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Congo logging review could lead to more forest destruction, warns Greenpeace

Greenpeace welcomes extension of moratorium on logging concession, but warns against a business-as-usual approach.

Democratic Republic of Congo, 10 October 2008 - After a two-year delay, the initial results of a World Bank-financed legal review of logging contracts in the Democratic Republic of Congo (DRC) have been made public.¹ During a press conference on Monday Environment Minister Jose Endundo announced that 46 of the 156 logging contracts submitted for review are to be converted into legal concessions. No less than 33 of these titles were allocated after a moratorium on new logging titles introduced in May 2002.

"The fact that titles that violated the Forest Code are now being legalised sets a very dangerous precedent, giving little incentive to companies to improve their track record in complying with legal and regulatory obligations," said Michelle Medeiros, Africa Forest Coordinator at Greenpeace International.

In a briefing paper published today, Greenpeace reveals fundamental flaws in the legal review process and warns that it could result in more destructive logging.² It shows how a lack of rigid criteria, the absence of reliable information and a lack of transparency have created a process that results in the probable laundering of illegally obtained or held titles.³

The Swiss-German SIFORCO (owned by Danzer Group) and subsidiaries of the Portuguese NST Group stand out as the big winners of the review. They have seen the majority of their titles approved, including those titles obtained in breach of the 2002 moratorium and the forest code.

Greenpeace has documented the social conflicts, omnipresent in these companies' concession areas. Violations of the rights of local communities and indigenous peoples are the rule rather than the exception. While promoting themselves as ready for "sustainability certification" in order to secure their predominantly European export markets, the companies are in fact logging in intact forests and near biodiversity hotspots, exporting high volumes of internationally protected tree species.

Endundo also announced an intention to extend the current moratorium on the allocation of new logging concessions for another three years.

"This is an unexpected announcement that gives us hope that we will have the time to find alternatives to large-scale industrial logging. Greenpeace welcomes this commitment, especially in an era of climate change, when scientific evidence demands that we must protect forests and not destroy them." said Medeiros. "However, this moratorium is only the first step.

Without additional efforts to establish law enforcement and control on the ground, it will do little to improve forest governance which is desperately needed given the current state of the logging sector and the narrow scope of the recent legal review.”

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Notes to the Editors:

- [1] The 2002 Forest Code introduced a new type of logging contract in the DRC: the forestry concession. According to its article 155, all existing logging titles must be converted into forestry concessions, provided they comply with the conditions set out in the Forest Code. In order to determine which of the existing contracts were eligible for conversion, the DR Government initiated a legal review.
- [2] Logging Sector Briefing for the Democratic Republic of Congo: DRC logging review: The carving up of the Congo continues: <http://www.greenpeace.org/international/press/reports/DRC-logging-sector-briefing>.
In “Conning the Congo”, issued in July this year, Greenpeace had already outlined the weaknesses of a process that failed to address issues of fundamental importance such as tax evasion and non-compliance with fiscal regulations: <http://www.greenpeace.org/international/news/conning-congo-forests300708>
- [3] A Presidential Decree (PD) of 2005 introduced the following three core criteria for the legal review of logging contracts: 1) the payment of area tax since 2003; 2) respect of permit limits; 3) the existence and continued operation of a processing. Crucial review aspects such as respect for social and environmental obligations have been almost completely ignored, even though they were listed as verification elements in article 4 of the 2005 PD. According to the World bank-financed Independent Observer to the review, none of these very limited criteria for the legality review could be properly verified, due to problems with data collection and due process. See the different reports of the Independent Observer at www.rdc-conversiontitresforestiers.org