous peoples as well as help protect the climate equilibrium of the planet.⁷³ Any such REDD mechanism needs to fully respect the land, resource use and ownership rights of indigenous peoples and directly engage local communities in its development and implementation. REDD policies must provide for the free, prior, and informed consent of these communities and ensure that benefits are equitably shared.

It is crucial that new financing not be directed to destructive forest activities such as industrial logging and agribusiness (even if certified as “sustainable”). Funding such activities up front would subsidize the expansion of forest conversion and logging into intact ancient forests and further exacerbate deforestation and climate change.

Greenpeace believes that a market-linked, regulated fund is best equipped for the DRC since it could be designed to make funding available to the broadest array of countries with tropical forests, including those with high and low deforestation rates. A market-only approach will not solve the problem of deforestation and climate change and will, on the contrary, result in perverse

incentives.⁷⁴

Greenpeace strongly urges the Government of the DRC, with the support of the donor community, to seize this unique opportunity, maintain the moratorium on new logging concessions and support a REDD financing mechanism as outlined above.

Until REDD financing is available, the donor community should, via bi- or multilateral agreements, fund the protection and participatory mapping of cancelled titles, and actively assist the government and civil society in advancing effective forest protection and sustainable community development.

Urgent action is required in order to stop the expansion of destructive logging before it is too late. The Government must, with the help of the international donor community, establish meaningful forest governance. Local administrators and forest inspectors need training, equipment and a salary in order to fulfill their tasks.

Rather than continue and expand the existing concession model, an alternative land-use planning process needs to be put in place, empowering communities to regain control over their traditional resources and reap the benefits from them.

Supported by the international donor community, an extended moratorium will provide the necessary breathing space to achieve pro-poor development in the Congo Basin that preserves its vital forest resources for future generations.

-
- ¹ The legal review is part of the process of converting temporary logging titles into long-term forestry “concessions,” a new type of logging contract introduced by the 2002 Forest Code. The Forest Code stipulates that all existing titles be converted into this new type of contract, provided they comply with the conditions as set out by the Code.
 - ² « *Aide Memoire, Mission de suivi du secteur forestier (1er – 12 juillet 2003)* », World Bank, 2003
 - ³ For a legal analysis of the status of titles allocated after 2002, see : « *Note argumentaire en faveur de la légalité dans le processus de conversions des anciens titres forestiers* », CODELT 2008
 - ⁴ « *Liste de titres forestiers ayant reçu des avis techniques favorables ou défavorables après vérification des requêtes de conversion par le Groupe Technique de Travail* », Ministère de l'Environnement, Conservation de la nature et Tourisme, 5 August 2008
 - ⁵ « *Liste des lettres d'intention et des garanties d'approvisionnement déposées en requête de conversion* », Ministère de l'Environnement, 5 April 2006
 - ⁶ The Interim Report of the Independent Observer describes in detail the difficulties in verifying implementation of the review's core criteria. Despite the fact that the report has been finished early 2007, it has never been published. It was only in August 2008 that it was made available for consultation in the DRC Ministry of the Environment in Kinshasa.
 - ⁷ Reuters, 6/10/2008. <http://africa.reuters.com/wire/news/usnL6458446.html>
 - ⁸ See Debroux, L., Hart, T., Kaimowitz, D., Karsenty, A. and Topa, G. (Eds.) 2007 Forests in Post-Conflict Democratic Republic of Congo: Analysis of a Priority Agenda. A joint report by teams of the World Bank, Center for International Forestry Research (CIFOR), Centre International de Recherche Agronomique pour le Développement (CIRAD), African Wildlife Foundation (AWF), Conseil National des ONG de Développement du Congo (CNOGD), Conservation International (CI), Groupe de Travail Forêts (GTF), Ligue Nationale des Pygmées du Congo (LINAPYCO), Netherlands Development Organisation (SNV), Réseau des Partenaires pour l'Environnement au Congo (REPEC), Wildlife Conservation Society (WCS), Woods Hole Research Center (WHRC), World Agroforestry Centre (ICRAF) and World Wide Fund for Nature (WWF).
 - ⁹ cutblock boundaries = the boundaries of a block of forest the company is permitted to log
 - ¹⁰ With financing from the World Bank, the government appointed the World Resources Institute (WRI) and the Belgian-based consultancy AGRECO to act as an Independent Observer to the review www.rdc-conversiontitresforestiers.org

-
- 11 « *Quatrième rapport d'activités. Couvrant la période du 1er septembre au 30 novembre 2006* », WRI/Agreco, 30 January 2007 : "Il apparaît clairement que l'accès aux documents permettant la vérification complète de la situation du paiement des taxes dès leurs sources d'archivage est difficile si pas impossible"
- 12 « *Rapport des Missions de l'observateur indépendant dans les provinces de l'Equateur, Orientale, Bandundu et Bas Congo, Aspects socio-économiques et identification des conflits* », WRI/Agreco, 30 November 2006.
- 13 WRI letter to World Bank Board of Directors, 5 December 2007. The World Bank appears never to have replied.
- 14 See also «Memo adressé au Ministre de l'Environnement sur le processus de conversion des anciens titres forestiers en contrat de concession forestière», Réseau des Ressources Naturelles et Dynamiques des Groupes Autochtones en République Démocratique du Congo, 24 September 2007
- 15 "Social responsibility contract": includes a list of commitments of logging companies vis-à-vis local communities
- 16 Greenpeace research. For detailed documentation of social conflicts in DRC logging see "Carving up the Congo," Greenpeace 2007
- 17 Greenpeace research, 2008
- 18 The case of Olam International was documented in detail by Greenpeace in November 2007. "Olam's hidden forestry practices in the Democratic Republic of Congo", 20 November 2007. See also "World Bank criticized for ties to illegal timber firm", *Los Angeles Times*, 17 August 2007
- 19 Global Witness, 2007
- 20 Greenpeace 2008. See also <http://www.intactforests.org/>
- 21 "Statement of Danzer Group in Response to the Greenpeace Report "Carving up the Congo", Danzer, 2007 "In the case [of] Danzer Group's SIFORCO subsidiary in the Democratic Republic of Congo, all logging titles were obtained before 2002. Remapping took place in 2004 (including the six titles mentioned in the tables on page 66 and 82/83), but only reducing the forest concession area. No expansion was obtained after 2002." No maps have been made public to substantiate this claim
- 22 *Ibid.* : "Greenpeace suggests that companies have infringed upon this "Moratorium." It turns out, however, that due to late publication of the "Memorandum" [*sic*] and legal inconsistencies, this Moratorium has always failed to have a legal basis."
- 23 <http://www.icc-cpi.int/library/press/pressreleases/CAR2-June-08-En.pdf>
- 24 Danzer, *op cit.*
- 25 "Von der Gewalt zur Friedensökonomie. Deutsche Unternehmen in der Demokratischen Republik Kongo," (Ökumenisches Netz Zentralafrika), Dominic Johnson, June 2007, http://www.oenz.de/downloads/oenz_web.pdf Our translation. See also "Mit Herzklopfen durch den Urwald", *Econo*, July 2006: "A rebel administration is in charge. [...] Haag brings hope. The rebels negotiate with Haag. Life goes on." (Our translation.)
- 26 "Equateur: COODEB se propose de porter plainte contre SIFORCO et TRANS'EM", *La Voix du Paysan*, July 2006, cited in Johnson, *op. cit.*
- 27 Cited in Johnson, *op. cit.*, p.58: "Die einheimische Bevölkerung, an Druckausübung gewöhnt, war auf das Gelände von Siforco eingedrungen. »
- 28 Greenpeace research and "Rapport succinct sur la grève à la Siforco K8/Engengele à Bumba", Fédération nationale des comités de lutte anti-tracasseries, 22 December 2007
- 29 *Ibid.*
- 30 As well as by the Lebanese-owned company Trans-M Bois.
- 31 "Pétition ouverte adressée au Gouvernement de la RDC par les participants au séminaire de formation sur les Droits de l'Homme, organisé à Bumba du 12 au 15 Septembre 2006 par la Voix des sans Voix pour les Droits de l'Homme", 14 Septembre 2006
- 32 "La société civile de Bumba traduite en justice", Radio Okapi, 16 March 2007
- 33 "Défenseurs des droits humains menacés et assignés en justice par la Siforco (ex Siforzal) à Bumba, province de l'Equateur. Communiqué de presse n°12/ RDC/VSV/CD/2007", Les Voix des sans Voix, 10 March 2007. (Our translation)
- 34 Solidarité Paysanne à Larges Initiatives (SOPALI), personal communication, April 2008
- 35 Société Industrielle et Forestière Zaïre-Allemande, Siforco's name during the Mobutu era.
- 36 Greenpeace research
- 37 SGS TLTV Statements (LEGALITY OF PRODUCTION - LP) - issued and currently valid, SGS, September 2008
- 38 "Production, purchase, transport and export of round logs and processing, transport and export of shipping dry and kiln dry sawn timber and sliced veneer FMUs K8 Bumba (523,340 ha) and K10 Yakata (SEDAF 200,533 ha); Maluku and Bumba sawmill and at Maluku slicing mill"

³⁹ For example the companies SEDAF and Sicobois.

⁴⁰ The company is controlled by the US citizens David, Daniel and James Blattner. In 2005, the Blattners brought a claim against the DRC government before the International Centre for Settlement of Investment Disputes and Investment (ICSID), seeking recovery of debt incurred from a Mobutu-era construction contract. In July 2008, the ICSID declared its lack of jurisdiction in the case.

⁴¹ http://www.sdee.be/gbi/mot_du_president.htm

⁴² “Sold down the river,” *The Guardian*, 22 September 2007.

⁴³ The Amercian Blattner family aquired control of SAFRICAS in 2000, via their company « NewBiz Congo », registered in the Cayman Islands.

⁴⁴ Including a contract executed in 2003-04 for the renovation of the World Bank’s Kinshasa offices. (7 September 2004 email from Onno Ruhl, then-World Bank DRC Country Manager) The World Bank website lists World Bank-financed SAFRICAS contracts as “Construction Bridge Kiyimbi” (\$278,000, signed 1 November 2002) and “Rehabilitation of Drainage System and Roads on Kasa Vubu Avenue” (\$11,265,000, signed 6 November 2003). SAFRICAS was part of a consortium that won a \$16,476,000 water infrastructure contract signed 15 June 2004. See also “Routes, à Kinshasa, les Blattner crucifient la Banque mondiale”, *Le Soft International*, 16 November 2005.

⁴⁵ “Rapport final de missions de contrôle dans le cadre de l’étude d’un Observateur Indépendant en appui au contrôle forestier en RDC 19 juillet – 11 octobre 2007”, Global Witness, 2007. (Our translation)

⁴⁶ *Ibid.*, page 54: „Après de la société SAFBOIS, la mission a observé que les travailleurs accumulent des retards de plus de trois mois de paiement des salaires. Ils sont, par conséquent, contraints à l’endettement avec intérêts pour survivre. »

⁴⁷ In *The Guardian op. cit.*, Van de Ven claims that Safbois invested \$10,000 in construction of the school. “We had an agreement that we would supply all the bricks. We said we will build the school but we need five people to work in week one, three in week two. Nobody came. We gave them the possibility to make the bricks, but they never made them. You get very frustrated. You pull your hair out.” Two years earlier she had claimed that construction of the school was “ongoing” and “well-advanced” (Correspondence, Françoise Van de Ven, 2 December 2005.)

⁴⁸ Confidential document held by Greenpeace

⁴⁹ “Kisangani : les habitants de Yafunga exigent le départ de Safbois”, Radio Okapi, 22 February 2008, mentions eight arrests. See also Réseau ressources naturelles en province Orientale, press release 21 February 2008. The arrested protestors were rapidly freed thanks to the intervention of a local MP.

⁵⁰ “Mot de bienvenu de la Safbois à la première réunion de travail avec le comité de suivi en date du 06 mars 2008”, Céléstin Kanzi, 6 March 2008

⁵¹ *Ibid.*

⁵² “Etude préliminaire d’impact socio-économique de l’exploitation industrielle du bois en RDC : Cas des provinces du Bas-Congo, Bandundu, Equateur, Orientale et Nord-Kivu”, Réseau pour la Conservation et la Réhabilitation des Ecosystèmes Forestiers, January 2007. See also Greenpeace, *op. cit.*

⁵³ Réseau pour la Conservation, *op. cit.*

⁵⁴ International Federation for Human Rights, annual report 2006.

⁵⁵ In December 2005, Françoise Van de Ven claimed that as of 30 September 2005 Safbois employed 79 full-time workers (“engagés”) and 75 day labourers; total monthly manpower expenses were claimed to be 2,107,000 FC (2,674 €, or 33 € per person) for full-time workers, and 447,000 FC (567 €, or 7.5 € per person) for day labourers. (Van de Ven, *op. cit.*). Françoise Van de Ven is today secretary general of DRC’s Fédération Industrielle du Bois and Vice President of the Inter-Ministerial Commission in charge of conversion of logging titles.

⁵⁶ Van de Ven, *op. cit.* mentions gifts including 120 sheets of roofing and “ten or so” bicycles. Although, as she states clearly, logging started at Yafunga in October 2004, she indicates that at the time she was writing (December 2005) no doctor was present there. “Dr. Afata has just been hired by the company and will leave for the worksite 15/12/2005.” She adds that two “licensed nurses” and a “lab assistant” were available. (Our translation)

⁵⁷ The exact amount is unknown, the company states on its website it holds “significantly under 10 %”.

⁵⁸ Document, dated 2004 held by Greenpeace. See also “Sodefor tient à une exploitation durable de la forêt”, *Le Potentiel*, 1 September 2008, http://www.lepotentiel.com/afficher_article.php?id_article=69711&id_edition=4424

⁵⁹ « Aide Memoire, Mission de suivi du secteur forestier (1er – 12 juillet 2003) », World Bank, 2003

⁶⁰ “Conflict Timber: Dimensions of the Problem in Asia and Africa, volume III, African Cases, DR Congo”, ARD/USAID, May 2003.

⁶¹ « Rapport sur la violation des droits humains perptree dans le village Mbelo le 30 Mars 2006 », Actions pour la Protection et l’Encadrement de l’Enfant, June 2007. See also « Face aux abus dans l’exploitation

du bois : L'ESDIHB invite le Gouvernement à faire appliquer le code forestier », *La Prospérité*, 18 July 2008

⁶² « il viole systématiquement la loi en matière de travail par confiscation des droits des travailleurs, utilisation abusive de la main d'oeuvre », "Lettre du 15 août 2007 du Syndicat des travailleurs libres au directeur général de la Sodefor", 15 August 2007

⁶³ Greenpeace research

⁶⁴ "Greenpeace empêchée de se déployer à Nioki", *Le Potentiel*, 15 May 2008

⁶⁵ "Sodefor donne sa version des faits", *Le Potentiel*, 19 May 2008.

⁶⁶ Confidential document held by Greenpeace, our translation

⁶⁷ For example, the logs produced by Folac are stored and processed at NST's logpark in Nioki, and transported on the same boats.

⁶⁸ http://www.preciouswoods.com/index.php?option=com_content&task=view&id=81&Itemid=142

⁶⁹ WRI letter to World Bank, *op. cit.*

⁷⁰ see for example Greenpeace letter to the World Bank, 16 May 2007

⁷¹ WWF Belgium, Annual Report 2006.

⁷² "Cutting edge: how community forest enterprises lead the way on poverty reduction and avoided deforestation", Duncan Macqueen, International Institute for Environment and Development, 2007

⁷³ Press release, Council of the European Union, Conclusions on the UN Convention of Biological Diversity, 3 March 2008; 6847/08 (Presse 50).

⁷⁴ Tropical Deforestation Emission Reduction Mechanism (TDERM): A Discussion Paper, Greenpeace, 2007. Greenpeace is calling for the creation of an international fund, managed under the auspices of the United Nations. The fund would be financed by contributions from industrialised countries and partially linked to the carbon market. (a new currency for avoided deforestation will not be tradable on the global emissions market, but its price would be linked to the development of the price per ton of carbon on the international market). This fund will be able to finance emission reductions and capacity building measures in all tropical forest countries. The credits rendered by this mechanism must not replace or compensate for industrial emissions in developed countries.