

Research Paper

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Illegal Logging and Related Trade The Response in Cameroon

A Chatham House Assessment

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Summary

This assessment of the extent of illegal logging in Cameroon and the response to this issue suggests that progress has stalled since 2010. The reform of the legislative framework for the forest sector has yet to be completed; and while there have been improvements in the availability of forestry information, there remain many gaps. Furthermore, the principle of transparency has yet to be broadly accepted within the government. Enforcement is weak and information management systems are deemed inadequate. Most important, corruption remains widespread and the political will needed to drive change is felt to be lacking.

While there is evidence of progress in the private sector – the area of forests with legality verification and certification has increased – illegal activities are rife throughout the forest sector. Half of all timber production is estimated to come from the informal artisanal sector – mainly supplying the domestic market. However, illegal activities are also common in supply chains for export: timber originating from ‘small permits’ and sales of standing volume permits is thought to be particularly problematic. This is of particular concern, as the supply of timber from such permits is expected to increase owing to the growing pressure on forests from other sectors.

Since 2000 trade has shifted away from sensitive markets: the EU market’s significance as a destination for Cameroon’s exports of timber-sector products has decreased, while China’s significance has increased enormously. This has important implications for strategies on how best to tackle illegal logging in Cameroon.

In order to make further progress, markets for legal timber need to continue to be developed in key consumer countries – which, in the case of Cameroon, are now both the EU and China. Within Cameroon, further analysis of the political economy of the forest sector is required. Attempts to tackle corruption should be reinforced, and this would be facilitated by examining the experience of anti-corruption efforts elsewhere in the world. Further improvements to transparency are needed; the establishment of a new independent observer will be important in achieving this goal.

The next stages of legal reform will require broad consultation among stakeholders, in particular small-scale producers as well as local communities and indigenous peoples. Efforts to promote a legal domestic market should be intensified, including more extensive training and outreach for small-scale producers and processors. Finally, to improve enforcement efforts, continued investment in the training of enforcement agents and the provision of adequate resources are required.

Introduction

Illegal logging is a global problem that is both a result of and a contributing factor to poor forest governance. It undermines efforts to manage forests sustainably and equitably, resulting in deforestation, social conflict and the loss of government revenues. This is not just an issue for forest-rich countries; countries that import and consume wood-based products¹ from countries with high levels of illegal logging contribute to the problem if they import products without ensuring that they are legally sourced.

Chatham House has been engaged in research since 2006 to assess illegality in the forest sector and the response by governments and the private sector to the problem. The aim of its work has been to monitor levels of illegal logging and the related trade and so enable an assessment of the effectiveness of efforts to tackle the problem in producer, consumer and processing countries.²

A methodology has been developed for this assessment based on a number of indicators. For producer countries, those indicators are derived from an examination of the national policy and legal framework and its implementation; analysis of enforcement and forest revenue data; a survey of experts; reviews of international and domestic media coverage; wood-balance analyses (to estimate illegal harvest volumes); analysis of discrepancies between trade data for exporting and for importing countries; and analysis of data on voluntary verification and certification by timber companies. This approach, drawing on a variety of data sources, provides the most rigorous means of assessing illicit practices, any estimate of which is inevitably challenging. Further details of the methodology can be found in Annex 2 of this assessment.

Twelve countries were assessed in 2008–09 (the findings published in 2010³) and another six in 2013–14 (published in 2014⁴). In addition, Chatham House undertook a reassessment of the original 12 countries in 2013–14.

This assessment presents the latest findings for Cameroon, which are compared with the situation as reported in 2010. The analysis, undertaken in September 2014, is based on data collected during 2013. Trade statistics and media data were compiled up to the end of 2013 and 2012, respectively, and the policy assessment was made on the basis of the situation as of December 2013, but some more recent developments have been noted as well.

¹ The following terminology has been used in this report: Wood-based products – encompasses all timber-sector and paper-sector products; timber-sector products – includes logs, sawnwood, plywood, veneer, mouldings, joinery and furniture; paper-sector products – includes wood chips, pulp and paper.

² There is considerable overlap between these three categories; all the countries studied are engaged in production, processing and consumption to varying degrees. The indicators for consumer and processing countries are very similar, however, while those for producer countries are quite different, including a range of indicators relating to domestic illegal logging.

³ Lawson, S. and MacFaul, L. (2010), *Illegal Logging and Related Trade: Indicators of the Global Response*. London: Chatham House. The countries assessed were: Brazil, Cameroon, Ghana, Indonesia and Malaysia (producers); China and Vietnam (processing countries); and France, Japan, the Netherlands, the UK and the US (consumers).

⁴ Lawson, S. (2014a), *Illegal Logging in Papua New Guinea*; Lawson, S. (2014b), *Illegal Logging in the Republic of Congo*; Lawson, S. (2014c), *Illegal Logging in the Democratic Republic of Congo*; and Lawson, S. (2014d), *Illegal Wood Import and Re-export: The Scale of the Problem and the Response in Thailand, South Korea and India*. London: Chatham House.

Background

The forest sector makes an important contribution to Cameroon's economy. In 2010 it accounted for 4 per cent of GDP and added CFA64 billion (\$124 million) to state tax revenues.⁵ The forest sector is an important employer, particularly in rural areas: about 23,000 people were directly employed in the formal sector in 2011,⁶ while an estimated 50,000 people were directly employed in small-scale logging and processing in 2010.⁷

Commercial logging is permitted through various titles: forest concessions (forest management units), communal forests, community forests and permits for sales of standing volume; as well as 'small permits', which include timber exploitation permits, and timber recovery and wood removal permits. The latter two are for the harvesting of timber resulting from deforestation linked to development projects.

In 2013 there were 89 forest concessions in Cameroon, covering 6.3 million ha, as well as 115 sales of standing volume permits (240,000 ha) and 34 communal forests (830,000 hectares, of which just 270,000 ha were active) and 301 community forests (1 million ha, of which less than half was active).⁸ Between 2000 and 2010 concessions and communal forests accounted on average for 78 per cent of formal timber production, while community forests and the various other types of permit⁹ accounted for 22 per cent – small permits accounting for most of this latter category.¹⁰ However, official production is estimated to account for just half of harvesting levels: official national production between 2004 and 2008 was estimated to average about 2.2 million m³ of roundwood equivalent (RWE) per year, while production from informal chainsaw milling was estimated to be 2.1 million m³ per year.¹¹

There is approximately 19 million ha of dense forest in Cameroon, covering 40 per cent of the country's territory. According to the FAO, the annual net rate of deforestation has remained more or less constant, at 1 per cent, for the period 2000–10, which has meant a decline in forest area from 22 million ha to 20 million ha.¹² However, one estimate for the period 2000–05 based on satellite data suggested a much lower rate of deforestation – 0.03 per cent (and forest degradation at 0.07 per cent).¹³ The main drivers of deforestation in Cameroon are conversion to agriculture, from both large and medium-scale plantations, as well as smallholders, fuel-wood harvesting (an estimated 12 million m³ is harvested annually), mining and infrastructure development. Unsustainable and illegal logging has been identified as one of the main drivers of forest degradation in Cameroon.¹⁴

⁵ Eba'a Atyi, R. et al. (2013), *Etude de l'importance économique et sociale du secteur forestier et faunique au Cameroun*. Bogor: Center for International Forestry Research (CIFOR).

⁶ *Ibid.*, Table 11.1, p. 241.

⁷ Cerutti, P and Lescuyer, G. (2011), *The Domestic Market for Small-scale Chainsaw Milling in Cameroon*. Bogor: CIFOR (http://www.cifor.org/publications/pdf_files/OccPapers/OP-61.pdf).

⁸ It should also be noted that forests operations are not necessarily being conducted in those areas deemed 'active'. For example, only certain areas within a concession or community forest may be allocated for logging in any one year under the forest management plan.

⁹ Eba'a Atyi et al. (2013).

¹⁰ Resource Extraction Monitoring (REM) (2009), 'Progress in tackling illegal logging in Cameroon.' Independent Monitor of Forest Law Enforcement and Governance (IM-FLEG).

¹¹ Cerutti and Lescuyer (2011).

¹² See <http://www.fao.org/forestry/fra/fra2010/en/>.

¹³ Wasseige, D. et al. (2012), *Les Forêts du Bassin du Congo – Etat des Forêts du Bassin du Congo 2010*. Luxembourg: EU Office of Publications.

¹⁴ Forest Carbon Partnership Facility (2013), 'Readiness Preparation Proposal – Cameroon', at <http://forestcarbonpartnership.org/cameroon>.

Demand for land has been increasing and is set to increase further with the implementation of the government's long-term development strategy, which foresees large-scale investment in infrastructure and the development of the agricultural and mining sectors.¹⁵ Thus forest conversion is becoming an increasingly important source of timber in the country and could become more significant as a source of illegal timber.¹⁶ Illegality in the allocation of small permits for timber extraction linked with development projects¹⁷ and in the establishment of agricultural plantations¹⁸ have been documented. At the same time, forest concession-holders risk non-compliance with their forest management plans (see the sub-section on the legislative framework) owing to overlapping land allocations.¹⁹

Illegal practices have been reported in all areas of Cameroon's formal forest sector, most notably by the country's independent monitors,²⁰ and (as mentioned above) around half of the country's timber production is estimated to be 'informal'. This high level of illegality is the result of many years of poor governance – not least entrenched corruption, weak institutions and unclear and inappropriate laws and policies. The 2010 Chatham House assessment found that there had been improvements in certain areas: illegal logging for export markets had been curbed, partly owing to enhanced enforcement efforts and, in particular, the introduction of independent monitoring of the sector. However, it also found that there had been no improvement in 'informal' artisanal production for the domestic market. Furthermore, it highlighted that improvements were taking place despite weak regulations, meaning that further progress would require 'a more profound overhaul of government policy and regulation than has so far occurred'.²¹ That prediction seems to have proved correct. Little progress has been since then: corruption remains widespread, the legal reform process has been slow, as has the implementation of the Forest Law Enforcement, Governance and Trade (FLEGT) voluntary partnership agreement (VPA) with the EU. These issues are reviewed in depth below, and current levels of illegal logging are assessed.

¹⁵ International Monetary Fund (IMF) (2010), 'Cameroon: Poverty Reduction Strategy Paper', at <http://www.econbiz.de/Record/gesp-growth-and-employment-strategy-paper-reference-framework-for-government-action-over-the-period-2010-2020-august-2009/10008653115>.

¹⁶ Centre pour le Développement et l'Environnement (CED) (2013a), 'Les défis de la mise en oeuvre de l'APV au Cameroun – Note de Politique', at <http://www.transparenceforestiere.info/cameroon/downloads>.

¹⁷ REM (2009) Global Witness (2013), *Logging in the Shadows: How Vested Interests Abuse Shadow Permits to Evade Forest Sector Reforms*. London: Global Witness.

¹⁸ Lawson, S. (2014e), *Consumer Goods and Deforestation. An Analysis of the Extent and Nature of Illegality in Forest Conversion for Agriculture and Timber Plantations*. Washington, DC: Forest Trends; and Greenpeace (2014), 'License to Launder. How Herakles Farms' illegal timber trade threatens Cameroon's forests and VPA'.

¹⁹ CED (2013a).

²⁰ REM (2009). The reports of the independent monitor (AGRECO-CEW) for the period 2010–13 are available at <http://www.oicameroun.org/>.

²¹ Lawson and MacFaul (2010), p. 117.

Media Attention

Media coverage provides an insight into levels of public awareness of illegal logging and related trade. While such awareness may not always lead to action, it is important for bringing about change and is therefore useful to monitor. An assessment of the media can also give an indication of the approaches being taken within a country to address the issue. As part of the research undertaken for this assessment, international media sources were reviewed for the period 2009–12.²² The online media database Factiva was used to search for English-language articles that referred to illegal logging in Cameroon.²³

The level of international media coverage of illegal logging has fluctuated since 2000, but overall the trend has been upwards. The largest number of articles was recorded in 2010, at the time of the signing of the VPA between Cameroon and the EU – an event that was widely reported – and the publication of the previous Chatham House assessment received fairly broad coverage. The following year the majority of articles referred to the VPA too. In 2012 the government’s response to illegal logging was reported on regularly, including increased enforcement efforts and training of forest officials. By contrast, during the period up to 2010, most articles had focused on the impact of illegal logging.

Figure 1: International media coverage of illegal logging in Cameroon, 2001–12



Source: Factiva.

²² A review of domestic media in Cameroon was not undertaken, unlike in the case of the other countries included in this assessment.

²³ As Cameroon is predominantly Francophone, it is likely to have received less media coverage than Anglophone countries in the English-language media.

Government Response

A coherent and transparent policy framework that is effectively and consistently enforced is a prerequisite for tackling illegal logging and the trade in illegal timber. This section assesses the design and effectiveness of Cameroon’s policies and regulations. The data are derived from an assessment of the policy framework that is based on a standard set of questions and scoring for the existence of policies, their design and the level of implementation. In addition, data on enforcement and revenue collection were compiled and a perceptions survey conducted among experts to gauge their views on the government’s response.

Policy assessment

Table 1 summarizes the results of the assessment of the situation at the end of 2008 and at the end of 2013:²⁴ the score given in each policy area is a percentage of the maximum score. These results are discussed in more detail in the following sub-sections, while the detailed policy scores on which this table is based are included in Annex 1.

Table 1: Summary policy scores for 2008 and 2013 (as % of maximum score)*

	High-level policy	Legislative framework	Checks and balances	International trade cooperation	Regulating supply and demand	Tenure, use and rights
2008	Orange	Yellow	Yellow	Red	Red	Yellow
2013	Orange	Orange	Yellow	Red	Red	Yellow

	Timber tracking systems	Transparency	Resource allocation**	Law enforcement	Information management	Financial management
2008	Yellow	Yellow	Green	Orange	Orange	Green
2013	Yellow	Yellow	Yellow	Orange	Yellow	Orange

* To establish the percentage figures, existence, design and implementation have been weighted equally, as has each sub-question under each major heading. Those policy areas for which only a few questions were formulated (legislative framework; international trade cooperation) are more likely to show change than are the other areas. Shading has been allocated according to the total score under each major heading as a percentage of the possible maximum – scores below 25% are red, those between 25% and 50% orange, those between 51% and 75% yellow and those above 75% green.

** The full description of this policy category used in the survey is ‘Allocation and management of rights to harvest’.

High-level policy

The Cameroonian government has not undertaken a comprehensive review of the extent, causes and impacts of illegal logging. But these issues have been examined to a degree within the framework of the VPA negotiations and the subsequent implementation of that agreement. The VPA, which was signed in 2010, identified priority areas for legal reform (see the sub-section on the legislative framework)

²⁴ The policy scores included in the 2010 report were based on an assessment of the situation at the end of 2008; and those for the current assessment on the situation at the end of 2013.

as well as areas for review and monitoring. Review and monitoring activities include carrying out an inventory of the country's timber sector, measuring consumption of wood-based products on the domestic market and monitoring the domestic market. Work has begun on all these areas.

Cameroon's 2005 National Strategy for Forest and Fauna Control aimed to improve control over the forest sector by establishing a National Control Brigade as well as regional brigades and forest control posts at the local level. The focus of these efforts was on logging operations: neither the allocation of concessions and permits nor the review of export procedures was included. Those issues are now being discussed within the framework of the VPA.

Coordination within the government is generally very weak: there are no formal processes in place for the high-level coordination of action against illegal logging. Efforts to date, including the implementation of the VPA, have largely stemmed from the Ministry of Forestry and Wildlife (MINFOF); there has been relatively little engagement by other key ministries, such as those for the environment, finance, labour and social affairs. In addition, other ministries will need to be involved – in particular, those responsible for planning, agriculture and mining – because of the growing pressure on forests from other sectors.

A multi-stakeholder process was established under the VPA negotiations (which began in 2007). That process functioned well during the period of the negotiations, allowing 'a constructive and continuous consultative process with stakeholders',²⁵ although it did prove challenging to ensure effective representation of local communities and indigenous peoples. Since the signing of the agreement (in 2010), there has been less effective engagement from civil society. Three institutions were established under the VPA to oversee its implementation: the Joint Implementation Council, the Joint Monitoring Committee (JMC) and the National Monitoring Committee. The council is the decision-making body and oversees the work of the JMC; it is composed of two representatives each from MINFOF and the EU delegation to Cameroon. The two committees are both multi-stakeholder bodies tasked with monitoring implementation. Civil-society engagement in these committees has been hindered in part by unwillingness within the government to facilitate such engagement and weak coordination among NGOs, some of which did not formally designate their representatives until 2014. Moreover, there was a loss of interest among some organizations owing to the slow progress with implementation of the VPA as well as competing pressure for their time from the REDD+²⁶ process.

Another multi-stakeholder process was established as part of Cameroon's efforts on REDD. The country is a member of the Forest Carbon Partnership Facility (FCPF) programme; and in 2010 the Ministry of Environment and Nature Protection (MINEPDED) received a grant to draw up a Readiness Preparation Plan (R-PP).²⁷ The R-PP has since been developed with multi-stakeholder participation, while a \$3.6 million grant was approved by the FCPF in March 2013.²⁸ The REDD process has taken place largely in parallel with efforts focused on illegal logging – there has been little coordination between the two. Consequently, some NGOs have found it difficult to engage in the two processes or have decided to prioritize one over the other. This is a result, in part, of the difficulties of identifying areas where joint actions and projects can be developed, although conversion timber is an issue that is now being addressed by both processes.

²⁵ Bollen, A. and Ozinga, S. (2013), *Improving Forest Governance. A Comparison of FLEGT VPAs and Their Impact*, FERN, p. 15.

²⁶ Reducing Emissions from Deforestation and Degradation, the 'plus' referring to the role of conservation, sustainable management of forests and enhancement of forest carbon stocks, in developing countries.

²⁷ <http://theredddesk.org/countries/cameroon>.

²⁸ http://wwf.panda.org/what_we_do/footprint/forest_climate2/news/?207922/Cameroon-to-receive-US36-to-prepare-for-REDD.

Legislative framework

Cameroon's Forestry Law of 1994 and the implementing decree of 1995 provide the legal framework for the sector. That law was considered innovative at the time for various reasons, including granting local communities the scope for increased control over forests and wildlife, providing for the more transparent allocation of concessions and establishing redistributive schemes. However, it has been weakly implemented; some of the necessary legislation required for its implementation is still undeveloped. For example, legislation is required on the rules and conditions of use of the various types of state forest (Article 24.2) and the social obligations of those involved in industrial operations (Article 61.4) and to provide for compensation to indigenous groups in the event of the allocation of their lands (Article 26. 1).

In addition, there are discrepancies between the laws on forests, mining and land and a lack of coordination between sectors over the allocation of land. As a result, multiple rights have been granted to the same land, raising questions, in many cases, about the legality of the permits issued. This has implications for the verification of the legality of timber sourced from any associated forest clearance and, in some cases, from forest management, as would be required to issue FLEGT licences under the VPA. For example, if forest clearance takes place as a result of mining activities within forest concessions or community or communal forests, the holders of these titles could be in breach of their management plans.²⁹

Cameroon has yet to complete the reform of its legal framework. A review of the 1994 Forestry Law was undertaken in 2008, and a number of areas for reform were identified during the VPA negotiations. These included improvement of the legal framework as it relates to the domestic timber market, community, communal and private forests, social and environmental issues and industrialization of the forest sector. In addition, the need to incorporate relevant provisions of international legal instruments ratified by Cameroon was noted.³⁰

National working groups for forest law reform were established in 2008 and included representatives of industry, civil society and indigenous peoples. Initially, the reform process was very participative and a number of proposals were made by these groups. However, in 2011 the government sought to speed up the process and civil society was not consulted during the final stages of preparing the draft law.³¹ The bill was submitted to the prime minister in 2012 and has since been reviewed by other ministries. However, a civil society complaint about the draft law was submitted to the UN Committee on the Elimination of All Forms of Racial Discrimination (CERD). CERD wrote to the government in March 2013, criticizing both the law and the process by which it had been developed. In response the government has promised to pursue a more participatory approach.³² It had been expected that a final version of the draft law would be approved by the end of 2014, but this had not yet come about at the time of publication.

²⁹ CED (2013a); Schwartz, B. et al. (2012), *Tendances émergentes dans les conflits liés à l'utilisation des terres au Cameroun. Chevauchements des permis des ressources naturelles et menaces sur les aires protégées et les investissements directs étrangers*. WWF; and Hewitt D. (2013), *Identifying Illegality in Timber from Forest Conversion. A Review of Legality Definitions*. Washington DC: Forest Trends (http://forest-trends.org/publication_details.php?publicationID=4150).

³⁰ See Annex IX of the VPA between the EU and the Republic of Cameroon on forest law enforcement, governance and trade in timber and derived products to the EU (FLEGT).

³¹ La société civile fait état de vives inquiétudes concernant le projet de révision du Code forestier du Cameroun. Forest Peoples Programme, 10 December 2012 (<http://www.forestpeoples.org/fr/topics/droits-humains/news/2012/12/la-societe-civile-fait-etat-de-vives-inquietudes-concernant-le-pr>).

³² Duffield, L. and Richards, M. (2013), 'Lessons Learned from Civil Society Efforts to Promote Community (Forest) Resource Rights and Other Rights in Voluntary Partnership Agreements', a Forest Trends workshop report. The text of the letter from CERD is available at http://www2.ohchr.org/english/bodies/cerd/docs/early_warning/Cameroun1March2013.pdf.

Consultants were recruited in 2013 to revise the country's forest policy and develop the implementing provisions of the draft law.³³ As part of the process of establishing a legality assurance system under the VPA, several pieces of legislation have been passed; these establish the procedures for issuing legality certificates and for recognizing private certification schemes.³⁴

An issue that remains to be addressed is legislation on controlling imports of timber. Cameroon is a transit point for timber from neighbouring countries, in particular the Republic of Congo and the Central African Republic. Currently it is discussing this issue with its neighbours, while the Central Africa Forests Commission (COMIFAC) and the Economic Community of Central African States (ECCAS) have been addressing it too.

Checks and balances

In the 2010 Chatham House assessment, Cameroon scored relatively well in terms of the checks and balances in place to ensure accountability within the government and to prevent corruption among officials. However, there has been no progress in the area since then. Cameroon established a National Anti-Corruption Commission (CONAC)³⁵ in 2006 but that body is not yet fully operational and often duplicates the work of the inspection services. CONAC's 2011 report on anti-corruption efforts documented the results of its investigations into the forest and wildlife sectors, which found widespread corruption, for example, in the allocation of sales of standing volume, the auctions of seized products and the management of funds targeted for community forestry.³⁶ The same year, CONAC launched the Rapid Results Initiative (RRI), to accelerate the implementation of the National Anti-Corruption Strategy that had been developed in 2010. The RRI is seeking to tackle corruption across a range of sectors, including forestry.³⁷ It has clamped down on illegal checkpoints for timber transports, among other things. However, there have been only a small number of prosecutions, for which relatively light sanctions have been imposed.³⁸

Two bodies within MINFOF are tasked with combating and monitoring corruption: an inspectorate-general, which monitors all agencies within the ministry and an anti-corruption unit, which provides training for officials and undertakes investigations, including as part of the RRI. There is no public information available on the results of those investigations: thus neither the extent of corruption nor the scope of actions taken against officials found guilty of graft is known.

A transparency initiative aimed at tackling corruption in the forest sector (ITAC) was launched in 2012 with EU funding and implemented by FODER, a Cameroonian NGO, in coordination with MINFOF. It has been providing training and organizing workshops as well as helping to drive forward the implementation of the transparency requirements of the VPA (see the sub-section on transparency). In addition, it has developed a website for the provision and exchange of information on corruption in the forest sector.³⁹

³³ Republic of Cameroon and the EU (2013), 'Joint annual report on the implementation of the VPA in Cameroon', at <http://cht.hm/1Fjj0x6>.

³⁴ These include Decrees No. 2013/003 and 2013/004 and Decisions No. 0276 MINFOF/SG/DF and 0275 MINFOF/SG/DF. Some of the legal texts are available at <http://www.minfof.cm/apvcameroun/index.php/10-textes-juridiques/43-secteur-foret>.

³⁵ See <http://www.acauthorities.org/country/cm>.

³⁶ CONAC (2011), 'Rapport sur l'état de la lutte contre la corruption au Cameroun 2011', at <http://camerounactu.net/images/1re%20partie.pdf>.

³⁷ See http://www.cm.undp.org/content/cameroon/fr/home/ourwork/democraticgovernance/successstories/Sample_Success_Story_1/.

³⁸ Talla, M. and Calaque, R. (2014), 'Enhancing Forest Sustainability in Central Africa by Fighting Corruption. Lessons Learned from the Implementation of RRIs in Cameroon', at https://www.academia.edu/8394964/Enhancing_Forest_Sustainability_in_Central_Africa_by_Fighting_Corruption.

³⁹ See <http://www.anti-cor.org/accueil/corruption-en-foresterie>.

Cameroon has had an independent forest monitor – also called an independent observer – since 2000. That organization receives a formal mandate from the government to assess legal compliance in the forest sector. Initially, the NGO Global Witness undertook this role (2000–05), followed by REM (2005–09) and the consultancy firm AGRECO-Cameroon Environmental Watch (CEW) (2010–13).⁴⁰ All have played an important role in improving enforcement in the sector. AGRECO-CEW, for its part, focused more on training rather than on investigations, perhaps partly because of its limited remit, which reduced its effectiveness in investigating infractions. For example, it was reportedly unable to carry out field missions without the approval of MINFOF; this would have made it difficult to respond quickly to information about possible infractions.⁴¹

Cameroon's VPA does not establish a requirement for an independent observer, for example as part of the timber legality assurance system (TLAS). But it does refer to independent observation as one of the potential sources of information for the independent auditor and as having a role in verifying felling activities. Moreover, it identifies this area as a priority for EU support, although funding for a new independent observer in Cameroon has yet to be confirmed.

Civil society did not argue for an explicit role for itself as an independent monitor of the VPA during the negotiations of that agreement because of concerns that such a role could compromise its independence.⁴² Cameroonian NGOs have continued to be active in monitoring the forest sector, including the implementation of the VPA;⁴³ and an informal network of about 10 organizations engaged in such issues has been established. In addition, a number of NGOs (most notably FODER and CED) have been providing training on independent monitoring for other such organizations and for communities.

The VPA establishes the requirement for an independent auditor of the legality assurance system. A consortium formed by EGIS and Oréade Brèche was recruited as auditor in 2012. However, because of the slow progress in developing the legality assurance system (LAS), the terms of reference were amended in 2013 to include a review of all documents related to the allocation of logging titles and an analysis of the situation regarding seized timber. The auditor was due to report at the end of 2014.⁴⁴

The role of customs in monitoring timber exports is to check whether taxes have been paid; it does not include ensuring the legality of other activities, nor does it have the resources to investigate them. SGS, a verification company, is contracted to support customs in the area of log exports, but it has only the responsibility to check whether export declarations are correct (quantity, species, tariff classification and value) and so is unable to expose illegalities in the production of the logs.

International trade cooperation

In recent years the main development in international trade cooperation, has been the signing of a VPA with the EU in 2010. Implementation of this agreement is under way, including legal reform, monitoring the domestic market and the broader forest sector, and meeting the transparency requirements. Another key element is the establishment of a legality assurance system, which will

⁴⁰ See <http://www.oicameroun.org/>.

⁴¹ Brack, D. and Léger, C. (2013), *Exploring Credibility Gaps in Voluntary Partnership Agreements. A Review of Independent Monitoring Initiatives and Lessons to Learn*, pp. 9–10. London: Global Witness.

⁴² *Ibid.*

⁴³ See, for example, CED (2013b), 'Cameroon: Rapport 2013 de mise en œuvre des exigences de l'annexe VII de l'APV'; and CED (2013a); both available at <http://loggingoff.info/sites/loggingoff.info/files/Analyse%20niveau%20de%20mise%20en%20oeuvre%20annexe%20VII%20APV%202013%20CED.pdf>.

⁴⁴ Republic of Cameroon and the EU (2013).

enable the verification of FLEGT-licensed timber. Work on this system continues and to date has entailed establishing the procedures for verifying and monitoring legality and for issuing legality licences, the training of officials and the development of an information management system (see further details in the sub-section on timber tracking).

As yet, there is no system in place for sending enforcement alerts to or receiving such warnings from other countries. Cameroon is a member of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which obliges member states to have established such systems to warn about illegal shipments in transit to destination countries. Despite this provision, Cameroon has not yet established such a system. Furthermore, enforcement of CITES remains weak.⁴⁵

Regulating demand for timber

One driver of illegal logging may be the insufficient legal supply of timber to meet demand from a country's processing industry. Governments can address this problem by restricting the issuance or renewal of licences to mills that cannot demonstrate that they have a sufficient supply of timber from legal sources.

Cameroon's permitting system for primary wood-processing facilities does not require evidence of sufficient legal sources of raw material. Nor does the government ensure that the total capacity of timber-processing plants installed in the country is in line with overall production capacity.

Tenure and use rights

The 2010 assessment found that policy on tenure and use rights was poorly designed and implemented. There has been no progress since then. The use rights of communities are only legally recognized in allocated logging concessions. Companies are required to demarcate such rights within their concessions, but there are no provisions for sanctions in the case of non-compliance. Concessions for logging, mining and agriculture are often granted without consulting local communities, while concessions for various types of land use are frequently allocated for the same land.⁴⁶ While there are systems in place to resolve conflicting property rights, either through the court system or through the land tenure commissions at the prefect level, these are poorly implemented.

There are no formalized mechanisms in place for accommodating customary rights in law, and there remain conflicts between these rights and the formal legal framework. For example, under the forest law, customary rights for the commercial use of both non-timber and timber forest products are not recognized. The VPA identifies the need for 'improvement of the legal framework' related to social aspects, and this is being discussed as part of the reform process. While the 2012 draft forest law did recognize customary rights as including the commercialization of all forest products, it is still subject to review and the extent to which it will take into account customary rights remains unclear (see the sub-section on the legislative framework).⁴⁷

⁴⁵ See, for example, details on Afrormosia in Saunders, J. and Reeve, R. (2014), *The EU Timber Regulation and CITES*. London: Chatham House.

⁴⁶ Schwartz et al. (2012).

⁴⁷ Dibamou, P. (2012), 'Cameroun: Assemblée Nationale – L'avant-projet de loi forestier en débat', at <http://fr.allafrica.com/stories/201212130381.html>; and CED (2012), 'Rapport de l'atelier d'analyse du niveau de prise en compte des propositions de la plateforme ECFP dans le draft de projet de loi forestière', at <http://loggingoff.info/fr/document/for%C3%AAt-cameroun-la-plateforme-ecfp-analyse-le-projet-de-loi>.

Timber-tracking systems

Considerable effort is being put into improving timber tracking in Cameroon in order to improve control over the sector and to establish a system that will enable the issuance of FLEGT licences under the VPA. Currently, however, the country's systems for timber tracking are weak, in terms of both systems on the ground and information management.

Checkpoints are used by MINFOF officials to check transport documentation, including evidence of the source of timber and proof of payment of all related charges. However, the effectiveness of this system is severely hampered by corruption and limited resources. Reporting on its inspections of timber transport routes, AGRECO-CEW highlighted the 'porosity' of checkpoints and the complicity of some MINFOF officials in the laundering of illegal timber.⁴⁸ MINFOF also has a national 'document traceability' and information management system (SIGIF), which has been operating since 1999; however, it has never been fully implemented, while the quality of data remains poor and there are considerable delays in processing the available data.⁴⁹

Cameroon began developing a TLAS in 2010 within the framework of the VPA that aimed to cover all 'sources of production or acquisition of timber and timber products circulating within the national territory'.⁵⁰ Pilot tests implemented the following year were deemed to have failed in 2012, but work has since restarted. Procedures for verifying legality have now been developed and the timber transit points that will be compulsory for the timber traceability system have been mapped. At the same time, MINFOF has issued a manual of control procedures for the legality and traceability of timber as well as a guide on timber tracking for MINFOF officers and forest guards; the latter was developed by the former independent observer AGRECO-CEW.⁵¹ Three decrees were issued in 2013: two laid down the criteria and procedures for issuing legality certificates under the FLEGT licensing scheme, while the third established the forestry information management system SIGIF as the official database for issuing legality certificates and registering related assurances of conformity (see further details in the sub-section on information management).⁵²

Transparency

The 2010 Chatham House assessment revealed a number of gaps in the legal requirements on the disclosure of forest sector information, although those in place were considered to have been implemented satisfactorily to date. While there have been improvements in several areas, implementation has worsened in others.

Annex VII of the VPA between Cameroon and the EU outlines which types of information are to be made publicly available and the mechanisms by which that information can be accessed. Accordingly, MINFOF has launched a website devoted to the VPA⁵³ that includes the following: the texts of many of the relevant laws and implementing regulations; the results of the allocation of permits (for

⁴⁸ AGRECO-CEW (2012), 'Rapport mission No. 41/OI/AGRECO-CEW, Thème: axes routiers', at <http://www.oicameroun.org/>.

⁴⁹ CED (2013c), 'Analyse du niveau de mise en oeuvre des exigences de l'Annexe VII de l'APV-FLEGT entre le Cameroun et l'Union Européenne'.

⁵⁰ Annex III of the VPA between Cameroon and the EU (see <http://www.euflegt.efi.int/cameroon>).

⁵¹ MINFOF (2012a), 'Manuel de procédures pour le contrôle de la légalité et de la traçabilité des bois et produits dérivés en circulation au Cameroun'; and MINFOF (2012b), 'Guide du contrôleur forestier au Cameroun, adapté à la stratégie nationale de contrôle forestier et faunique et aux exigences des grilles de légalité de l'APV-FLEGT' (both available at <http://minfof.cm/apvcameroun/index.php/component/content/article/12-informations-rendues-publiques/59-strategie-nationale-et-modalites-de-contrôle>).

⁵² Decree No. 2013/002 on implementing a computerized forest information management system (SIGIF); Decree No. 2013/003 on establishing a FLEGT licence issuance procedure; and Decree No. 2013/004 on establishing the criteria and procedures for the issuance of legality certificates under the FLEGT licensing scheme.

⁵³ See <http://www.minfof.cm/apvcameroun/>.

concessions, sales of standing volume and timber exploitation); a summary of infractions and the penalties imposed; and activity reports by a number of government agencies. However, not all of the information is up to date; most notably the lists of permits are often incomplete. Moreover, there are still some large gaps – for example, there is no systematic publication of the annual operating plans of concessions, details of the social agreements established between concessionaires and local communities, or the results of environmental and social impact assessments.

Difficulties in accessing information have been reported by the project ‘Making the Forest Sector Transparent’, which has been monitoring progress in Cameroon, among other countries. Recent reports recognize that significant improvements in transparency have been made but note that a culture of transparency has yet to be adopted within the government and that this is hampering progress. Furthermore, obtaining information within the country is difficult for many stakeholders, such as local communities and NGOs, because these groups may have limited access to the internet, which is where much information has been made available.⁵⁴

There remains a lack of clarity about the roles of the various agencies involved in resource allocation, monitoring and enforcement. The 2005 National Strategy for Forest and Fauna Control provides some details on enforcement responsibilities, such as the minimum number of controls per company per year, but provides little information on how companies are to be selected and how these controls should be conducted. A draft document drawn up in 2014 sets out the procedures for making information available and this does provide further clarity as to responsibilities; however, it has not yet been formally approved.

Allocation and management of rights to harvest

The implementation of resource allocation procedures is considered to have worsened since the 2010 Chatham House assessment. Although there is no official prequalification procedure whereby inappropriate bidders can be excluded from the allocation processes for concessions and sales of standing volume, tenders are analysed by technical and multi-stakeholder committees and the results made public. The process is overseen by an independent observer; however, its reports are rarely made public, which undermines the rigour of the process. Furthermore, there is no such oversight of the allocation of small permits.

There are limited requirements for the free, prior and informed consent of affected communities before the award of concessions. The public must be informed before an invitation to tender for concessions is issued. The same applies for sales of standing volume – not least to inform communities of their ‘pre-emptive right’ to apply to establish community forests in those areas. However, the public notices are not effectively disseminated. Meanwhile, companies are required to conduct environmental and social impact assessments for their concessions, which include consultations with affected communities; but these are often poorly implemented.⁵⁵

Provisions to protect and develop forest-based livelihood opportunities for local communities within concession areas are included in the concession contracts, as part of social agreements (*cahier des*

⁵⁴ CED (2013d), ‘Etat de la transparence dans le secteur forestier au Cameroun. Rapport annuel 2013’; CED (2013c); and <http://www.foresttransparency.info/cameroon/2012/>.

⁵⁵ See, for example, Alemagi, D. et al. (2013), ‘Cameroon’s Environmental Impact Assessment Decree and Public Participation in Concession-Based Forestry: An Exploratory Assessment of Eight Forest-Dependent Communities’, *Journal of Sustainable Development* 6(10), at <http://dx.doi.org/10.5539/jsd.v6n10p8>.

charges). Among other things, post-allocation consultations are to take place during which local communities are consulted on the development plan that the concession-holder must put in place. However, these provisions are often poorly implemented too.

Law enforcement

Enforcement capacity and implementation was found to be weak in the 2010 assessment and remains so to this day. Since 2012 MINFOF has been regularly publishing the penalties imposed for breaching forestry and wildlife legislation. However, since the names of those companies that settle their fines promptly are not publicly available, the MINFOF reports do not give a complete picture of the actual level of infringements.

Forest officials and law enforcement staff remain insufficiently resourced: in 2006 it was estimated that there was just one government enforcement agent for every 176,000 ha of exploitable forest.⁵⁶ Since then, the situation has improved slightly: additional staff have been recruited by MINFOF, but numbers remain relatively low. There has also been some training and capacity-building of ministry staff, prosecutors and customs officials through donor support.⁵⁷ However, insufficient salaries and high staff turnover undermine the impact of such training.

The government uses various methods for enforcement activities such as log tracking, check-point systems and document tracking. However, neither material flow analyses nor comparisons of import and export data are used systematically for those purposes. While SIGIF is sometimes used, the poor quality of data limits its value. The new SIGIF and timber-tracking systems being developed within the framework of the VPA should address the design flaws, but concerns remain about whether data reliability will improve sufficiently for those systems to become effective.

Information management

The SIGIF system is the primary vehicle for information management in Cameroon's forest sector. However, as noted above, it is currently very weak (see the sub-section on timber tracking).

The development of SIGIF II, a more sophisticated version of the current system, began in 2010.⁵⁸ It was intended to be fully operational by 2013, but its development was halted in 2012, in part owing to shortcomings in its design. In 2013 the specifications of the system were revised: its scope is to include both traceability and legality verification aspects and the system itself will form the basis for issuing FLEGT licences. Moreover, the system will include information related to the allocation of permits, timber inventories, harvesting, processing, transport, exports and taxes. However, the provision of information on taxes has yet to be discussed in detail with the Ministry of Finance (MINFI), which will need to permit links to be established between its own data repositories and SIGIF II. A service provider was selected in 2014 to develop the system.

⁵⁶ The Congo Basin Forest Partnership (CBFP) (2006), *The State of the Congo Basin Forests 2006*, at <http://pfb-cbfp.org/Stateoftheforest.html>.

⁵⁷ For example, capacity-building projects have been supported through a programme of the German Federal Enterprise for International Cooperation (GIZ), 'Supporting the implementation of the National Forestry and Environmental Programme' (ProPSFE) (<http://www.giz.de/en/worldwide/19615.html>) and the FAO's FLEGT programme (<http://www.fao.org/forestry/eu-flegt/84543/en/>).

⁵⁸ See http://www.itto.int/direct/topics/topics_pdf_download/topics_id=3629&no=1&disp=inline.

Financial management

Until 2012 the collection and redistribution of income from forest exploitation were supervised within the framework of the Forestry Revenue Security Programme (PSRF) – a programme run jointly by MINFOF and MINFI to monitor and improve the collection of forest-sector revenues. However, its work was hindered by limited cooperation between the two ministries, insufficient resources and the lack of data with which to determine the taxes due: for example, a list of valid titles and authorized logging areas was often not available at the start of the fiscal year.⁵⁹ The PSRF now sits entirely within MINFOF, and its role has been reduced to serving as a platform for the discussion of fiscal matters, while revenue collection is now being undertaken by MINFI.

Within MINFI, revenue collection is split between a number of different departments and divisions, with responsibilities divided according to the annual turnover of companies. One of the fees paid by logging companies is the annual forestry fee (RFA), an area-based tax, and the revenue from this is shared between central and local authorities. Since 2011, 20 per cent of RFA revenues are to be distributed to the municipalities adjacent to logging concessions, 20 per cent transferred to a national fund for the development of all municipalities and 10 per cent allocated to local villages. However, this system has been plagued by problems since its inception in 2007; there is a lack of transparency over the use of funds and money has been misappropriated, both within MINFI and at the municipal and village levels.⁶⁰ New legislation that went into force in 2012 established the mechanisms for the use and monitoring of these revenues by municipalities and village communities; this is intended to help address some of the problems.⁶¹

The Supreme State Audit Office, which serves as the Inspectorate-General of MINFOF, undertakes internal audits. However, since the results are not publicly available, the potential for independent actors to hold the government to account is limited.

Revenue capture

The non-payment of taxes and fees remains a problem owing to weak systems for the exchange and monitoring of data, corruption and limited capacity. For example, since stumpage tax revenues must be declared, it is the operator that supplies data on the volume of timber harvested and the relevant taxes, and those data are not systematically verified by government officials. In addition, the monitoring of public auction sales for seized products is weak, as a result of which fraud is rife and errors in the collection of proceeds from these sales abound.

Financial management should improve with the development of SIGIF II, which is intended to be linked to the electronic systems used to monitor tax (MESURE) and customs (SYDONIA). However, as noted above (see the sub-section on information management), the implementation of such an arrangement has yet to be discussed with MINFI. Greater transparency on financial information, as required under the VPA, will help improve monitoring too.

⁵⁹ See the 2012 annual activity report of the PSRF at <http://minfof.cm/apvcameroun/index.php/12-informations-rendues-publiques/61-rapports-sur-les-recettes-forestieres/>.

⁶⁰ World Bank (2011), *Cameroon: The path to fiscal decentralization. Opportunities and challenges*, Report No. 63369-CM.

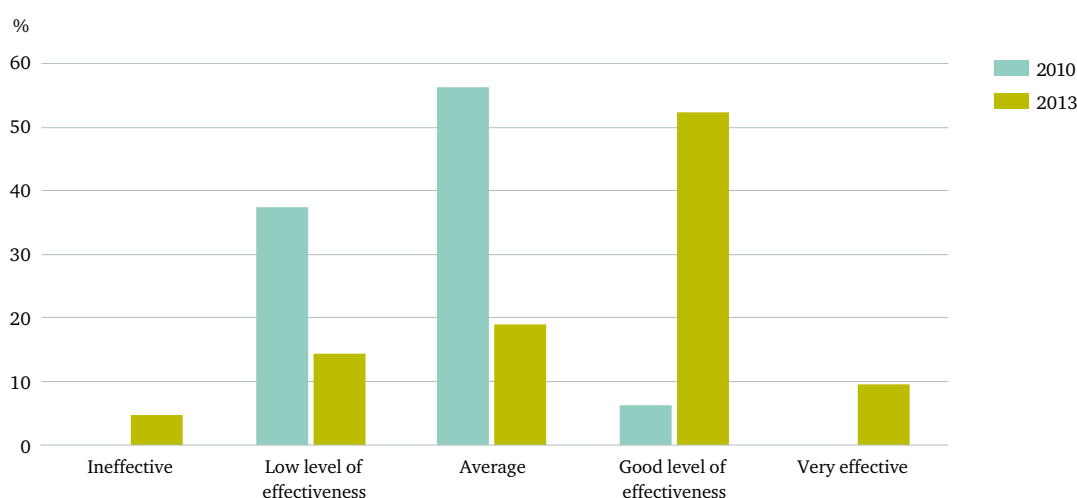
⁶¹ Joint Order No. 76/MINADT/MINFI/MINFOF of 26 June 2012.

Expert perceptions survey

The assessment of the Cameroonian government’s response to illegal logging included an expert perceptions survey in which representatives of the government, the private sector, civil society, academia and the donor community were asked to evaluate the government’s performance in tackling illegal logging. Among the factors taken into consideration were the effectiveness of the government’s response, how this had changed over the previous year and the obstacles to this response.

The number of responses to the survey was relatively low: 23 in total in 2013 and 21 in 2010.⁶² This should be kept in mind when considering the findings below.

Figure 2: Expert perceptions of the overall government response to illegal logging, 2010 and 2013



Perceptions of the overall effectiveness of the Cameroonian government’s response have improved markedly since the 2010 assessment. More than half of all respondents (13 out of 21)⁶³ reported a good level of effectiveness of government measures, up from just one (out of 16) in 2010. This change in part reflects the increased number of government respondents in 2013: most of those who responded positively in 2013 were from the government. When asked whether the government’s response had changed over the previous year, just over half of respondents in both surveys thought that there had been an improvement. In 2010 the remainder thought that the response had stayed the same, whereas in 2013 respondents were split over whether it had remained the same or worsened (both those from the private sector and NGOs thought it had worsened).

Experts were asked to assess the relative importance of a range of impediments to an effective government response: ineffective enforcement and insufficient capacity, poor data, a weak legal framework, corruption, lack of transparency and lack of political will. Responses were mixed in both surveys, although one striking difference was that the lack of political will was considered a much more important factor in 2013 than in 2010: no fewer than 12 respondents in 2013 (including half of the government officials who took part in the survey) considered it to be the main factor impeding an effective response, compared with just three of the 20 respondents in 2010.

⁶² The respondents can be broken down by category as follows: 2013: government officials – 10; private sector – six; NGOs – seven; 2010: government officials – three; private sector – six; NGOs – 12.

⁶³ Not all respondents answered all questions, and so the total number of respondents varies slightly by question.

Progress by the Private Sector

In addition to examining government measures to tackle the problem of illegal logging, the current assessment evaluates the degree and effectiveness of the response by the private sector. That evaluation is based on the expert perceptions survey (discussed above), an assessment of private-sector voluntary certification schemes and trade data analysis.

Expert perceptions survey

Respondents to the expert perceptions survey were asked to assess the degree to which the various types of company had improved their response to illegal logging over the previous year. Manufacturers/exporters supplying sensitive markets⁶⁴ and large-scale concessionaires were considered to have improved by the majority of respondents. However, most considered that there had been no change in the response of either smaller-scale concessionaires or manufacturers/exporters supplying less sensitive markets.

Survey respondents were also asked to assess the extent to which timber prices had risen or fallen over the previous year in response to measures aimed at tackling illegal logging – and thus to changes in the volume of illegal timber available on the domestic market. Nine out of the 23 respondents in 2013 thought that prices and levels of illegal logging remained the same, while seven said they did not know if there was a link between the two. The remainder were split over whether timber prices had risen owing to better law enforcement or had declined owing to an increase in illegal logging.

Levels of forest certification and legality verification

Private-sector uptake of voluntary legality verification and sustainability certification standards is a useful indicator of attitudes towards illegal logging and the sustainable management of forests. The proportion of Cameroon's active forest concessions that are verified legal or certified sustainable has continued to increase and accounted for approximately half of total production forest in 2012, compared with just under one-fifth in 2006. In 2012 the largest area, 45 per cent of the total, was verified against verified legal origin (VLO) standards – the lowest existing standard. The area with sustainability certification accounted for 20 per cent of the total. This seems to justify concerns that the introduction of the EU Timber Regulation (EUTR) and the US Lacey Act, along with the implementation of Cameroon's VPA, will lead businesses to opt for legality verification instead of certification, since it is both more difficult and more expensive to comply with the latter.

⁶⁴ For this assessment, 'sensitive' markets are considered in this context to be the EU, the US, Australia, Canada, New Zealand, Norway and Switzerland. Non-sensitive markets are considered to be all other markets.

Figure 3: Total certified and verified forest area, 2006–12



Sources: FSC Forest Management (FM), Société Générale de Surveillance (SGS) VLC, Bureau Veritas (BV) Timber Origin and Legality (OLB), Rainforest Alliance (RA) VLC.

Sensitive-market share

In order to gauge the response of the private sector to illegal logging and the growing demand for legal timber in many major consumer countries, shifts in trade between sensitive and non-sensitive markets were assessed. The trade data were analysed based on estimates of RWE volume.

Trade data indicate that the proportion of exports of timber-sector products destined for sensitive markets has fallen significantly since 2007: from more than 70 per cent in the period 2000–07 to just over 40 per cent in 2012. The decline was most marked during the years 2007–09, partly owing to the effects of the global financial crisis, which resulted in a big drop in overall wood product exports – particularly those to Europe. From 2010 to 2013 total exports increased, but most of that growth was in exports to non-sensitive markets, particularly China.

The biggest decline in the share of products destined for sensitive markets has been for logs: exports of these products to China increased from 50,000 m³ in 2001 to 397,000 m³ in 2012. The main reason is the growth of demand in China, although the implementation of a log ban in Gabon in 2010 is likely to have been another factor.

Figure 4: Timber-sector and log exports from Cameroon to sensitive and non-sensitive markets, 2001–12



Sources: Based on trade statistics for Cameroon from Association Technique Internationale des Bois Tropicaux (ATIBT) and UN Comtrade as well as official national trade statistics for partner countries of the corresponding imports with analysis by Chatham House. Export data for 2000 and for the period 2002–05 are anomalous and have thus been excluded.

Estimated Levels of Illegal Logging and Associated Trade

To measure the extent of illegal logging and the trade in illegal wood-based products, a number of methods were used. These included an assessment of discrepancies between exports from Cameroon reported by that country and imports of Cameroonian products reported by destination countries. In addition, the expert perceptions survey included several questions about the nature and extent of the problem.

Expert perceptions survey

The survey included a question on overall progress in tackling illegal logging over the previous year and during the previous five years. For the previous year, responses were very mixed (respondents could choose between no change, an improvement or a worsening of the situation). For the previous five years, all respondents except one (who saw no change) considered the situation to have improved.

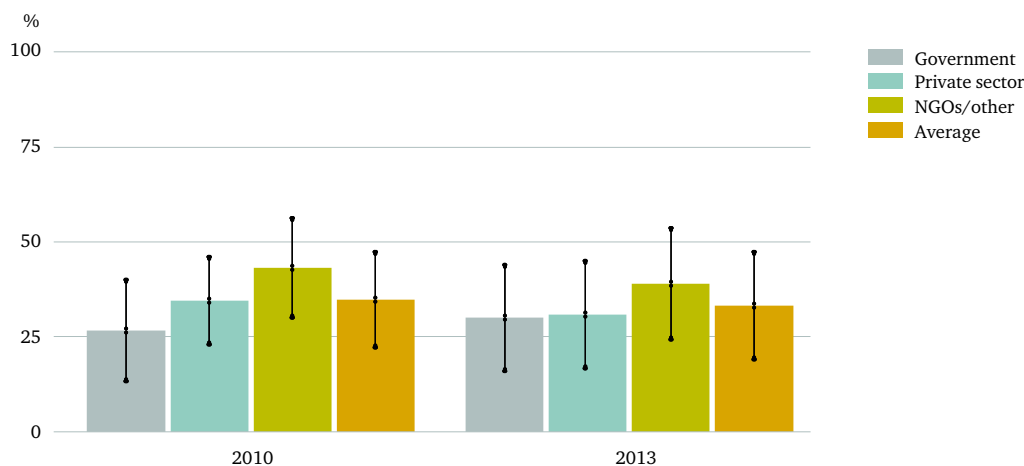
Respondents were also asked to assess to what extent there had been improvements in tackling various types of illegal practice over the past year: illegal logging by concessionaires, unauthorized companies and artisanal producers, illegal processing, illegal exports and corruption among forestry officials as well as within the police and the judiciary. The majority responded that there had been improvements in all of those areas. This differed from the 2010 survey, in which illegal logging by concessionaires was the only area in which the majority of respondents thought there had been an improvement. For all other areas, the responses were very mixed.

As regards the level of illegal logging, Figure 5 below shows that the average estimate in 2013 of the extent of illegal logging was very similar to that in 2010 – 33 per cent, compared with 35 per cent – as was the pattern of distribution of responses across the types of respondent. This result somewhat contradicts the response to the question as to whether respondents perceived improvements in tackling the different types of illegal practice over the preceding five years, although this may be due in part to any improvements in the level of illegal logging being masked by the possible ranges of the scores.⁶⁵

Asked which factors have led to any perceived reduction in illegal logging, most respondents singled out the negotiation and implementation of the VPA, as well as improvements in overall governance as the most important, while the provision of information by local and international NGOs was considered to have played a significant role too. The exhaustion of timber resources was considered an important factor by all government respondents, but less so by others. Neither demands from the private sector nor economic developments were seen as important factors in the reduction in illegal logging.

⁶⁵ Respondents could choose between five responses: 20 per cent or less; from 21 per cent to 50 per cent; from 51 per cent to 75 per cent; from 76 per cent to 90 per cent; or over 90 per cent. The columns in Figure 5 indicate the middle range, and the black bars show the minimum and maximum estimates.

Figure 5: Estimated extent of illegal logging as a percentage of overall log production based on the expert perceptions survey, 2010 and 2013*



* The black bars indicate the potential range in scores.

Trade data discrepancies

Trade data discrepancies can be indicative of illegal activity. However, the data for Cameroon are not sufficiently robust to be analysed in this way, as is apparent from the fact that the data from the two sources used for this assessment often differed.⁶⁶

Another factor is that because Cameroon is a transit country for timber from the Central African Republic and the Republic of Congo, some discrepancies may be due to timber from those countries being reported as Cameroonian timber. For example, there are persistent discrepancies in the trade data for log exports: the EU reports a larger volume of imports than Cameroon reports as exports, although this discrepancy may have become smaller over the last five years. Such differences are likely to reflect transit trade.

The lack of comprehensive and reliable data will seriously hinder the government's efforts to monitor the sector and its trade in wood-based products.

Overview of estimates of illegal logging

The findings of the expert perceptions survey suggest that illegal practices remain widespread in Cameroon's forest sector. They are backed up by reports from Cameroon's independent observers as well as researchers and NGOs.

In the capacity of official independent monitor, both Agreco-CEW and REM (its predecessor) documented widespread illegalities in the forest sector.⁶⁷ In its 2009 report, REM noted that illegal activities within forest concessions had decreased but the problems of non-payment of taxes and non-compliance with management plans remained. The majority of small permits and sales of standing volume were in breach of regulations. Agreco-CEW documented widespread infringements too and

⁶⁶ The two sources used to analyse Cameroon's exports were ATIBT Newsletters and UN Comtrade data.

⁶⁷ REM (2009).

highlighted weaknesses in the timber-tracking system. Community forests have been linked with illegal practices, both directly (for example, over-logging and non-payment of taxes) and indirectly (laundering illegal timber from other sources, including through the sale of transport documents).⁶⁸ More recently, Global Witness highlighted abuses in the allocation of small permits, including the role of political patronage in this process.⁶⁹ Furthermore, while such permits are those required for the extraction of timber linked with development projects, a recent phenomenon has been the allocation of 'special' titles for sales of standing volume for such purposes, and these have not been listed as valid titles by MINFOF.⁷⁰ There have also been reports of logging taking place in large infrastructure projects without any permits.⁷¹ While there have been efforts by the government to control the allocation of small permits, there remains a lack of clarity and consistency in their use. As pressure grows on forests from other sectors, the risk of corruption and fraud in the use of small permits will only increase.

As well as illegalities within the 'formal' system, production in the informal sector continues on a massive scale, mainly to supply the domestic market, which has expanded significantly over the last 20 years. It is estimated that total production could be double the official estimate of timber harvests: annual official production is estimated at about 2 million m³, while informal chainsaw milling is thought to produce a similar volume of timber (see the background section). Data indicate that this timber is consumed largely on the domestic market but also that part of it is laundered into the 'formal' system for export. The most common method of such laundering is through the auction of seized timber (whereby that timber is sold back to the illegal producer).⁷²

Efforts are under way to both regularize and improve control over small-scale producers and the domestic market. CIFOR has been very engaged in those efforts, undertaking research and organizing policy dialogues to identify solutions.⁷³ Within the framework of the VPA, the development of a legal domestic market has been identified as another priority. Work to date has included the establishment of 'timber clusters' at pilot sites with a view to developing legal supply chains and the provision of training and outreach services for artisanal producers.⁷⁴ However, these efforts remain on a very small scale, given the size of the informal sector.

One particular challenge in tackling the problem of informal timber production is that the first iteration of the legality definition developed under the VPA does not include permits for chainsaw millers.⁷⁵ Such permits may subsequently be included in that definition, since the VPA states that 'other legality matrices will be produced during the system operationalisation phase, whenever they are found to be relevant'.⁷⁶ However, this omission reflects the insufficient attention paid to the informal sector, given that such permits clearly are highly relevant.

⁶⁸ Tropenbos International (2012), 'Community forestry in Cameroon: how can it contribute more effectively to FLEGT?' Wageningen: Tropenbos; and Cuny, P. (2011), 'Etat des lieux de la foresterie communautaire et communale au Cameroun', Wageningen: Tropenbos International Congo Basin Programme.

⁶⁹ Global Witness (2013).

⁷⁰ Independent Auditor of FLEGT in Cameroon (2014), Note de synthèse à mi-parcours: Evaluation documents titres et étude de bois saisis.

⁷¹ See for example, 'Des Chinois pris en flagrant délit de coupe illégale du bois'. 14 February 2014. La Voix du Paysan, http://www.lavoixdupaysan.org/lejournal/environnement.php?subaction=showfull&id=1392375264&archive=&start_from=&ucat=10&; 'Comment tirer profit du bois coupé sur les sites des grands chantiers'. 6 September 2013. Cameroon Tribune, [http://www.camerounlink.com/news/?SessionID=U5VF5QRF5JEAG3ZLGHC2QWGQDP8PDO&c11=&c12=&bnid=2&nid=74659](http://www.camerounlink.com/news/?SessionID=U5VF5QRF5JEAG3ZLGHC2QWGQDP8PDO&c11=&c12=&bnid=2&nid=74659;); 'Ressources forestières et minières: Impunité et corruption à ciel ouvert au Cameroun'. 7 November 2014. <http://www.bertoua.info/?SessionID=R1HX5VFV1IBRT3ZKZTH4IVDUEC2ZDP&bnid=2&thisid=77>.

⁷² Eba'a Atyi et al. (2014); Cerutti and Lescuyer (2011); and Cerutti et al. (2013), 'Cameroon's hidden harvest: Commercial chainsaw logging, corruption and livelihoods', *Society and Natural Resources* 26(5), pp. 539–53.

⁷³ Cerutti et al. (2014), 'Policy options for improved integration of domestic timber markets under the voluntary partnership agreement (VPA) regime in Cameroon', CIFOR Info Brief No. 83.

⁷⁴ The Republic of Cameroon and the EU (2013).

⁷⁵ The full official name is timber exploitation permit.

⁷⁶ Annex II, Section II of the VPA between Cameroon and the EU.

Since informal chainsaw milling in Cameroon is deeply entrenched, a long-term and politically astute strategy will be required to address the situation. One means to facilitate this will be to ensure that the informal sector is effectively represented within the decision-making processes linked with VPA implementation. In any case, such a strategy will require taking a number of different approaches, including the adoption of policies to promote a legal market, such as on public procurement for large-scale infrastructure projects, the development of a fiscal policy adapted to the sector and policies enabling legal access to resources by artisanal producers.⁷⁷

⁷⁷ Cerutti et al. (2014).

Conclusions and Recommendations

This assessment of the extent of illegal logging in Cameroon and the effectiveness of the government and private-sector responses suggests that progress has stalled since 2010. Most important, corruption continues to be a dominant feature of Cameroon's forest sector, and there is an apparent lack of political will to institute change. In addition, the reform of the legislative framework for the forest sector, initiated in 2008, has yet to be completed and while there have been some improvements in the availability of information on the forest sector, many gaps in such information remain and a culture of transparency has yet to be established within the government.

While there is evidence of progress in the private sector – the total area of forests with legality verification or certification has increased – illegal activities remain widespread throughout the forest sector as a whole. It is estimated that half of total production is by informal artisanal producers, which supply mainly the domestic market. However, illegality is also widespread in supply chains for export: timber originating from small permits and sales of standing volume is thought to be particularly problematic. This is of particular concern as the supply of timber from such permits is expected to increase owing to the growing pressure on forests from other sectors (those titles are granted for the extraction of timber from development projects).

An important change that has been taking place since 2000 is the shift in trade away from sensitive markets: the EU market has become much less significant as a destination for Cameroon's exports of timber-sector products, while China has become much more significant. This has important implications for devising strategies on how best to tackle illegal logging in Cameroon, and in particular, how to implement the VPA.

An important part of any strategy to drive improvements in the country's forest sector is strong enforcement of the EUTR. However, in the light of the changing trade patterns, further progress in promoting a market for legal timber in China will be important too. Clearly, action in consumer countries to increase demand for legal timber from Cameroon will not suffice on its own to bring about significant governance improvements: profound changes are needed within the country itself.

The following are recommendations on how to help bring about such changes:

- Further analysis of the political economy of the forest sector in Cameroon should be undertaken in order to assess incentives for current practices and opportunities for structural reforms (including regulatory, institutional and fiscal reforms). In this context, the focus should be on Cameroon's informal sector, given its economic and social importance and the continued low priority accorded to it. Such analysis should extend to those sectors that are having an impact on forests – namely, agriculture and mining – to determine how best to improve governance of those sectors and decision-making on land use.
- Attempts to tackle corruption should be reinforced, both within the forest sector and throughout the whole of the economy. Options for the reform of CONAC should be considered. Experience in tackling corruption both in Cameroon and in other countries (including models for anti-corruption agencies) should be examined further to help identify possible solutions. This will require genuine commitment from the highest political levels in the country as well as long-term investment.

- Further improvements in transparency are needed to enable more effective oversight and management of the sector: there remain significant gaps in data on forest allocation, production, processing and trade, while decision-making processes are often opaque. Progress towards improved transparency will require close monitoring, in particular by the Joint Implementation Committee of the VPA to ensure that the relevant terms of the agreement are met. The appointment of a new independent observer for the sector will be important for progress in this area.
- To encourage the development of a robust and credible legal framework, all stakeholders should be consulted in the remaining stages of the implementation of legal and policy reform. In particular, small-scale producers and processors will need to be fully engaged to help develop a policy framework that will not only enable them to engage in legal logging but also create incentives for them to do so. Furthermore, the engagement of indigenous peoples and local communities needs to be given higher priority to ensure that their land tenure and use rights are adequately incorporated into the policy framework.
- Efforts to promote a legal domestic market should be intensified. This will require not only policy reform but also more extensive training and outreach for small-scale producers and processors and the development of alternative livelihood strategies.
- Finally, to improve enforcement efforts, continued investment in the training of enforcement agents and the provision of adequate resources are required so that those agents are able to perform their roles effectively.

Annex 1: Policy Assessment Scores for 2008 and 2013*

	Existence (0–2)		Design (1–5)		Implementation (1–5)	
	2008	2013	2008	2013	2008	2013
<i>High-level policy</i>						
Official review of illegal logging	0	1	n/a	2	n/a	3
National action plan	2	2	3	3	3	3
Coordination between government departments	0	0	n/a	n/a	n/a	n/a
Multi-stakeholder consultations	2	2	3	3	3	2
<i>Legislative framework</i>						
Coherent and unambiguous forestry legislation			3	3		
Forestry legislation consistent with other laws affecting forests			2	2		
Enactment of additional legislation to prevent sale and import of illegal wood-based products	1	1	n/a	n/a	n/a	n/a
<i>Checks and balances</i>						
Right of public to make legal challenge	2	2			2	2
Penalties for official corruption	2	2	3	3	1	1
Limits to discretionary powers	2	2			2	2
Committee with oversight of forest agencies	2	2	4	4	4	2
Internal forestry agency audits whose results are made public	2	2	3	3	1	2
Independent forest-monitoring system	2	2	4	4	4	2
Customs mandated to check legality of exports	2	2			3	3
<i>International trade cooperation</i>						
Formalized trade or customs arrangements	1	2	n/a	2	n/a	n/a
Formalized system for sending and receiving enforcement alerts	0	0	n/a	n/a	n/a	n/a
<i>Regulating supply and demand</i>						
Sawmill permitting system that requires evidence of legal supply	0	0	n/a	n/a	n/a	n/a
<i>Tenure and use rights</i>						
Property, use rights and tenure arrangements designated on publicly available maps	2	2	2	3	1	1
Formalized mechanisms for resolving property rights issues	2	2	3	3	3	3
Formalized mechanisms for accommodating customary rights in law	1	1	3	3	2	2
<i>Timber-tracking system</i>						
System to verify the origin of timber	2	2	3	3	3	2
System design						
Independent monitoring procedures	2	2	4	4	4	2
Reconciliation systems	0	1	n/a	2	n/a	2
Tamper-resistant documentation procedures	2	2	3	3	2	2
Computerized systems	2	2	3	3	2	2

Illegal Logging and Related Trade: The Response in Cameroon

		Existence (0–2)		Design (1–5)		Implementation (1–5)	
		2008	2013	2008	2013	2008	2013
Transparency							
Public document describing roles, responsibility and controls of relevant agencies		0	1	3	4	2	2
Resource allocation	Rules for resource allocation processes	2	2			4	4
	Dates for resource allocation processes made publicly available	2	2	5	5	5	4
	Results of resource allocation processes made publicly available	2	2	5	5	5	4
	Summary data on harvest, processing and international trade published	0	1	n/a	2	3	3
Resource use	Location of concessions, ownership and contracts made publicly available	2	2	3	3	3	3
	Concession licences, inventories and harvest plans made publicly available	0	1	n/a	3	3	3
	Environmental and social impact assessments made publicly available	2	2	5	3	5	2
Enforcement	Data on forest crimes published	0	2	n/a	3	3	3
	Data on disposal of confiscated wood made publicly available	0	2	n/a	3	3	3
Allocation and management of rights to harvest							
Pre-qualification process to exclude inappropriate bidders		2	2	4	4	4	3
Competitive allocation process		2	2	4	4	4	3
FPIC or stakeholder consultations for affected local communities		2	2	3	3	3	2
Measures to protect and develop forest-based livelihoods		2	2	4	4	3	2
Law enforcement							
Proportionate and dissuasive penalties				3	3	2	2
Coordination systems in place for relevant agencies		1	1	2	2	1	1
Forest/law enforcement officials sufficiently resourced				2	2	2	3
Training of	Judges and prosecutors					2	3
	Customs officials					2	3
Information-gathering	Remote-sensing systems					3	3
	Field-based investigatory tools					1	1
	Material flow analyses					2	2
	Log-tracking and checkpoint systems					2	2
Information management							
Up-to-date, accurate information management system		2	2	2	2	0	1
Financial management							
System for monitoring revenue discrepancies		2	2	3	3	3	3
Forest administration audit		2	2	3	3	4	2

* The policy scores included in the 2010 report were based on an assessment of the situation at the end of 2008; and those for the current assessment on the situation at the end of 2013. A grey cell indicates that the answer to the question posed was not scored; an asterisk indicates that the question was not asked in 2010. Policies were assessed according to the following factors: existence (scoring between 0 and 2, whereby 1 indicates partial coverage or a policy under development); design (scoring between 1 and 5, whereby 5 indicates very well designed); and implementation (scoring between 1 and 5, whereby 5 indicates consistent and comprehensive implementation).

Annex 2: Methodology

The methodology employed to undertake the assessments of the 13 countries included in the 2014 Indicators of Illegal Logging and Associated Trade study is based on that developed by Chatham House for its 2010 assessment. Below is a brief overview of the data collection and analysis process. Further explanation of how the indicators were developed can be found in earlier reports.⁷⁸

The countries included in the study were selected on the basis of the significance of their role in the production and consumption of illegal wood-based products. Four years after the first assessment, the 12 original focus countries combined continue to account for the majority of exports and imports of such products. Lao PDR is included in the 2014 assessment owing to its increasing importance in the global trade in wood-based products.

Indicators of progress

Chatham House has developed a set of standardized indicators to allow a comparative evaluation to be undertaken. The indicators cover four areas:

- a) Media attention
- b) Government response (assessment of the policy framework, expert perceptions survey and analysis of enforcement and revenue data)
- c) Progress by the private sector (assessment of levels of certification and legality verification, expert perceptions survey and analysis of trade data to assess shifts in trade with ‘sensitive’ and ‘non-sensitive’ markets⁷⁹)
- d) Levels of illegal production and trade (expert perceptions survey, wood-balance analysis and analysis of trade data to assess discrepancies)

An outline of how these data were collected is provided below.

Media attention

The level of attention afforded to illegal logging and related trade in the domestic and international media was assessed using both quantitative and qualitative methods. The volume of articles in the international media was measured through a search of online media archives (Factiva, Newsbank and LexisNexis) using the term ‘illegal logging’ and the country name. A similar approach was adopted with domestic media: the search term ‘illegal logging’ was used in English and/or the local language. Online archives were used where possible and physical archives where no such digital records were available. Country partners were asked to identify those newspapers, journals and media outlets that can be considered ‘major circulation’.

⁷⁸ Lawson, S. (2007), *Illegal Logging and Related Trade*; and Lawson, S. and MacFaul, L. (2010), *Illegal Logging and Related Trade. Indicators of the Global Response*. London: Chatham House.

⁷⁹ For this assessment, ‘sensitive’ markets are considered to be the EU, Norway, Switzerland, the US, Australia, Canada and New Zealand. Non-sensitive markets are considered to be all other markets.

The articles were then categorized according to their main focus: enforcement, private-sector response, government response, impacts or 'other'. The search period for domestic media coverage was the year to October to September, while that for international media was the calendar year.

Policy assessment

For each of the countries included in the assessment, an in-country partner was selected by Chatham House to assess the national policy and legal framework for tackling the issue of illegal logging and related trade.

For producer countries, the questions were grouped into 12 broad categories: high-level policy, legislative framework; checks and balances, international trade cooperation, policies to regulate demand for timber, tenure and use rights, timber-tracking systems, transparency, allocation and management of rights to harvest, law enforcement, information and financial management. In addition, data on enforcement and revenue collection were collected and incorporated into the policy assessment.

In-country partners were provided with an advisory framework on scoring as well as the scores from the 2010 assessment in order to maintain at least a degree of consistency across countries and between the two assessments. The scores were then reviewed by Chatham House researchers and peer reviewers and amended where necessary.

Expert perceptions survey

A survey of national experts asked respondents to estimate levels of illegal logging and associated trade and to evaluate the response by government and the private sector to the issue. The main part of the survey, which comprised 16 questions, was sent to all respondent groups – government officials, timber-industry representatives, NGOs and other experts. An addendum to the survey was sent to private-sector respondents, while a separate short survey was sent to industry associations.

Weighted-average perception scores have been calculated to account for slight variations in sample size among respondent groups and between the two survey periods. First, averages were calculated for each respondent group (government, private sector and NGO/other) and then the average of the three averages.

Third-party certification

Data were gathered on the total area of production forest in the producer countries that has been either verified legal or certified sustainable (plantation forests were excluded). All major independent certification schemes were included. Data were based on those provided by each of the schemes as well as on research undertaken by Chatham House staff. Various reports, including those by NGOs and trade associations, were consulted in order to calculate the total area of *active* production forest under certification at the end of each calendar year up to 31 December 2012; no areas certified after this date are included in the current assessment.

Analysis of trade data

Trade data were compiled and used to analyse shifts in trade between ‘sensitive’ and ‘non-sensitive’ markets and discrepancies in data on reported imports and exports between a producer country and its export markets. Data were compiled from official national trade statistics and from the UN Comtrade database and converted to RWE volume. The following conversion factors were used:

- By volume (m³/m³): sawnwood: 1.8; veneer and mouldings: 1.9; plywood: 2.3.
- By weight (m³/t): particleboard: 2.0; fibre board: 2.5; picture frames and wooden furniture: 2.8; joinery, ornaments and ‘not elsewhere specified’: 3.5; chips and residues: 1.6; paper: 3.5; and pulp: 4.5.

Wood-balance analysis

Where robust national data could be obtained, wood-balance analyses were undertaken. These compared the legal supply of timber (from official records of harvest and imports) with consumption (based on domestic consumption and exports). The gap between supply and consumption can indicate the existence and extent of unreported and hence potentially illegal logging.

There are a number of limitations to such analyses. Most important, they cannot account for smuggling or illegalities related to legally sanctioned harvesting (e.g., the failure to pay taxes). Furthermore, statistics – particularly on domestic consumption – are unreliable or absent in many countries. For this reason, the methodology used varied from country to country, depending on the data available, while in many cases no such analysis could be undertaken owing to the lack of relevant data.

Glossary

ATIBT	Association Technique Internationale des Bois Tropicaux
BV	Bureau Veritas
CBFP	Congo Basin Forest Partnership
CED	Centre pour le Développement et l'Environnement
CERD	UN Committee on the Elimination of All Forms of Racial Discrimination
CEW	Cameroon Environmental Watch
CIFOR	Centre for International Forestry Research
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COMIFAC	Central Africa Forests Commission
CONAC	Cameroon National Anti-Corruption Commission
DFID	Department for International Development
ECCAS	Economic Community of Central African States
EUTR	EU Timber Regulation
FCPF	Forest Carbon Partnership Facility
FLEGT	Forest Law Enforcement, Governance and Trade
FSC	Forest Stewardship Council
FSC FM	FSC Forest Management
GIZ	German Federal Enterprise for International Cooperation
IMF	International Monetary Fund
IM-FLEG	Independent Monitor of Forest Law Enforcement and Governance
ITAC	Transparency initiative aimed at tackling corruption in the forest sector
JMC	Joint Monitoring Committee
LAS	Legality assurance system
MESURE	Electronic systems used to monitor tax
MINEPDED	Ministry of Environment and Nature Protection
MINFI	Ministry of Finance
MINFOF	Ministry of Forestry and Wildlife
OLB	Timber Origin and Legality
PSRF	Forestry Revenue Security Programme
RA	Rainforest Alliance
REM	Resource Extraction Monitoring
RFA	Annual forestry fee
R-PP	Readiness Preparation Plan
RRI	Rapid Results Initiative
RWE	Roundwood equivalent
SGS	Société Générale de Surveillance
SIGIF	Decree No. 2013/002 on implementing a computerized forest information management system
SYDONIA	Electronic systems used to monitor tax (MESURE) and customs
TLAS	Timber legality assurance system
VLO	Verified legal origin
VPA	Voluntary partnership agreement

About the Author

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