

# United States Senate

WASHINGTON, DC 20510

The Honorable Robert Zoellick  
President  
The World Bank  
1818 H Street NW  
Washington, DC 20433

August 17, 2007

Dear Mr. Zoellick,

As you assume the presidency of the World Bank Group, we encourage you to make it a priority to review the Bank's development efforts in the Democratic Republic of Congo (DRC). As you well know from your previous work in Africa, the management of natural resources is a fundamental component to equitable and sustainable economic progress. However, we are concerned that irrevocably destructive logging practices are currently expanding in the DRC at an alarming rate. We believe that this policy directly threatens the long-term viability of the local communities that are sustained by the rainforest and undermines long-term development of the DRC.

The DRC's rainforest is an immense value to the world's environment and the local population. Specifically, the rainforest is the world's second largest and 40 million people rely on it for their livelihood. Additionally, the DRC rainforest contains 8% of stored global carbon, making it one of the planet's essential defenses against global climate change. As the Bank has recognized, the effective management of this resource is intrinsically linked to the quality of life for the DRC people as well as the world's environment.

We appreciate the role that the World Bank has played in the development and adoption of the new forestry laws in the DRC, especially the crafting of the 2002 moratorium on the issuance of new logging titles. The Bank has also actively supported an audit of the logging titles by the DRC to ascertain their legality. This is essential to achieving the Bank's longstanding objectives to promote security, foster shared economic growth, support governance and capacity building; and stimulate social development

As the largest and most influential donor to the DRC, the World Bank has the unique ability and responsibility to assist in implementing and enforcing the logging framework that the Bank assisted in developing. Without enforcement, logging is out of control. According to independent research, since the moratorium was signed in 2002, over 100 new contracts, covering 57,000 square miles of rainforest – an area the size of Illinois – have been awarded to international logging companies. In addition, benefits intended for poor forest communities have not reached the intended beneficiaries. We are troubled by the Bank's lack of commitment to implementation of the sustainable development plan it helped establish.

The Bank has pledged significant financial support to the DRC over the next 3 years and we believe that this assistance should be predicated on the conclusions of the World Bank's report, "Forests in Post-Conflict Democratic Republic of Congo." As a result, we suggest that the World Bank work to:

- ***Ensure that the legal review of existing titles is completed in strict compliance with the agreed upon criteria.*** The DRC Presidential decree of October 2005 set forth a number of criteria that had to be considered to establish the legality of existing titles. For instance, each title holder had to demonstrate that all forest area taxes had been paid since fiscal year 2003, that concession limits were being respected, and that part of the timber logged under the title was being processed at a DRC wood mill. There is a risk that the title review is being carried out without consideration of all the criteria, undermining its very purpose.
- ***Enforce effective implementation of the results of the review.*** Consistent with the terms of the review, title holders who fail to meet the audit criteria should have their logging titles revoked. Similarly, logging titles awarded following the issuance of the moratorium in 2002 must be cancelled. Furthermore, the Bank should work with the DRC government and other donors to ensure that the government has sufficient legal support to defend its decisions against likely appeals by companies holding cancelled titles.
- ***Enforce and Maintain the Moratorium.*** The moratorium on new logging titles should be enforced and maintained until the forest governance in the DRC has implemented a comprehensive land use plan has been developed with the participation of local and indigenous communities. The final land use plan should reflect local needs rather than the reliance on the logging concession model.
- ***Establish Local Governance and Enforcement Capacity in the DRC's Forest Sector.*** After 5 years of a World Bank backed reform process, governance in the forest sector is still absent. Local government entities lack the most basic means to monitor and control abusive logging activities. Working with the DRC government, the Bank must assist in empowering local government entities to ensure that these populations have the ability to enforce the new DRC forest law framework.
- ***Promote Alternative Forest Uses that Benefit Local Communities.*** Rather than perpetuate a flawed model based on industrial logging concessions, the Bank should actively promote alternatives in forest use that provide sustainable benefits to the local communities. These alternatives should be developed with participation of forest-dependent communities.

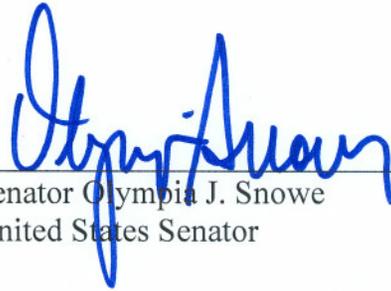
As World Bank studies have demonstrated, unmanaged industrial logging has a poor history in Africa. Unfortunately, that experience is currently being replicated in the DRC. We are particularly concerned about the increase in social conflicts between logging companies and local communities. In this period of recovery after a long and brutal war, the Bank has the opportunity to become involved and ensure that the logging crisis does not persist and exacerbate the situation.

We look forward to your response describing the steps that World Bank intends to take in light these developments.

Sincerely,



Senator Russell D. Feingold  
United States Senator



Senator Olympia J. Snowe  
United States Senator



Senator Ron Wyden  
United States Senator



Senator Susan M. Collins  
United States Senator



Senator Barack Obama  
United States Senator



Senator Barbara Boxer  
United States Senator

CC: Secretary Henry M. Paulson, United States Department of the Treasury