

## **SIM - Illegal logging in Cameroon's rainforest      October 2005**

**Cameroon's Forest of the Great Apes:** The lowland rainforest of Cameroon forms part of Africa's stunning Forest of the Great Apes. This forest supports thousands of species of plants and animals and is one of the world's last remaining strongholds of species such as lowland gorillas, chimpanzees and forest elephants. It is also home to millions of forest-dependant people. Their future is under threat, as illegal and destructive logging operations encroach deeper and deeper into this fragile forest.

In recent years, a number of official reports published by the Cameroonian Government and the World Bank have revealed the widespread nature of illegal activities within Cameroon's logging industry.<sup>1</sup> These activities cost the Cameroonian Government millions of euros each year in lost revenue.<sup>2</sup> Many companies have been fined for illegal practises such as tax evasion, logging outside legal boundaries, logging after permits have expired, cutting undersized trees and logging in unallocated concession areas.

One of the main factors that is driving this corrupt, destructive and economically inefficient industry is the demand for cheap timber from the international marketplace; the importing nations who choose to ignore what is going on in the forest and just carry on with business as usual.

**Société Industrielle de Mbang (SIM):** The Cameroonian based timber company Société Industrielle de Mbang (SIM) is involved in large-scale illegal logging in Cameroon, both directly and indirectly. This company has a history of illegal logging activities and has been logging illegally outside the boundaries of its cutting permit during in the last twelve months. It also sources from a variety of other permits held by Cameroonian logging companies, which are also engaged in illegal logging.

Originally a subsidiary of Transformation Intégrée du Bois (TIB), SIM acquired TIB in 2003.<sup>3</sup> The name TIB is still often associated with SIM for practical reasons, and because the company is still widely known in the region. Current shareholders of SIM include the Italian timber companies Piarottolegno and Dassi.<sup>4</sup>

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<sup>1</sup> Global Witness - October 2003, Forest Law Enforcement in Cameroon.2nd summary report of the Independent Observer, December 2001 - June 2003. Global Witness - April 2005, Forest Law Enforcement in Cameroon.3rd Summary report of the Independent Observer, July 2003 - February 2005. Njoya Fochivé Emmanuel. Etude comparative de la situation des entreprises forestières en 1998 et 2004. April 2005. Study commissioned by the World Bank.

<sup>2</sup> Auzel P, Fomété T, Owada, L'exploitation des forêts du Cameroun: Exploitation illégale, perspectives. November 2002. Study commissioned by DFID - UK Department for International Development.

<sup>3</sup> SIM was founded in 1997.(Transformation Intégrée du Bois (TIB) response to Rainforest Action Network, April 13<sup>th</sup>, 2000. Until recently this mill was known as TIB, acquired by SIM in 2003.

<sup>4</sup> Phone call from Mr Mattarazi, SIM Director with Greenpeace Italy Campaigner Sergio Baffoni, 7<sup>th</sup> October 2005.

**SIM's sawmill: laundering forest crime:** SIM operates a huge sawmill in Cameroon's capital Yaoundé. The sawmill processes large volumes of timber from its own cutting permits and also from a number of other companies, many of which are also involved in destructive and illegal logging operations. SIM is therefore unable to provide its customers with any guarantee that the timber it sells is from legal, let alone sustainable, sources.

The countries of the European Union are a key market for SIM's timber. European consumers are increasingly asking questions about the origin of the wood they buy and are starting to insist that it has been produced in a legal and responsible manner. SIM's wood clearly does not meet these requirements.

**1. SIM is illegally logging outside its cutting permit:** In 2005, Greenpeace field investigators visited SIM's cutting permit (vente de coupe 08-10-73) in the Mbam & Kim department of the Centre province of Cameroon. The area is at the northern end of Cameroon's rainforest belt. The main timber species logged are Iroko, Ayous, Aniegré, Pachyloba and Tali.

Investigators documented large-scale logging activities by SIM outside the legal boundaries of its allocated permit. Greenpeace estimates that SIM has logged at least 850 hectares illegally in this area. Many abandoned logs carrying the SIM logo and the corresponding 'vente de coupe' number were located far outside the legal 'vente de coupe' boundaries. Local people indicated that these activities have been carried out by TIB, the previous name for SIM.

**'Ventes de coupe' (VC)** are titles to log an area of 2,500 hectares in the non-permanent forest estate over a three year period. These logging operations are allocated at auction to the highest bidder, and are often exploited in a highly destructive manner since no management plan is required. VC logging titles are widely abused in Cameroon and the titles are often used to conduct illegal logging operations in a much greater forest area than is allowed by the legal title.

**2. SIM is buying logs from companies involved in illegal activities:** Investigators found that the SIM sawmill is also sourcing timber from cutting permits held by other Cameroonian companies. These include FIAM, which has a 'Timber Recovery Authorisation' permit (AEB 1023) and Topaze, which has a 'Salvage Logging' permit (CSB 2154). Both permits are widely considered illegal in Cameroon.

Greenpeace investigators found abandoned FIAM logs next to logs carrying SIM's 'vente de coupe' 08-10-73.

SIM is using two subcontractors to log in Topaze's permit area. Greenpeace has evidence that timber from Topaze's cutting permit CSB 2154 is supplied to SIM's Yaoundé sawmill, where it is processed.<sup>5</sup>

### 3. SIM/TIB – a history of social conflict & buying illegal timber

The above case-studies are just one recent example of SIM's involvement in illegal logging. Below are some other examples:

- **SIM/TIB's involvement in the illegal exploitation of a community forest:** In 2003, SIM/TIB signed a technical and commercial partnership agreement with the Association des Jeunes Agriculteurs de Mbengmbeng (AJAM), a local organisation that owned a community forest. SIM/TIB promised to sell its logging services to the community forest and in return buy all the timber logged.

In February 2004, Global Witness discovered the forest management plan and the annual operating plan for this community forest had been seriously violated. It discovered that almost all commercial timber in the community forest had been logged in a single year.<sup>6</sup> Logging was also suspected to have taken place outside the boundaries of the forest and timber transportation documents related to the forest were used in a fraudulent manner.<sup>7</sup>

- **July 2003: SIM/TIB and its partner illegally logged a community forest:** In July 2003, Global Witness discovered the use of a dubious "wood salvage" permit by SIM/TIB's partner Martial et Cie in the Haute-Sanaga division in Cameroon's Centre province.<sup>8</sup> Local people complained that plans for an 'oil palm plantation project' were being established as a façade to allow illegal logging to take place. Martial & Cie - via SIM/TIB - had illegally opened a road near the village of Nio and carried out logging activity without authorisation. Global Witness claimed that the salvage permit violated the rights of residents of Ekak, Nio, Yenyo and Ekang.
- **April 2004: SIM/TIB partner INC involved in illegal logging in its concession.** In April 2004, INC was fined for felling trees outside of its concession, the non-marking of tree stumps, felling under-diameter trees, and unauthorized sub-contracting.<sup>9</sup> In April 2004, these fines were estimated to be 26,470,000 FCFA, but only 3 million FCFA had been paid.<sup>10</sup>

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<sup>5</sup> Greenpeace has a copy of a transport document clearly indicating that logs from Topaze's cutting permit CSB 2154 was bought by SIM and transported to the Yaoundé sawmill. The transport document is dated April 2005 and still indicated the sawmill as TIB.

<sup>6</sup> Global Witness, Report of the Independent Observer, No. 087En, reported that more than 11,000 m<sup>3</sup> had been extracted from the community forest in just one year, out of a total volume of 14,000 m<sup>3</sup> – a blatant violation of the community forest's management plan. [www.globalwitness.org/projects/cameroon/downloads/087En.pdf](http://www.globalwitness.org/projects/cameroon/downloads/087En.pdf)

<sup>7</sup> Global Witness, Report of the Independent Observer, No. 087En and No.041En, [www.globalwitness.org/projects/cameroon/downloads/087En.pdf](http://www.globalwitness.org/projects/cameroon/downloads/087En.pdf) and [www.globalwitness.org/projects/cameroon/downloads/041En-F.pdf](http://www.globalwitness.org/projects/cameroon/downloads/041En-F.pdf)

<sup>8</sup> Global Witness, Report of the Independent Observer No. 070En [www.globalwitness.org/projects/cameroon/downloads/070En-F.pdf](http://www.globalwitness.org/projects/cameroon/downloads/070En-F.pdf)

<sup>9</sup> MINEF communiqué n°00147/MINEF/CAB du 19 avril 2004. Presumably in UFA 08 009, in the vicinity of Ngouétou (Mbam et Kim). See Global Witness, Report of the Independent Observer, No. 086En [www.globalwitness.org/projects/cameroon/downloads/086En.pdf](http://www.globalwitness.org/projects/cameroon/downloads/086En.pdf). In March 2003, a MINEF/IO mission found INC guilty of non-marking of felled wood and stumps in UFA 08 009 cutblock #3 and recommended that an infraction report be drafted against both

**Europe is trading SIM's illegal timber:** The Member States of the European Union (EU) are fuelling the international demand for timber products from illegal and destructive sources. Large volumes of sawn timber from SIM enter European ports on a routine basis and end up being used on construction sites across Europe. Greenpeace has noted the arrival of SIM timber at the ports of Sagunto, Vigo and Palma de Mallorca in Spain and Ravenna and Salerno in Italy.

Even when it is clearly documented that SIM is processing large quantities of illegal timber in its sawmill, the European Union member states lack the legal tools to prevent such timber from entering the market.

The EU has no mechanisms in place to control timber imports. Greenpeace believes the EU must immediately introduce legislation to stop the import of illegal timber products into Europe and promote environmentally and socially responsible forest management worldwide.

### **Greenpeace calls on:**

#### **Government of Cameroon and Cameroon's Independent Observer (forestry):**

- Immediately investigate and act upon the information provided by Greenpeace on SIM's illegal logging activity outside the boundaries of its cutting permit<sup>11</sup> and its other logging activities in the same region using dubious cutting permits<sup>12</sup>.

#### **Government of Cameroon:**

- Strengthen forest law enforcement operations to fight against illegal logging and the trade in illegal timber.

#### **European Union:**

- Introduce legislation to prohibit the import of illegal timber products into Europe and promote environmentally and socially responsible forest management. Because the European Union funds Cameroon's Independent Observer of the forestry sector, it should play a constructive role in making sure this organisation functions effectively.

#### **European Governments:**

- Adopt 'green' procurement policies. Governments should only buy timber from legal and sustainable forestry operations, which are certified at least to the standards demanded by the Forest Stewardship Council.

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INC and TIB/SIM. Global Witness, Report of the Independent Observer No. 042En  
[www.globalwitness.org/projects/cameroon/downloads/042En-F.pdf](http://www.globalwitness.org/projects/cameroon/downloads/042En-F.pdf).

<sup>10</sup> MINEF communiqué n° 00147/MINEF/CAB du 19 avril 2004.

<sup>11</sup> VC 08-10-73

<sup>12</sup> CBB 2154 owned by Topaze and AEB 1023 owned by FIAM.

## **Cameroon Government and the European Union:**

- Ensure effective participation of parliamentarians, non-governmental organisations (NGOs) and indigenous people's organisations in the Voluntary Partnership Agreement (VPA) negotiations, which are expected to start officially next year.
- Ensure that this partnership agreement will contribute effectively to tackling corruption, improving governance and enforcement mechanisms, implementing a credible traceability system for wood products, revising forestry laws and establishing socially just and environmentally responsible forest management.

## **SIM customers**

- Stop buying SIM's timber until SIM can prove that none of its timber comes from illegal logging operations and until SIM has made a clear commitment to only procure timber from operations that are certified according to the standard of the Forest Stewardship Council (FSC) standards, which alone can guarantee that timber products come from well managed forests.

## **Evidence available from Greenpeace on request:**

1. Copy transport document CSB 2154 (Topaze) to SIM/TIB mill
2. Map indicating out of boundary logging in SIM VC
3. List of GPS points that comes with the map
4. Ministerial decree & public notice indicating official boundaries of SIM's vente de coupe cutting permit 08-10-73

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