

# Cana Bois: plundering protected areas in Cameroon for the European market

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## Introduction

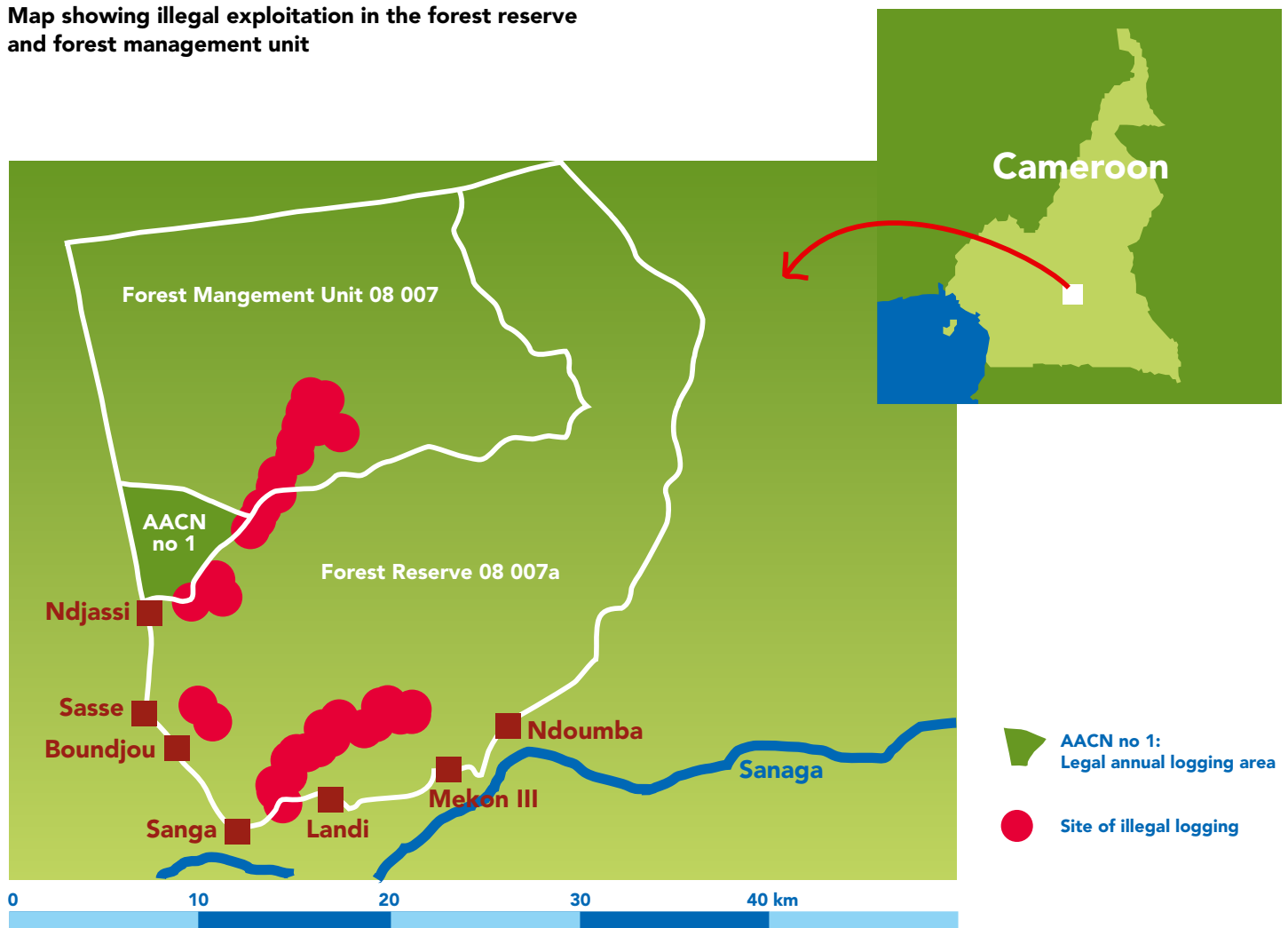
Illegal logging and related trade is one of the main causes for deforestation and forest degradation worldwide. Recently the reknown economist Pavan Sukhdev, in his study 'The economics of Ecosystems and Biodiversity', calculated that the economical losses of deforestation and forest degradation are costing the world population 1.3 to 3.1 thousand billion dollars a year. Cameroon is no exception to this rule. The Cameronese ministry of Forestry and Wildlife estimates that the country loses over 100 million dollar each year on illegal

forest exploitation practices alone.<sup>1</sup>

The EU still accounts for 16 – 19 percent of global illegal timber imports.<sup>2</sup> Both the Cameronese government and European markets have taken steps to prevent illegal logging and related trade such as negotiating a voluntary partnership agreement, working on EU legislation to prevent illegal timber trade and promoting voluntary certification for sustainable forest management. However, progress is slow and illegal

- 1 Reuters news service (2007) EU helps Cameroon fight 100 million/year illegal logging
- 2 WWF (2008) Illegal wood for the European market.

**Map showing illegal exploitation in the forest reserve and forest management unit**



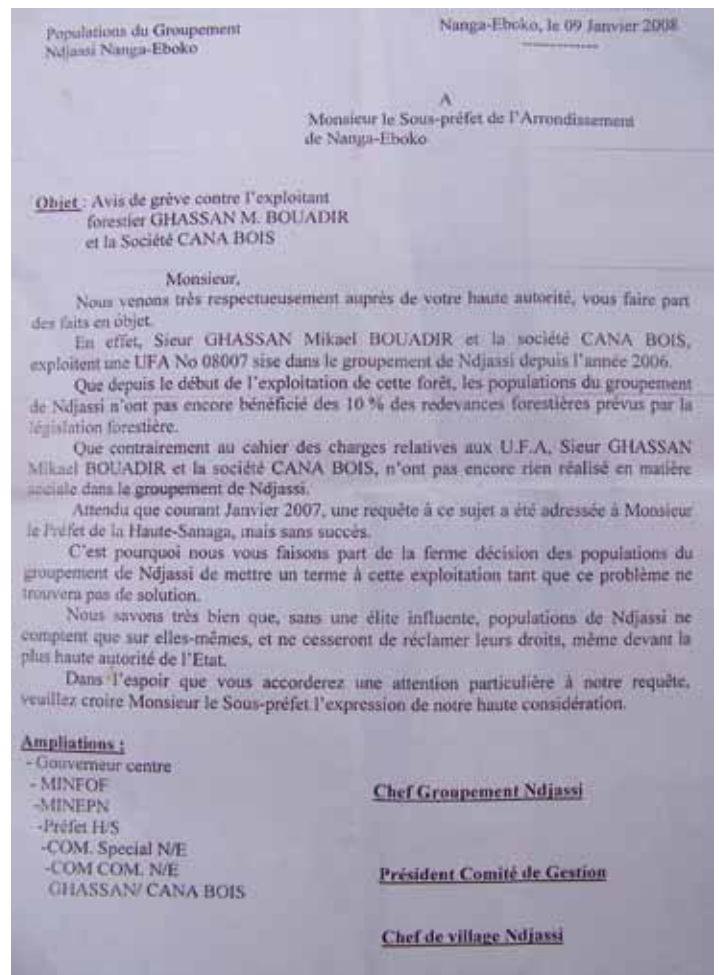
and destructive logging is still rife in many timber producing countries around the world.

Friends of the Earth researches blatant cases of illegal logging and its related trade to Europe. This logfile shows how unscrupulous companies can continue to plunder protected areas in Cameroon for the European market with total impunity.

**Cana Bois case**

In 2008 we conducted several research missions to the forest management unit (FMU) of Cana Bois: FMU 08 007. This FMU is situated in the Central province in the Upper Sanaga Division (Departement Haute Sanaga) near the town of Nanga Eboko. It measures 33.863 hectares. In 2006, the government of Cameroon attributed this FMU to Cana Bois, a logging company owned by the Libanese Ngassan Bouadir who previously extracted timber in so called 'small titles.' During earlier missions Friends of the Earth observed that Bouadir was involved in illegal logging around Nanga Eboko on a permit for road clearance.<sup>3</sup> Ngassan Bouadir also worked in the forest management team of Hazim (Societe Forestiere Hazim). Hazim has a stunning history of illegal and destructive logging in Cameroon. Cana Bois owns a sawmill in Yaounde called INC. In 2007, Cana Bois was given permission to log a

<sup>3</sup> Friends of the Earth (May 2008) Importer legalement en Europe du bois coupe illegalement au Cameroun



**Figure 1: Letter from Ndjassi village demanding explanation on missing RFA**



**incorrect markings on log at annual logging area 1**



**Logging outside the annual logging area 1 but inside the FMU without markings**



**Logging road outside the annual logging area 1 but inside the FMU, closed after logging**



**Illegal logging roads in forest reserve**

strictly defined area ('assiette de coupe') of 2500 hectares. In the north, the FMU is bordered by another logging area and in the south and east by Forest Reserve 08 007a. The communes in the area and rightful recipients for the forest area tax are Bibey and Nanga Eboko.

During our missions we held interviews with the local population and ventured inside the FMU and neighbouring Forest Reserve to record infractions. It appeared that Cana Bois had been logging outside its strictly defined area (assiette de coupe 1) inside the FMU and outside the official FMU boundaries deep into the Forest Reserve. The base for those illegal activities was Ndjassi, a very small village on the border of the FMU.

### **Social issues**

Logging companies and the local government are obliged to hold information and consultation meetings before any logging activities can start. This enables local people and the logging company to find solutions for conflicts on land and user rights. During the information meeting in 2007 all complaints and demands from the local people were waved away by the government representative from the Upper Sanaga

Division. According to the population, he rejected their demands and asked cynically if people could raise a hand if they had ever planted an iroko tree, thereby implying the local people had never contributed to the forest and had no right to put forward any demands. He also promised to personally take care of any individuals who would frustrate the logging exercise. At the end of the meeting, Cana Bois gave the villagers six boxes of mackerel, 12 palets of red wine, three palets of juice and five 50 kg sacks of rice. Companies often do this in Cameroon to get onto good terms with the local population.

According to Camerones law, the communities have the formal right to 10 percent of the forest taxes (Redevance Forestières Annuelles: RFA or area fees) the company pays to the central government. According to the communities, until now, this money has been kept by the mayor of Bibey or Nanga Eboko and no social or economic projects have been started (see figure 1). This is common practice in Cameroon and derives the local people from much needed income and projects to enhance their livelihoods.

### **Illegal logging, interviews with local communities**

During the interviews, the local people told us they had



**Unmarked stumps in forest reserve**



**Illegal use of FMU marks on illegally logged trees in forest reserve**



**Official markings on illegally logged tree in forest reserve**



**Empty cases used for poaching on a logging road in the forest reserve**

noticed that Cana Bois was logging outside the boundaries of their strictly defined logging area for 2007 into the logging area destined for next year and deep into the forest reserve bordering the FMU in the south. The local people had asked for clarification with Cana Bois staff and were told they had received permission from the Ministry of Forests and Environment (MINFOF) to log in the forest reserve, because their own FMU contained only a small volume of harvestable timber species. However, they could not show the formal permission to the local people and all the harvested logs seen by the community were bearing the official marks from the FMU 08 007 instead of any other official logging title (which should have been the case if another logging permit was given by the authorities). The local government representatives in the forest control post seemed to be complicit in the illegal logging practices as the illicit logs received the government official hammer marks, a necessity if the logs are to be transported and exported from Douala harbour. The control post and the hammer marks were also managed from time to time by the Cana Bois staff themselves. The company was well aware of the infraction and closed off logging roads when they had finished to - in their own words - 'prevent strangers from losing their way'. It was also clear that the illegal logging operation did not happen by

accident – which companies often claim - because of unclear borders. The Friends of the Earth research mission found on site that the authorised logging area was well delineated and the forest reserve was separated from this area by a river. The company had to cross the river Lukom to enter the forest reserve, which one cannot do 'by accident'. According to the local people, mainly commercially valuable tree species such as sapelli, iroko, moabi, acajou d'Afrique and Dibétou were harvested at a rate of 20 to 22 logging trucks per day. The local people were payed 2000 FCFA per cubic metre timber harvested in these illegal logging operations. Forest workers told Friends of the Earth that illegal logging roads from Ndjassi covered around 62 km in the forest reserve and outside the annual logging area. We also found forest roads going into the forest reserve from the village Landi. At first the local people of Landi protested against the exploitation when in november 2006 the company came to explain their intentions and recruit prospectors (who have the task to find and mark harvestable tree species). They demanded to see the company's logging permits. After promising an amount of 2000 FCFA for each cubic metre of harvested timber and with consent of the local elite, Cana Bois started the operations in Landi without having an official permit. The community declares to have received around



**Poached animals in forest reserve**

3.000.000 FCFA in total and thought the operations to be legal, because the local administration was informed.

### **Illegal logging, field research**

During our field research we observed the following infractions in FMU 08 007 from Cana Bois and in the forest reserve 08 007a:

- incorrect marking of logs in annual logging area 1 (in FMU 08 007);
- logging, opening of logging roads and log parks, unmarked stumps and abandoned logs outside boundaries of annual logging area 1 in FMU 08 007;
- logging, opening of logging roads and log parks, unmarked and fraudulently marked (UFA 08 007) stumps and abandoned logs in forest reserve 08 007a;
- working hours regularly from 6 am until 8 pm from Monday to Sunday & payment without official registration, lack of security for workers;
- abundant poaching activities near illegal logging roads in forest reserve 08 007a.

We estimate that logging roads in the forest reserve have a distance of 50 km near Landi, 30 km at Mekone III and Ndoumba and 10 to 20 km at Sasse and Boujou and 62 km from Ndjassi. In total over 150 kilometers!

The above list shows clear infractions of the forest law from 1994. The forest reserve is protected to preserve the vegetation and habitats (decree 95/531). Every activity inside a forest reserve should include an impact assessment. Cana Bois deliberately entered the forest reserve. We noticed that the official boundaries were marked with clear signs and that a river Lukom had been crossed to enter the forest reserve.

### **Impacts**

The plundered forest is part of the Atlantic Equatorial Coastal Forests ecoregion which has exceptionally high levels of species richness and endemism. The impacts on the forest reserve of those illegal logging practices are severe. Large parts of the forest are deprived of commercially interesting tree species which results in forest degradation and loss of economic value amongst others. The logging practices also have negative impacts on the livelihoods of local people. On the long term illegal logging robs people of their livelihoods. On the short term illegal logging practices deprive people from their rights as laid down in the Cameroonian forest law

and decrees. For example, participation in the development of forest management and delimitation of the logging area which surround their agriculture lands is impossible. Friends of the Earth has also found numerous traces of poaching. According to local people, workers from Cana Bois were involved. The roads opened up in the forest reserve for logging give easy access for poachers and vehicles to get the meat out to nearby markets in Nanga Eboko and Yaounde. So, the wildlife in the area suffer not only from degradation of their habitats, but also from poaching. We found poached specimens of giant pangolin and wild boar in the area.

### **Follow up**

In June 2007, the villages wrote a letter to the Independent Monitor in Cameroon: Resource Extraction Monitoring (REM), explaining they had noticed Cana Bois had logged outside the boundaries of their concession and asking for a mission to officially monitor and create an inventory of the infractions to determine appropriate sanctions. The local people felt they were bereft of their heritage and wanted the company to be sanctioned. Three planned missions by REM did not succeed just because they were always cancelled at the last minute or restricted to some areas of the department by high officials. During the first mission, the independent monitoring team was called back, when already in the division, by the Secretary General of the ministry of forestry and wildlife (MINFOF). During the second mission, a service note from MINFOF restricted the scope of monitoring activities and a third mission, planned with ambassadors from several European countries, was cancelled by the Cameroonian ministry of foreign affairs. In the terms of reference of the Independent Monitor is included that it can conduct independent missions. It has been the first time in five years existence of the mechanism of independent observation in Cameroon that a mission has been forbidden. This is a clear violation of the terms of reference<sup>4</sup> and prevents the Independent Monitor from doing a proper monitoring job. In practice this comes down to a 'wildcard' for companies that can continue illegal logging practices with total impunity.

### **Related timber trade**

Another mission by Friends of the Earth researchers was conducted in the harbour of Douala to detect the destination of the timber Cana Bois is producing. We found stocks of sawn wood from Cana Bois with and without contract numbers and destinations. From those sources we learned that the timber from Cana Bois is shipped to Spain (Vigo, Castellon and Sagunto), France (La Pallice, Caen) and the Netherlands (Amsterdam). During the interviews with staff from the harbour, documents were shown to us that indicate that the main buyer from Cana Bois at the time was International Wood LLC, registered in Cheyenne, WY in the USA. They are responsible for sending batches of timber to several European ports.

Around 85 percent of the timber exported from Cameroon is destined for Europe.<sup>5</sup> In 2008 direct imports of logs and timber products from Cameroon in The Netherlands are approximately 40.400 m<sup>3</sup> and France 86.600 m<sup>3</sup>.<sup>6</sup> The Netherlands and France are amongst the top five of largest importers from Cameroonian timber products.

4 REM (2008) Rapport trimestriel No. 13, March – June 2008

5 DFID (2007) Crime and Persuasion: Tackling illegal logging, improving forest governance

6 Calculated from: ITTO TTM report 14.7 (april 2009)



**Timber from Cana Bois with destination Amsterdam, The Netherlands**



**Destination France**

### Combating illegal logging and trade

During the eighties and early nineties European companies plundered Cameroon's forests. In return for support from the World Bank and the International Monetary Fund, the Cameroonian government reformed the forest sector and launched a new forest law in 1994. The new law was supposed to benefit communities through the use of community forests and redistribution of forest taxes. It should also increase transparency in the forest sector and promote sustainable forest management. Forest management plans including minimum safeguards for ecological, economic and socially sustainable management were made compulsory. In 2007, about 3.5 million hectares (60 percent) of the productive forests were managed on the basis of 49 approved management plans. At the time of writing, Cana Bois was managing the UFA 08 007 on a provisional basis. Despite the new forest law, researchers concluded that: 'the government has not yet succeeded in implementing effective minimum sustainability safeguards and that in 2006, 68 percent of the timber production was still carried out as though no improved management rules were in place'<sup>7</sup>. Besides that, several flaws exist in the forest law, such as the possibilities to exclude key harvested species in the managed species list which might lead to destructive logging practices and overharvesting of tree species.

After years of failure of implementing the forest law, an independent monitor was installed in 2000 to report on infractions and provide recommendations to law enforcement. For the last three years, the British NGO Resource Extraction Monitoring (REM) fulfills the task of Independent Monitor of Forest Law Enforcement and Governance in Cameroon. Their overall objective is to contribute to the application of good governance principles in forestry activities and improve forest law enforcement. In the third annual report<sup>8</sup> they conclude that illegal logging is not only endogenous, but also 'exogenous', meaning that the government is in large part responsible for the persistence of illegal logging in Cameroon. However, the Independent Monitor also recognizes that steps are being taken by the government to implement the recommendations on improved law enforcement, such as the installment of a platform consisting of government and independent observer people to implement recommendations,



**Destination Spain**

the suspension of twenty seven exporters for having timber of doubtful origin and the suspension of 14 logging permits (timber recovery permits)<sup>9</sup>. At this moment it is unclear what the percentage of illegal logging in Cameroon is and estimates range from 50 percent<sup>10</sup> to 10 percent<sup>11</sup> depending on methods used.

Some of the principal conclusions and recommendations of REM from recent monitoring reports:

- Illegality continues to be profitable, because financial sanctions are smaller than the profits one can make from illegal operations or legal cases are not followed up.
- Tax evasion continues, because declared volumes are not checked against taxed volumes. Above that, timber of fraudulent origin can cross checkpoints without transport permits. This effectively makes the timber marking and inspection system inoperative.
- The Officers guilty of collusion or failing their duties must be sanctioned to stop widespread corruption.
- Increased transparency is needed on e.g. auctions of seized timber and on small permits to reduce corruption, improve tax collection and reduce danger to forest resource sustainability.
- Logging companies that are caught red handed in illegal logging can continue unhampered, because the BNC (National Forest Law Enforcement Brigade) does not take immediate action and the process of publishing Independent Monitor reports is delayed.
- The harbour of Douala where most of Cameroon's timber

7 Certutti P.O., Nasi R., Tacconi L. (2008) Sustainable forest management in Cameroon needs more than approved forest management plans. *Ecology and Society* 13(2):36

8 REM (2008) Independent Monitoring Cameroon, Annual report March 2007 – March 2008

9 REM (2008) Rapport trimestriel No. 14, Juin – Septembre 2008

10 OECD (2007) The economics of illegal logging and associated trade.

11 Paolo Omar Cerutti and Luca Tacconi (2006) Forests, illegality and livelihoods in Cameroon. Working Paper No. 35

is exported has no working system in place to monitor traceability, e.g. closed containers enter the port area without being checked.

### **FLEGT: Voluntary Partnership Agreement**

In 2007, the government of Cameroon officially started negotiations with the European Commission on a Voluntary Partnership Agreement within the framework of the FLEGT (Forest Law Enforcement on Governance and Trade) action plan. The agreement is developed in a multi stakeholder process for which CED (Friends of the Earth Cameroon) is chairing the NGO forest platform to coordinate input from NGOs and indigenous peoples (groups). A key feature of such an agreement is a timber licensing scheme under which the producing country will implement a system to verify that its wood product exports to the EU had been legally produced. The EU's border control authorities would allow imports only of licensed products from partner countries. VPA negotiations can be effective tools to improve forest governance. At the time of writing it is expected that the VPA in Cameroon is signed very soon.

### **FLEGT: Additional Legislation**

The Voluntary Partnership Agreements however, have some loopholes and pitfalls. One of them is that they will never cover a substantial flow of Europe's timber trade. If illegal timber from non VPA countries can continue to enter the EU unhampered, countries will be reluctant to invest in VPA negotiations for fear of losing trade. Therefore the European Commission launched a legislative proposal to combat illegal timber trade in October 2008. This proposal was dramatically weak and a large majority in the European Parliament voted for strong amendments in April 2009. Discussions are however painfully slow in the working groups for the Agriculture Council and nobody expects the legislative proposal to be accepted within this first round. It is of utmost importance for countries such as Cameroon who are engaged in VPA processes that the illegal timber law becomes strong and effective. This will support the VPA countries, because licensed timber from VPA countries will automatically be allowed on the EU market. However, discussions in the Agriculture Council seem to focus on administrative and financial burdens for European companies instead of looking for strong legislation to prevent illegal timber trade.

### **Recommendations**

The scale of Cana Bois' illegal logging practices, the complicity of government officials, the restrictions layed upon the Independent Monitor and the ability of the company to go unpunished until now are rightout staggering. In order to prevent illegal logging and related trade in Cameroon in the future the Voluntary Partnership Agreement should be strong and include an important role for an independent forest monitor that can work and travel freely around the country and have free acces to all documents and persons. The stakeholder processes should be streamlined and formal participation in the negotiation process as well as in the implementation phase of civil society organisations should be ensured. Companies that are not committed to sustainable forest management but take the backroad of criminal activities with destructive impacts for the forests and livelihoods of people should be suspended from any logging activities.

### **The government of Cameroon should:**

Facilitate missions of the Independent Monitor and BNC to

monitor the scale of illegal logging and sanction Cana Bois appropriately.

Strengthen commitment to the Voluntary Partnership Agreement negotiations and its implementation and secure participation of civil society.

### **Cana Bois should:**

Suspend all its logging activities in Cameroon, which can only be started again if a serious and time bound effort is undertaken for verified sustainable forest management.

Compensate the government and local communities for the environmental and social damage inflicted.

### **European timber companies should:**

Stop buying timber from Cana Bois unless it provides independently verified legal and sustainably produced products.

#### **On FLEGT in Europe:**

**The Agriculture Council should without further delay agree on strong amendments such as proposed by the European Parliament which should at least include:**

1. Define illegal actions and create clear offences.
2. Ensure benefits for climate, biodiversity, and forest dependent communities and support sustainability and good governance in the country of origin.

#### *Due diligence requirements:*

3. Extend due diligence obligation to all operators placing timber and timber products on the EU market.
4. Tighten up and clarify due diligence systems requirements.
5. Establish the rules for a reliable EU risk assessment procedure.

#### *Monitoring, enforcement, sanctions:*

6. Establish a mechanism for controlling and ensuring credible and independent monitoring.
7. Provide competent national authorities with powers to investigate crime and alleged infringements, take immediate measures towards enforcement and prosecute offenders.
8. Set a strong EU framework of minimum sanctions and penalty levels throughout the Community.

#### *Loopholes:*

9. Close the loophole which exempts certain wood products.
10. Ensure the immediate application of this Regulation.

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