Forest crime file: Corporate Crimes

Wijma: logging illegally in Cameroon's rainforest

August 2002



GREENPEACE

Executive Summary

"GWZ will take all possible steps to ensure that its own production of the forests [in Africa] is ecologically sustainable, economically viable and socially acceptable."

Wijma/GWZ leaflet: Forest Management in West Africa

In its company literature, the Dutch logger and timber trader Wijma has made many claims about the environmental and social acceptability of its timber. But in practice, Wijma not only buys from some of the most notorious logging companies in West Africa¹, but is itself involved in logging illegally outside of its legal cutting areas in Cameroon.

Within the last 12 months, Wijma has been caught in the act of committing fraud at least three times.² And as recently as July 2002, researchers from Forests Monitor and Greenpeace have documented further evidence of the company's illegal activities. These joint field investigations have revealed that Wijma has used its legally allocated cutting permit, VC 09-02-132, to log illegally in a much larger area, well outside the official limits of this permit.

Using Global Positioning System (GPS) co-ordinates, the Forests Monitor/Greenpeace investigations have provided irrefutable evidence of an illegal road network, log ponds³ and abandoned logs cut up to five kilometres outside the limits of Wijma's legally allocated cutting area.

Most of these illegally cut logs were found to have been fraudulently marked with Wijma's legal logging title VC 09-02-132, which is a clear method of laundering illegal timber into the international marketplace. The investigations also revealed that Wijma's illegal logging operation was both destructive and highly wasteful, causing significant ecological, economic and social damage to the Cameroonian government, to another logging company, and to local communities.

Preliminary estimates indicate that the company may have illegally logged an area as large as 2,000 hectares, resulting in the production of illegal timber with a value (FOB value) in the region of US\$2.1 million (1.4 billion CFA)⁴. Some of this timber has been illegally cut from the legal logging concession allocated to one of Wijma's competitors – Fipcam, an Italian logging company with legal rights to the nearby concession UFA 09-018⁵. Even worse, illegal road construction and skidding tracks have destroyed agricultural and cash crops of around 50 local villagers. These farmers depend upon these plantations for food and cash incomes, and have received only a small fraction of the value of their destroyed crops – if anything. In most cases they have not been compensated at all.

Forests Monitor and Greenpeace believe that Wijma must be held accountable for the damage it has caused, and that the Cameroonian government, the local people, and the logging company Fipcam must be fully compensated.



Caught on the spot in Cameroon's rainforest: abandoned Wijma (GWZ) log illegally cut outside Wijma's valid cutting permit. The log has been fraudulently marked using the code of Wijma's valid cutting permit VC 09-02-132.

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notes

1 These include the Lebanese logging company Hazim, which is involved in large-scale illegal logging activities. Hazim's illegal operations are believed to have cost the Cameroonian government millions of dollars in lost revenue. See: Greenpeace (2002) Forest crime file: Wijma: destroying Cameroon's aniforests; Greenpeace (2002) Forest crime file: Hazim: plundering Cameroon's ancient forests.

2 In January 2002, Wijma was fined CFA 1,836,415 (USS2,422) for cutting protected trees without authorisation and for cutting undersized trees. In addition, the provincial control brigade of Cameroon's Ministry of Environment and Forests (MINEF) proposed that local Wijma director Mr.Bertein should pay CFA 2,500,000 (USS3,325) for transporting timber without legal documents. See: MINEF (2002) Transaction forestiere entre MINEF et Wijma, 2001. MINEF delegation of Littoral Province/Provincial Control Brigade.
Unpublished document, 14 January 2002; also in Jjanuary 2002, MINEF notified Wijma's subsidiary STIK that all its activities were to be suspended due to the company's complicity in fraudulent logging practices carried out in a forest reserve by the company Helena Bois. (MINEF – UCC – 2002). See: Greenpeace (2002) Forest Crime File: Wijma: Destroying Cameroon's rainforests. In February 2002, Global Witness found Wijma to be logging out of their legal boundaries. See: Global Witness (2002) Observateur Indépéndant en soutien à l'Application de la Loi dans le Secteur Forestiere Cameroun.

3 Log ponds (parc à bois) are areas where logs are temporarily stored prior to their transport.

4 FOB – Free on Board; CFA – Central African Francs; See Section on Economic losses to the Government of Cameroon.

5 UFA – Unité Forestière d'Aménagement (FMU, Forest Management Unit in English). A defined area of forest exploitation for which a management plan is required

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To this end Forests Monitor and Greenpeace call on:

- The Government of Cameroon to urgently carry out a detailed inventory to calculate the real economic damage this illegal logging operation has caused, and to impose adequate sanctions on Wijma and ensure full compensation for the local people affected by Wijma's illegal logging operation
- The Dutch government and other Wijma customers to review and amend their current purchasing policies, with a view to finding alternative suppliers unless Wijma immediately stops its own illegal logging operations, immediately stops buying from known criminals and commits to moving towards certification at least to the standards demanded by the Forest Stewardship Council
- The Cameroon and Dutch governments to support the call to develop a legally binding framework on corporate responsibility, liability and accountability

Box 1: Wijma's illegal timber on the European market

Is this timber legally produced?

Once Wijma's sawn timber arrives on the European market, it is impossible for the customer to verify the sustainability, or even legality, of Wijma timber. Logs from legal and illegal sources are easily mixed and could be processed together in Wijma's sawmills in Cameroon or in the Netherlands.



Wijma sawn timber in the Dutch port of Delfzijl. © Greenpeace / Verbelen - 2000

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Exposing Wijma's illegal exploitation of tropical forests

Wijma currently holds several valid cutting permits in Cameroon, one of which is vente de coupe 09-02-132 (see Box 2), located in the department of Mvila (Ebolowa district) in the South province of Cameroon. This 2,500 hectare cutting permit was awarded to Wijma on 08-03-2001 and expires on 08-03-2004 ⁶. Following up on local reports of illegal logging operations around the vente de coupe 09-02-132, the field investigations conducted in July 2002 by Forests Monitor and Greenpeace have revealed that Wijma has seriously abused this legally allocated logging title.

Box 2: Ventes de coupe

"Ventes de coupe" (VC) are titles to log an area of 2,500 hectares in the nonpermanent forest estate over a three year period. These logging operations are allocated at auction to the highest bidder, and are often exploited in a highly destructive manner as no management plan is legally required. VC logging titles are widely abused in Cameroon, and the titles are often used to organise illegal logging operations in a much more extensive forest area than is allowed by the legal title ⁷. One World Bank financed report recently revealed that up to 90% of ventes de coupe in Cameroon's East Province are operated illegally.⁸

Using a GPS° receiver to record geographic co-ordinates, Forests Monitor and Greenpeace documented an extensive road network, skidding tracks, abandoned logs and stumps up to five kilometres from Wijma's legal VC boundaries (see Map 1). Abandoned logs carrying the markings of Wijma's vente de coupe 09-02-132 and the company's markings (GWZ) were found in log ponds along these tracks, indicating that Wijma had been operating illegally well outside their official limits.¹⁰

Interviews with local people further indicated that the illegal logging operation was indeed organised by Wijma. People referred to "Wijma's workers" and "Wijma's machinery", and also explained that logging trucks commonly evacuated the logs at night – suggesting an attempt to hide the transport of the logs. While these investigations did not uncover evidence on the destination of the logs, or where they were to be processed, several people who had worked with the company during this illegal operation said that the logs went to Bidou, near Cameroon's coast, where Wijma has a sawmill. Villagers further revealed that Wijma had mainly cut Azobé trees and a range of other valuable species such as Bubinga, Iroko and Bilinga.¹¹

notes

- 6 Source: MINEF arrêté: 0183/A/MINEF/DF/SDAFF/SAG
- 7 Forests Monitor (2001) Sold Down the River: the need to control transnational forestry corporations: a European case study. http://www.forestsmonitor.org/reports/solddownriver/sold.pdf (English): www.forestsmonitor.org/reports/priseenotage/prise.pdf (French)
- 8 Milol AC and Pierre J-M (2000) Impact de la fiscalité décentralisée sur le développement local et les pratiques d'utilisation des ressources forestières au Cameroun. Final report commissioned by the World Bank, January 2000.
- 9 GPS (Global Positioning System) receivers allow users to accurately pinpoint their location on the surface on the earth to within 30 metres. A Garmin GPS76 with external antenna was used during this investigation.
- 10 Some logs also carried the hammer mark from the local MINEF authorities, implying that this illegal logging operation may have happened with the complicity of the local forestry authorities.
- 11 Axobé Lophira alata, classified as Vulnerable by the IUCN; Bubinga – Guibourtia spp; Iroko – Chlorophora spp; Bilinga – Nauclea diderrichii, classified as Vulnerable by the IUCN. See: IUCN, WCMC (1998) The World List of Threatened Trees. World Conservation Press.

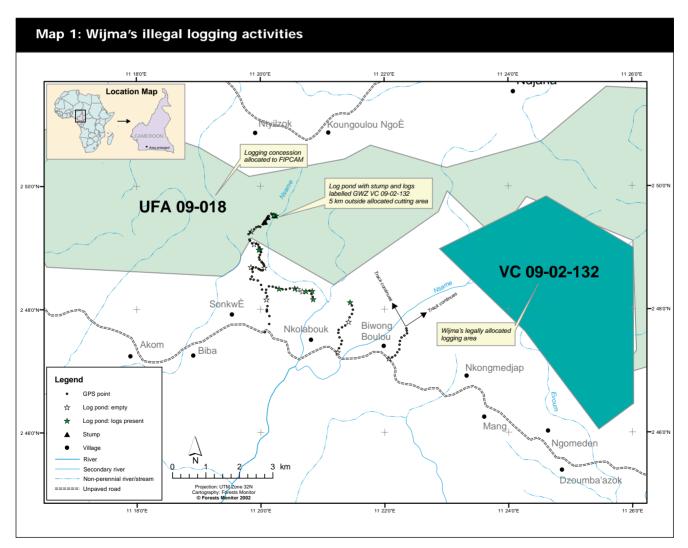
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These field investigations additionally documented that Wijma had logged inside forest management unit UFA 09-018 legally allocated to the Italian logging company Fipcam in June 2001 (see Map 1). This evidence is in addition to the report of Cameroon's Independent Observer of the forestry sector, Global Witness ¹², which documented Wijma logging tracks entering another area of Fipcam's UFA. These findings indicate that Wijma has illegally logged significant amounts of timber from this management unit whichis not yet even operational. Wijma's illegal activities are likely to have seriously undermined the production of a sustainable forest management plan for this area, as well as causing direct financial losses to Fipcam.

Based on the road network that this investigation uncovered, combined with the Global Witness report, it is clear that Wijma has carried out an extensive illegal logging operation in this area. Calculations based on Geographic Information System (GIS) analysis indicate that the area harvested in this illegal operation by Wijma could be as large as 2,000 to 3,000 hectares – an additional area comparable in size to to their existing legal cutting permit.



notes

12 Observateur Indépéndant en soutien à l'Application de la Loi dans le Secteur Forestier Cameroun. Rapport Indépendant. N°. 009 Fr

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Economic losses to the Government of Cameroon

Initial estimates indicate that the volume of Wijma's timber logged illegally – and laundered into the marketplace using fraudulent markings – may total around 14,000 cubic metres, with an FOB value of 1.4 billion CFA (US\$2.1 million). On top of the lost timber value, there are additional losses worth tens of thousands of dollars in tax revenues which the Cameroon government has not received. For example, stumpage fees at 2.5% of the FOB value of cut timber are among a number of taxes which are due on legally cut timber¹³.

These calculations have been based on the following assumptions:

- that Wijma has been logging illegally at least 2,000 hectares of rainforest
- that on average, one hectare of forest yielded seven cubic metres of timber¹⁴
- that the average FOB value of Cameroon timber is 100,000 F CFA (US\$150) per cubic metre¹⁵

Increased poverty of rural people in Cameroon

Wijma's logging operation has caused severe social conflicts locally, and many farmers interviewed expressed great anger regarding the destruction Wijma has caused to the forest and to their agricultural land. Villagers reported that they blockaded the logging tracks to prevent Wijma's illegal logging operation. But after intervention by local authorities, people were told to give up their protests and allow Wijma to enter the area.

In areas where Wijma was cutting illegally, the reckless road construction and the skidding tracks have destroyed numerous agricultural crops and the small-scale plantations owned by the local farmers. Around 50 farmers in three different villages (Sonkwé, Biwong Boulou and Nkongmedjap – see Map 1) are victims of Wijma's illegal logging operation, having lost both food crops such as manioc and plantains, and cash crops such as cocoa and tobacco.

The direct damage to peoples' livelihoods caused by the destruction of local farmers' fields was considerable, since the farmers depend upon their plantations for food and cash incomes. A small number of villagers interviewed said that they received some money as compensation via Wijma's middlemen, said to be working with the company Soforoc¹⁶. However, it is clear that the money they received covered only a tiny fraction of the economic damage caused to the local people's fields. In the vast majority of cases (and especially in Sonkwé village) farmers who had their crops destroyed by Wijma's logging operation have received no money at all.

In Europe, Wijma presents its African logging operations as a positive contribution towards development and poverty alleviation for the local population. However, this case study clearly illustrates that Wijma's illegal logging operation is, in fact, impoverishing the livelihoods of the local people. Forests Monitor and Greenpeace are calling on Wijma's European management to accept full responsibility for the damage caused to the livelihoods of the local farmers, and to organise full and fair compensation for the victims.

notes

- 13 These are only estimates of damages. A further, more detailed assessment by Cameroon forestry officials will be necessary in order to estimate the real value of the stolen timber. The FOB value for Iroko (145 500 CFA) is, for example, higher than for Azobé (80 000 CFA).
- 14 On average the production in a Cameroon forest is between 7 and 15 cubic metres per hectare.
- 15 The FOB value for Iroko is145,500 CFA and for Azobé 80 000 CFA.
- 16 SOFOROC is a Cameroonian logging company and a known business partner to Wijma. In a letter to Greenpeace dated 08-07-2002, Wijma claims to have ended it's relationship with Soforoc this may apply to the current case study but does not eliminate Wijma's responsibility over this illegal logging operation.

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Box 3: The economic value of bubinga

Bubinga timber is an extremely valuable commercial hardwood. But these trees also have a high value for local communities, where they are used for medicinal purposes and have great spiritual importance. This commonly leads to social conflict between villagers and logging companies.



Bubinga log, illegally cut and abandoned by Wijma between the village of Nkolabouk and UFA 09-018. © Greenpeace / Verbelen. July 2002

Damaged economic interests of a competition

Part of Wijma's illegal logging operation took place inside the legally allocated area of another logging company – the Italian owned Fipcam (see Map 1). Local people informed the researchers that Fipcam has already organised a detailed survey in the area to assess the full damage caused to their concession by Wijma's illegal operation. Both companies are members of the Association Technique Internationale des Bois Tropicaux (ATIBT) who are therefore in a position to facilitate an out-of-court settlement between both companies. The current state of the negotiations between these two companies, however, is currently unknown.

Box 4: Wijma's logging in a competitor's forest concession



UFA 09-018 is a 30.000 hectare logging concession that was allocated to the Italian-owned logging company Fipcam in 2002. Unlike ventes de coupe, UFA's are located in the permanent forest estate and a management plan is required to ensure that their exploitation is sustainable. Unfortunately, there are numerous cases in Cameroon where UFA's are logged illegally (either by the concession owner himself or – more commonly – by a third party) before such a management plan is established, making the sustainable management of the concession an even more complex undertaking.

Researcher with a GPS receiver recording geographic co-ordinates of a log cut illegally by Wyma in the large log pond in UFA 09-018. © Greenpeace / Verbelen. July 2002

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Recommendations

Forests Monitor and Greenpeace recommend that:

- MINEF urgently conducts an official investigation into this case, assessing the ecological, social and fiscal damages, and imposes due financial penalties on Wijma
- MINEF, holds the company accountable for the economic and social impacts of its illegal logging operations and ensures full compensation for the government, Fipcam and for local communities
- MINEF prohibits Wijma from receiving further logging permits until they can demonstrate that they are willing to operate within their legal obligations
- Wijma provides immediate, and adequate, compensation to the local communities for the damages caused to their livelihoods by this operation
- The Dutch government and other Wijma customers review and amend their current purchasing policies with a view to finding alternative suppliers unless Wijma immediately stops its involvement in illegal logging operations, immediately stops buying from known criminals and commits to moving towards certification at least to the standards demanded by the Forest Stewardship Council
- The Cameroon government establishes a clear procedure for processing and acting upon third party findings of illegalities in the forestry sector in a rigorous and transparent manner
- The Cameroon and Dutch governments support the call to develop a legally binding framework on corporate responsibility, liability and accountability

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Appendix: GPS co-ordinates

ID	DD_Long	DD_Lat	Notes	Map point
70	11.33440	2.79407	Junction with main public road	•
71	11.33560	2.79628		•
72	11.33564	2.79843		•
73	11.33494	2.79969		•
74	11.33495	2.79998	Track junction	•
74A	11.33495	2.80017	Abandoned marked offcut "09-02-132 30046 09, 26/12/01"	•
75	11.33494	2.80020		•
76	11.33514	2.80112		•
77	11.33485	2.80292	Log pond	☆
78	11.33505	2.80378	Track junction	•
79	11.33471	2.80474	Track junction	•
80	11.33368	2.80561		•
81	11.33343	2.80688		•
82	11.33255	2.80806		•
83	11.33144	2.80829		•
84	11.33060	80844	Villager's hut	•
85	11.33096	2.80912		•
86	11.33116	2.81041		•
87	11.33102	2.81115	Track junction	•
88	11.33124	2.81158		•
89	11.33202	2.81158		•
90	11.33272	2.81124		•
91	11.33304	2.81106		•
92	11.33346	2.81084		•
93	11.33389	2.81082	Bridge	•
94	11.33431	2.81152	Log pond	☆
94A	11.33451	2.81133	Abandoned marked offcut "09-02-132, 30038 15, 14/10/01 "	•
95	11.33426	2.81204	Abandoned marked offcut "VC09-02-132 30038 16"	•
96	11.33414	2.81242		•
97	11.33394	2.81271		•
98	11.33363	2.81301		•
99	11.33358	2.81311	Abandoned marked offcut "09-02-132, 30047 27, 04/12/01"	•
100	11.33305	2.81368		•
101	11.33289	2.81432		•
102	11.33313	2.81500	Plantation	•
103	11.33339	2.81571		•
104	11.33324	2.81650	Log pond containing logs	*
105	11.33286	2.81639	Marked log: "GWZ VC0902132, 30044 19 1,12/12/01,	•
			MINEF stamp 437"	

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ID	DD_Long	DD_Lat	Notes	Map point
106	11.33285	2.81713		•
107	11.33268	2.81778		•
108	11.33215	2.81807		•
109	11.33156	2.81790	Log pond	☆
110	11.33104	2.81815		•
111	11.33048	2.81882		•
112	11.33032	2.81915	Skid track	•
113	11.33009	2.82061	Flooded area from badly constructed bridge	•
114	11.33058	2.82111		•
115	11.33083	2.82134	Log pond	☆
116	11.33161	2.82194		•
117	11.33215	2.82247		•
118	11.33272	2.82266		•
119	11.33322	2.82259		•
120	11.33400	2.82328		•
121	11.33428	2.82384	Stump	A
122	11.33451	2.82394	Marked stump "30045 106, 18/12/01"	•
123	11.33481	2.82436		•
124	11.33523	2.82522	Marked stump "30047, 02/01/02"	•
125	11.33555	2.82550	Flooded area from badly constructed bridge	•
126	11.33626	2.82616		•
127	11.33687	2.82597		•
128	11.33744	2.82573		•
129	11.33745	2.82571	Terminal log pond: 3 marked logs:	*
			"GWZ VC09-02-132, 30046 17 1, 26/12/01, MINEF stamp 437";	
			"GWZ VC09-02-132, 30048 10, 04/01/02";	
129A	11.33754	2.82559	"09 02 132, 30046 26, 26/12/01"	A
130	11.33700	2.82565	Stump marked: "30046 17, 26/12/01" in log pond	*
131	11.33689	2.82569	5 abandoned marked logs in log pond: "GWZ VC09-02-132"	☆
132	11.33069	2.81169	Log pond	
133	11.33481	2.80557		•
134	11.33553	2.80648		•
135	11.33656	2.80640		•
136	11.33740	2.80616		•
137	11.33824	2.80584	Log pond containing abandoned log	*
138	11.33918	2.80565		•
139	11.34012	2.80564		•
140	11.34118	2.80589		•
141	11.34248	2.80590	Log pond & abandoned log	*
			"GWZ VC09-02-132, 30226 21, 16/01/02"	
142 1	1.34327	2.80571	Log pond	☆

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ID	DD_Long	DD_Lat	Notes	Map point
143	11.34451	2.80513	Log pond	☆
144	11.34548	2.80511	Log pond with several partially buried marked logs	*
145	11.34646	2.80530		•
146	11.34718	2.80518	Log pond & large marked bubinga log: "30037 05 2, 10/10/01"	*
147	11.34700	2.80436		•
148	11.34732	2.80359		•
149	11.34744	2.80296	Log pond & large marked bubinga log: "30037 06"	*
151	11.35398	2.78863	Log pond at entry to track from main public road	☆
152	11.35436	2.78969		•
153	11.35493	2.79076		•
154	11.35512	2.79171		•
155	11.35449	2.79264		•
156	11.35418	2.79386		•
157	11.35427	2.79468		•
158	11.35518	2.79534		•
159	11.35604	2.79584		•
160	11.35694	2.79684	Log pond	☆
161	11.35722	2.79804	Flooded area from badly constructed bridge	•
162	11.35786	2.79895		•
163	11.35812	2.80012		•
164	11.35786	2.80123		•
165	11.35735	2.80214	Log pond containing marked log:	*
			"GWZ VC 09 02 132, 30039 22 1, 01/12/01"	
168	11.36778	2.78688	Log pond by main public road	☆
169	11.36870	2.78724		•
170	11.36948	2.78771		•
171	11.37005	2.78857		•
172	11.37060	2.78934		•
173	11.37064	2.79062		•
174	11.37076	2.79163		•
175	11.37118	2.79258		•
176	11.37197	2.79310		•
177	11.37266	2.79368		•
178	11.37262	2.79442		•
179	11.37249	2.79503	Track junction	•

Notes : All co-ordinates were recorded in decimal degrees using the WGS 84 datum and a Garmin GPS 76 receiver.

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