

Crisis for FSC in the Congo Basin?

Problem certificates risk global credibility

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Greenpeace and many other Forest Stewardship Council (FSC) members and stakeholders are seriously concerned that an increasing number of FSC certificates are being granted around the world to logging companies that do not meet the international principles and criteria for forest stewardship, or key policies and standards.

Greenpeace believes that, globally, buying timber and paper products bearing the FSC label remains the best way available way to ensure these products come from environmentally and socially responsible sources. Over the past years, however, Greenpeace has collated evidence of several controversial certificates. We have identified systematic weaknesses within the FSC system¹, including:

- lack of guidance on how to manage large unfragmented forest areas² and other High Conservation Value Forests (HCVFs);
- lack of guidance on the feasibility/suitability of operating in 'high risk' regions;
- lack of controlled wood and chain-of-custody integrity; and
- lack of effort to address poor on-the-ground performance, especially with relation to large-scale logging operations.

To make a stand against weak certifications in the Congo Basin, Greenpeace International has filed complaints with FSC and the certification body SmartWood on the recent issuing of both a Chain of Custody certificate and a Controlled Wood certificate to SODEFOR, a logging company operating in the Democratic Republic of Congo (DRC).

It is vital that the FSC addresses these weaknesses in order to maintain – and in many cases, regain – the support of its members and stakeholders, and their confidence that its label can be trusted.

Worrying developments in the Congo Basin

The FSC continues to allow certification of large-scale controversial logging operations in extremely challenging or 'high risk' regions such as the Congo Basin, where basic pre-conditions for credible FSC certification are not yet established. These pre-conditions include robust regional/national standards that have broad consensus support, minimum forest governance criteria, strong stakeholder participation and land-use planning and HCVFs requirements that ensure the protection of large unfragmented forest areas.

As a consequence of the FSC's failure to provide guidance on how to conserve HCVFs, in particular, the fate of the most valuable forests is left to the discretion of certification bodies and logging companies. In the Congo Basin, certification bodies are certifying logging companies that are fragmenting and threatening large yet unfragmented forest areas. This is not in accordance with FSC's Principle 9 to maintain or enhance HCVFs.

This is the case for recent FSC certificates issued to Société de Développement Forestier (SODEFOR) and Congolaise Industrielle des Bois (CIB). Given their roles in fragmenting large forest areas with high conservation value, neither company should have received FSC certification.

¹ <http://www.greenpeace.org/international/en/publications/reports/Holding-the-Line-with-FSC1/>

² Also known as Intact Forest Landscapes (IFLs), see <http://www.intactforests.org>

Company: **Société de Développement Forestier (SODEFOR)**

FSC Certificate (Chain of Custody and Controlled Wood): SW-COC-005316 and SW-CW-005316
Area: Luna, Nténo and Nkaw : SODEFOR 022/03, 028/03 and 030/03," in the territory of Oshwe, Bandundu Province.
Issued: 26 January 2011 by the Rainforest Alliance SmartWood Programme, as the certification body.

A summary of issues with these certificates

In addition to SODEFOR's involvement with fragmenting large HCVFs, these certificates were issued despite its record of association with social conflicts linked to the violation of traditional and human rights. Under FSC's Policy of Association, these violations are sufficient grounds for FSC to immediately disassociate itself from SODEFOR. On 13 May, Greenpeace International sent an official complaint to FSC calling it to do so.

Furthermore, SODEFOR does not meet the minimum criteria required by the Controlled Wood standard³. The following examples show that the company and Smartwood provided insufficient evidence to determine that SODEFOR's operations in the territory of Oshwe⁴ were low risk in sourcing illegally harvested wood, wood harvested in violation of traditional and civil rights, or wood harvested in forests where high conservation values are threatened by management activities⁵.

After submitting a complaint to Smartwood on 30 April 2011, Greenpeace learnt that Smartwood suspended SODEFOR's FSC Chain of Custody and Controlled Wood certificates referenced above on 28 April. Smartwood stated that this was due to SODEFOR's inadequate action to address its HCVF management and the rights of indigenous peoples. Smartwood stated that, at the time the certificate was issued, SODEFOR submitted a required action plan to address these issues as requested by Smartwood and was thus given three months to demonstrate progress against it. This is allowed under FSC rules if the non-conformance against its standards are recognised as minor by the certifying body. After three months, SODEFOR had not demonstrated sufficient progress against its action plan, and Smartwood suspended the certificates accordingly. Nevertheless, these certificates should not have been issued in the first place.

Social conflicts

The Controlled Wood standard demands that processes are in place to resolve conflicts of substantial magnitude⁶. In 2010, Greenpeace International and other non-governmental organisations documented⁷ a dispute over logging boundaries and villagers demanding compensation for past logging activities between SODEFOR and a local community in Oshwe, in the Bandundu Province of the DRC. This dispute led to an incident that resulted in human rights abuses, arbitrary arrests, imprisonment and the death of a protestor. The dispute remains unresolved. In September 2010, community members protested in Oshwe, demanding that SODEFOR leave the area. This conflict occurred within the same logging permits for which SODEFOR has been issued a Controlled Wood certificate.

It was reported to Greenpeace that six villagers were also beaten and arrested during a dispute with SODEFOR in the company's Equateur Province permit 023/03 at Bobila. This incident reportedly occurred just two days before SODEFOR received the certificate for its Oshwe permits. The community there were regularly blocking logging trucks since November, protesting against broken 'social investment promises'. This conflict remains unresolved.

Finally, Greenpeace is currently investigating a new case of violence allegedly associated with SODEFOR-related logging operations in the Inongo region (Bandundu province). On 15 May, Greenpeace was informed that several people - including a village chief - were arrested and beaten by policemen, allegedly as a result of a conflict

³ FSC-STD-40-005 V2-1 EN, FSC, 2006

⁴ Luna, Nténo and Nkaw: SODEFOR 022/03, 028/03 and 030/03

⁵ Given that Smartwood did no evaluation of SODEFOR against FSC-STD-30-010 and only against FSC-STD-40-005 V2-1 EN, it can be concluded that SODEFOR's Controlled Wood supply areas were deemed as low risk of violating the Controlled Wood standard criteria.

⁶ FSC-STD-40-005 V2-1 EN, 2.4, page 18

⁷ Greenpeace International. (July 2010). Forest Reform in the DRC, Leaving People Out.

<http://www.greenpeace.org/international/en/publications/reports/Forest-reform-in-the-Democratic-Republic-of-the-Congo-Leaving-people-out/>

between the community and SODEFOR over its logging operations. At the time of writing, several villagers are still being held in jail in Inongo, in appalling conditions. Details of the charges against the detainees are not yet known.

Lack of enforcement of logging-related laws

A Greenpeace review of SODEFOR's risk assessment of the forest management areas concerned, which was approved by Smartwood, has shown a number of further problems with those certificates. SODEFOR's two-page 'risk assessment' report illustrates that the company did a very superficial fact check and the certifying body assessment and approval of its compliance with the standard was unacceptable.

- While the Controlled Wood standard requires 'Evidence of enforcement of logging related laws in the district'⁸, SODEFOR states in its risk assessment that 'The Ministry has no means to carry out controls.'⁹
- As 'evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licences and harvest permits'¹⁰, the risk assessment states that, 'Ministry officials in the district have very little information coming from the Ministry to verify the reality [sic] of the documents produced by loggers'.
- Ministry officials repeatedly told Greenpeace International that they have absolutely no control over SODEFOR activities¹¹. In 2006, Ministry officials told Greenpeace that they receive orders from Kinshasa to not carry out inspections of SODEFOR, and that the company enjoys protection at the 'highest levels'.¹² They claimed that SODEFOR under-declares production volumes and refuses access to relevant documentation¹³.
- SODEFOR reports that 'corruption is chronic in the country (see DRC's international ranking).'¹⁴ Indeed, DRC's ranking for governance indicators¹⁵ (voice and accountability, political stability, government effectiveness, regulatory quality, rule of law, control of corruption) is alarming and obviously cannot be used to verify there is a low perception of corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood.¹⁶

Lack of recognition and protection of HCVFs

The presence of HCVFs is simply ignored by SODEFOR and Smartwood, which states in Article 3.1 of its 'risk assessment' that, so far, there are no criteria approved to identify HCVFs in DRC. Thus, no adequate evidence was presented proving SODEFOR's operations to have low risk of violating the FSC Controlled Wood standard. The standard requires that forest management activities shall not threaten HCVFs of eco-regional significance (Chapter 3.1), and that a strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVFs in the eco-region (Chapter 3.2).¹⁷

- SODEFOR is in the process of opening up huge forests areas that were allocated without having undergone adequate conservation and land-use planning or adequate community consultation. Some of the areas contain high conservation values: large unfragmented forest areas, traditional lands of 'pygmy' communities, and part of the area harbours endemic species such as the endangered and endemic Bonobo.

⁸ FSC-STD-40-005 V2-1 EN, 1.1, page 17

⁹ EVALUATION DES RISQUE, GARANTIES SODEFOR 22/03, 28/03 et 30/03
Territoire d'Oshwe, Republique Democratique du Congo, Rainforest Alliance Smartwood Programme, 2010

¹⁰ FSC-STD-40-005 V2-1 EN, 1.2, page 17

¹¹ Greenpeace International. (2007). Carving up the Congo, page 36

¹² Ibid.

¹³ Ibid.

¹⁴ EVALUATION DES RISQUE, GARANTIES SODEFOR 22/03, 28/03 et 30/03
Territoire d'Oshwe, Republique Democratique du Congo Rainforest Alliance Smartwood Programme, 2010

¹⁵ http://info.worldbank.org/governance/wgi/sc_country.asp

¹⁶ FSC-STD-40-005 V2-1 EN, FSC, 2006, 1.4, page 17.

¹⁷ FSC-STD-40-005 V2-1 EN, 3.1 and 3.2, page 20/21

- About half of the area of SODEFOR's Smartwood-certified logging permits in the Oshwe region are located inside the Salonga-Lukénié-Sankuru landscape. The Congo Basin Forest Partnership identifies this as a priority area for biodiversity conservation¹⁸.
- Unfortunately, the Salonga National Park – a World Heritage site – is not a safe haven for biodiversity. Massive poaching is taking place in the area and is not at all under control¹⁹. The Park has been put on the list of world heritage sites in danger²⁰.

Unfortunately, SODEFOR is not an isolated example in the DRC.

SIFORCO

Another example is the Société Industrielle et Forestière du Congo (SIFORCO) – a subsidiary of the Swiss-based Danzer - which was granted FSC certificates for Chain of Custody and Controlled Wood (SGS-CW_/FM-008062 and SGS-COC-008149) on 22 September 2010 and 22 October 2010, issued by SGS as the certification body. Like SODEFOR, SIFORCO is involved in the fragmentation of large blocks of forests with a High Conservation Value.

SIFORCO's logging activities have also caused numerous social conflicts in the Bumba region which often resulted in violent police interventions and arbitrary arrests²¹.

Greenpeace is currently investigating the most recent case of severe police violence against a local community that protested against SIFORCO. They claimed that SIFORCO did not honour its promises to invest in social infrastructure for the community. The conflict arose at the end of April 2011, in the Bumba area in Equateur province. Reports indicate that villagers protested in the SIFORCO logging area to prevent SIFORCO from operating until they honoured past promises. SIFORCO called for a police intervention, with the police apparently intervening in a very violent way: it was reported to Greenpeace that several villagers were badly beaten by police and this has resulted into the death of one person, Mr Momoma Tika Frédéric. It was also reported that several women were raped and many villagers' goods were destroyed. The full details of this conflict are currently being investigated. SIFORCO has expressed to Greenpeace that it regrets the use of violence by the police.

¹⁸ CBFP 2006 – Les forêts du Bassin du Congo – Etat des forêts - page 185.

¹⁹ For example: http://www.dia-afrique.org/index.php?option=com_content&view=article&id=73:rdc--parcs-de-la-salonga-et-de-virunga-en-danger&catid=37:politique-et-societe&Itemid=29

²⁰ Debroux et al. (2007). Page 15: Most if not all of the DRC's protected areas are endangered. A large number have become 'paper parks'. In some areas, poaching has increased since the war ended. Salonga, one of the largest parks in Central Africa, reportedly has no more than 1000–2000 elephants left (Blake 2004).

²¹ Greenpeace International. (July 2010). Forest Reform in the DRC, Leaving People Out, page 8 <http://www.greenpeace.org/international/en/publications/reports/Forest-reform-in-the-Democratic-Republic-of-the-Congo-Leaving-people-out/>

Company: **Congolaise Industrielle des Bois (CIB)**²²

FSC Certificate: SGS-FM/COC-008483

Area: Loundougou-Toukoulaka concession covering an area of 571,000 hectares.

Issued: 10 February 2011 by the certifying body SGS.

A summary of issues with this certificate

- According to SGS, of the 571,100 hectares covered by this certificate, 537,420 hectares are HCVFs²³. Among those identified, SGS lists:
 - high biodiversity of plants and wildlife;
 - rare, threatened and protected wildlife; and
 - forest-dependent indigenous peoples' groups.²⁴
- As the certified area contains large unfragmented forest areas, CIB and SGS should have categorised these areas as HCVF2²⁵ and ensured that their values are maintained.²⁶
- At the same time SGS states that 444,100 hectares of the concession area are production forest, from which timber may be harvested.²⁷ However, harvesting of timber requires road infrastructure and therefore fragmentation of the area is inevitable. This means that the precautionary approach, as required by Principle 9, is not being applied and the HCV2 is under threat.
- In 2004, Greenpeace recommended a series of steps that CIB's operations needed to take before being eligible for FSC certification²⁸. Crucially, it highlighted the importance of cancelling CIB's plan to build a sawmill in its Loundougou concession because the mill, in combination with other infrastructure such as roads, would threaten biodiversity (due to increased poaching risks) and the well being of forest-dependent communities. Nevertheless, the sawmill was subsequently built.
- In 2008, a scientific study²⁹ of the region in which CIB operates warned that 'if the current road development trajectory continues, forest wildernesses and the forest elephants they contain will collapse.'
- SGS's public summary suggests that the dismissal of half of CIB's workforce in 2009 was well received locally.³⁰ It fails to mention that several demonstrators, many of whom were laid off in 2006, were arrested on 13 September 2010, as reported by the Congolese press³¹, raising questions around compliance with FSC standards on workers' rights.

²² CIB is a subsidiary of Swiss-based tt Timber International AG. In December 2010 the Singapore-based Olam Group bought tt Timber from the Danish DLH Group.

²³ <http://info.fsc.org/servlet/servlet.FileDownload?retURL=%2Fapex%2FPublicCertificateDetails%3Fid%3Da024000006uqxYAAQ&file=00P40000006ICr4EAG>, Public Summary Report, page 8.

²⁴ <http://info.fsc.org/servlet/servlet.FileDownload?retURL=%2Fapex%2FPublicCertificateDetails%3Fid%3Da024000006uqxYAAQ&file=00P40000006ICr4EAG>, Public Summary report, page 8

²⁵ HCV2. « Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance." The High Conservation Value Forest Toolkit, Part 1: Introduction to HCVF, Proforest 2003

²⁶ Principle #9: Maintenance of high conservation value forests: Management activities in high conservation value forests shall maintain or enhance, the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach, FSC-STD-01-001 (version 4-0) EN, Approved 1993, Amended 1996, 1999, 2002

²⁷ <http://info.fsc.org/servlet/servlet.FileDownload?retURL=%2Fapex%2FPublicCertificateDetails%3Fid%3Da024000006uqxYAAQ&file=00P40000006ICr4EAG>, Public Summary report, page 8

²⁸ <http://www.greenpeace.org/international/en/publications/reports/CIB-Congo-Brazzaville/>

²⁹ Blake S, Deem SL, Strindberg S, Maisels F, Momont L, et al. (2008) Roadless Wilderness Area Determines Forest Elephant Movements in the Congo Basin. PLoS ONE 3(10): e3546. doi:10.1371/journal.pone.0003546

³⁰ SGS Forest Management Certification Report, Section A, Public Summary, page 45

³¹ http://www.brazzaville-adiac.com/index.php?action=depeche&dep_id=42523&oldaction=liste®pay_id=0&them_id=0&cat_id=0&ss_cat_id=0&LISTE_FROM=0&select_month=0&select_year=0

Conclusion

The FSC logo is intended to guarantee that wood products come from the world's forests and plantations that are managed in an ecologically responsible and socially just manner.

However, systematic weaknesses within the FSC system, pointed out by Greenpeace, are undermining FSC's global credibility. The rapid expansion of FSC in the Congo Basin - one of the most difficult and controversial forest regions - without ensuring that proper preconditions are in place and that forests are adequately protected, is among the key issues.

Greenpeace is very concerned with the further expansion of industrial logging in the last remaining large unfragmented forest areas of the Congo Basin.

To avoid further controversial certificates being issued and to maintain – and in many cases, regain - the support of the FSC's members and stakeholders, **Greenpeace International is calling on the FSC to take the following actions.**

- 1) To halt FSC certification of industrial-scale logging in the Congo Basin until preconditions for credible FSC certification are established. The pre-conditions for certification should, among other things, include or address:
 - the finalisation of a regional standard with strong stakeholder consensus, which recognises large unfragmented areas as HCVs, requires free prior and informed consent of indigenous peoples and has adapted indicators for community forest use, transparency and corruption and effective independent monitoring³²; and
 - how civil society engagement and freedom of expression in Congo Basin countries (and other countries with little or poor governance) will be ensured ; and
 - ensuring the certification process requires a credible participatory land use and conservation planning.
- 2) To develop clear guidance on the 'maintenance and enhancement' of HCVMs and prevent certification bodies and logging companies mismanaging and damaging these valuable forests.
- 3) To immediately disassociate itself from SODEFOR and parent company NST, on the basis of the FSC's Policy of Association.

The FSC must demonstrate responsiveness and professionalism in addressing these issues. Meanwhile, an immediate halt to the granting of new certificates for industrial-scale logging in the Congo Basin is long overdue and urgently needed.

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³² info.worldbank.org/governance/wgi/sc_country.asp