



Spotlight on Illegal Logging: Company Profile

Société Forestière Hazim and its destruction of Cameroon's forests

In recent years, a stream of reports published by the Cameroonian Government, the World Bank, Global Forest Watch (World Resources Institute) and environmental organisations such as WWF and Greenpeace have revealed the widespread nature of illegal activities within Cameroon's forest products industry¹. Overall, it is estimated that as much as 90 percent of logs and timber produced in Cameroon are illegal in some way².

Of all the forest products companies logging and/or trading illegally in Cameroon, one of the largest, and certainly one of the most notorious, is Société Forestière Hazim (SFH), a Lebanese-owned company with a serious record of violating forestry laws, creating social conflicts and logging without regard for its environmental impact. SFH has been repeatedly fined for its anarchic logging practices, yet the company continues to flagrantly ignore the law, logging outside legally defined boundaries of its own – and others' – logging concessions.

In light of SFH's consistently destructive, unlawful and unethical forest practices, Greenpeace is calling on governments and the forest products industry worldwide to stop their role in supporting this company's relentless destruction of Africa's remaining ancient forests by stopping all imports of SFH's timber into national ports.

Société Forestière Hazim: illegal, immoral – and in pocket

Cameroon's logging industry is plagued with problems of widespread corruption and illegality which are estimated to cause losses of millions of dollars each year to the Cameroonian Government³. In 1999 some 18 companies were fined a total of 103 million F CFA (US\$ 140,000) for logging illegally; 7 of these companies were excluded from the next round of concession allocations. In 2001 35 companies – including many of those fined previously – were fined 1.27 billion F CFA (US\$ 1.7 million) for cutting trees below the legal diameter, logging outside legal boundaries, logging without permits and other unauthorised activities.⁴

Of these companies that have been repeatedly fined, the Lebanese company SFH has gained particular notoriety over the last two decades, as it has systematically plundered Cameroon's forests with no regard for the social or environmental consequences of its illegal and destructive logging practices.

Company Profile

Lebanese-owned Société Forestière Hazim has been active in Cameroon since the early 1980s. By 1998-1999 it was the country's fifth largest concession holder, with concessions totalling 157,000 hectares⁵. The company also sub-contracts concessions belonging to other companies making SFH one of the largest timber producers in Cameroon.

¹ MI NEF (1999a); MI NEF (1999b); Milol and Pierre (2000); Global Forest Watch (2000); Durrieu de Madron and Ngaha (2000); Greenpeace (2000) Sizer and Plouvier (2000)

² Milol and Pierre (2000)

³ Milol and Pierre (2000)

⁴ MI NEF (2000); MI NEF (2001)

⁵ Global Forest Watch (2000)

Since 1994, with the help of investors from France and Italy⁶, SFH has constructed four wood processing plants in Cameroon: Société Forestière Hazim Scierie (SFHS) and IB-Cam in Bonabéri (Douala); Société Forestière Hazim-Ngambé Tikar (SFHS-NT) in Ngambé-Tikar; and Société Forestière Hazim Scierie-Lomié (SFHS-L) in Lomié⁷.

Environmental Destruction and Social Conflict⁸

The site originally chosen for SFH's fourth processing plant, SFHS-L, was already occupied by a Baka 'pygmy' village of 200 inhabitants. But it was only when Hazim's bulldozers arrived and began to destroy large parts of the village – including ancestral graveyards – that the Baka were made aware of the company's intentions. In the light of international attention SFH finally agreed to relocate to another site; its mill is now operational only a few kilometres from the border of the Dja Reserve – a World Heritage Site.

Environmental Destruction and Illegal logging

Evidence compiled by Greenpeace reveals how SFH has recently been involved in a range of illegal logging activities – ranging from flouting forestry laws in concessions to which it does have legal access, to logging in areas to which the company has no legal access.

Between 1997 and 2000, SFH was repeatedly discovered logging outside allowed cutblocks in UFA 08-003 – a 53,160 hectare concession in the Ngambé Tikar area. In December 1999, the company was fined 10 million F CFA (US\$ 13,000) by MINEF (Ministry for Environment and Forestry) for 'logging anarchically outside the licensed cutblock of the concession'. Six months later, when another MINEF inspection team visited the concession, they found SFH involved in large-scale logging in numerous cutblocks not yet allowed for exploitation⁹.

In June 2000 the MINEF inspection team also found SFH – operating as Nadja-EGM – logging within UFA 10-047, a 125,700 hectare concession located near the Dja Reserve. The concession, belonging to a Mr Mponengang, had been classified as 'inactive' by MINEF in December 1999. However, the inspection team visiting in June 2000 found that 15,000 ha of forest within the concession had already been extensively logged without legal authorisation. If logged according to Cameroonian forestry law, this area of forest would have supported more than 4 years of exploitation generating 500 million F CFA (US\$ 672,000) in taxes which should have been paid to the Cameroonian Government¹⁰.

During the same inspection period, researchers from the UK-based NGO Global Witness, together with MINEF, discovered SFH illegally operating in an unallocated concession (UFA 10-030) having constructed a network of large, wide, but poorly constructed roads to transport the illegally felled timber¹¹.

Since then SFH has been fined a further 180 million F CFA (US\$ 242,000) for forest exploitation outside legal limits. Yet despite its record for flaunting national forestry law, and flagrantly disregarding the social and environmental impacts of its operations, Hazim's logs and timber continue to flood the international market place.

Driving the Destruction

⁶ Spanish and Italian investors in SFHS and IB-Cam respectively have now sold their interests in these companies. However, according to Carret (1999), Italian businessman Sandro Fuzer has retained his investment in SFH-NT.

⁷ Carret (1999)

⁸ Carret (1999)

⁹ MINEF (1999a); MINEF (1999b); Durrieu de Madron and Ngaha (2000)

¹⁰ Durrieu de Madron and Ngaha (2000)

¹¹ Durrieu de Madron and Ngaha (2000)

Cameroon's lowland rainforest forms part of Africa's stunning Forest of the Great Apes –one of the last remaining strongholds of species such as gorillas, chimpanzees and forest elephants. Once stretching across Africa from Senegal to Uganda, this forest supports thousands of species of plants and animals, and is home to around 12 million forest-dwelling peoples.

While this spectacular forest still spans regions of Cameroon, Central African Republic, Congo Brazzaville, the Democratic Republic of Congo, Equatorial Guinea and Gabon, much of the original forests have already been lost due to intensive industrial logging and subsequent conversion into agricultural land.

The driving force behind the logging industry in this region has traditionally been Europe – with French and other European logging companies moving from other parts of West Africa to Cameroon in the 1970s¹². Yet today, although many other companies are now also operating in the region, Europe remains a strong factor in driving both this industry and the destruction of Cameroon's last remaining rainforests, through its insatiable demand for African timber.

According to the most recent figures from the FAO¹³, the EU is currently responsible for more than 80 percent of Cameroon's annual exports, which totaled almost 2 million cubic metres of tropical logs and wood products in 1998. The main importer is Italy (21%), followed by Spain (17%), France (13%) and Portugal (13%). The fifth largest importer of Cameroonian wood is currently China (7 %).

Between July 2000 and November 2001 significant volumes of logs and timber bearing SFH logos have been located in ports in Germany, Netherlands, Spain, Italy, Portugal and France.

Top importers of wood and wood products from Cameroon

Country	Volume (cu m)/%		Country	Volume (cu m)/%	
Italy	375,237	21.13	Netherlands	83,987	4.73
Spain	293,658	16.54	Turkey	69,617	3.92
France	230,512	12.98	Korea	59,153	3.33
Portugal	227,817	12.83	Japan	58,286	3.28
China	126,053	7.10	UK	55,973	3.15
Germany	108,017	6.08	Be-Lux	40,929	2.31
TOTAL G8					
	834,826	47.0	TOTAL EU	1,437,557	81.0
TOTAL IMPORTS WORLDWIDE			1,775,610		

*These volumes include industrial roundwood tropical (non-coniferous), plywood, sawnwood (non-coniferous) and veneer sheets. Source: FAOSTAT (2001)

Greenpeace call for action

Despite a series of Greenpeace actions in July 2000, in which the organisation called on G8 - and EU - Governments to live up to their 1998 commitment to clamp down on illegal logging globally, these groups of nations continue to import huge quantities of wood whose origins are obscure. In many cases, the chances are high that logs and timber are coming from ancient forest destruction

¹² Van Dorp (1995); Debroux and Karsenty (1998) both cited in Greenpeace International 1999.

¹³ FAOSTAT 2001 (latest figures are for 1998) <http://apps.fao.org/>

and originate from companies – like Hazim – who operate with little regard for the law, or for their environmental or social impact.

In the run up to next year's Ancient Forest Summit¹⁴, Greenpeace is urgently calling on World Governments 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
- clean up the timber trade – by ensuring that timber is produced and traded in a legal and ecologically responsible way
- come up with the money – by providing at least US\$15 billion each year to pay for forest conservation and sustainable development

In the light of the strong evidence implicating SFH in repeated examples of illegal and destructive logging, Greenpeace is urging the governments of all importing countries to immediately stop their role in the destruction of Liberian forests. To this end, governments must start 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 standards¹⁵.

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¹⁴ The Ancient Forest Summit is the 6th Conference of Parties to the Convention on Biological Diversity. It will be held in April next year, in The Hague, The Netherlands and will have a mandate to agree a 10-year programme on forests in preparation for Rio + 10 which will take place in Johannesburg in September 2002.

¹⁵ The Forest Stewardship Council (FSC) is currently the only international certification and labelling system that uses globally endorsed ecological performance standards, ensures a traceable chain-of-custody from production to final consumption and brings together a broad range of environmental, social and economic stakeholder interests.