

Timber Extraction in the DRC

**A case study undertaken by OCEAN under
the direction of Cyrille Adebu**

**An Analysis Of The Socio-economic Intervention
System Of Forestry Companies In The DRC:
A Case Study Of TRANS-M In The Equateur
And Orientale Provinces**



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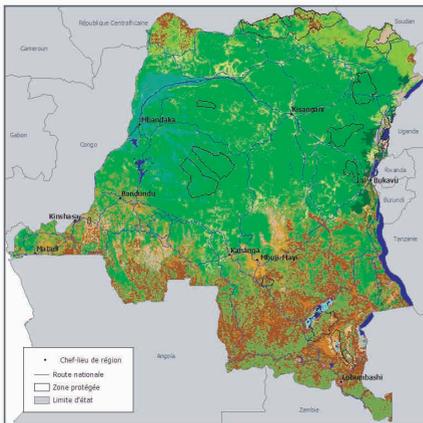
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1. INTRODUCTION

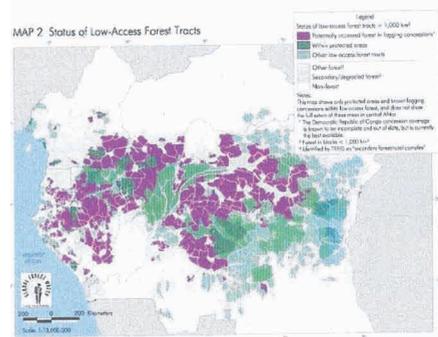
More than 50% of Africa's forests are found in the DRC and mainly in the Congo Basin (figure 1). The forests of the Congo Basin are dotted with logging concessions (figure 2).

Figure 1: The forests of the DRC



Up until July 2002, the forests of the DRC were governed by a Forest Code dating back to 1949 when it was a Belgian colony. In August 2002, the new Forest Code was passed during a period of conflict. Its implementation was very slow, probably due to post-conflict problems and factors inherent to the political, economic and environmental governance of the DRC.

Figure 2: The concessions in the Congo Basin. The concessions are in purple and the non-allocated forests in green



During the period of conflict, the reform of the forestry sector was, by and large, unconditionally financed by the World Bank under the auspices of the PUSPRESS Programme. From the very beginning of its implementation, Congolese legislation passed a conservation initiative which suspended the allocation of new logging concessions (cf. Ministerial decree no. CAB/MIN/AF. F.ET/194/MAS/02 of 14 May 2002).

In spite of this initiative, there are numerous violations of the conservation measures prescribed by this decree and many other regulatory texts, which means that there are probably large quantities of wood which are illegally extracted without adhering to ecological standards.

The objective of this research is threefold, namely:

-  To characterise the social intervention programmes of companies with respect to communities and employees;
-  Identify objective criteria which could help communities draw up negotiated specifications between companies and communities;
-  Gather comparative data on the impact of the timber industry on the lives of community members and the environment.

This research is addressed to companies, the government and communities. Several actions are planned, including: the training of communities in negotiating specifications, the publication of results which will be used in advocacy campaigns with political authorities, the organising of conferences and round tables to influence the processes for conversion, land settlement as well as community logging.

According to the list of the legal review which is being drawn up, the implementation of the Forest Code must deal with several major challenges to achieve good governance of forests in the DRC, namely zoning, converting old deeds, land settlements within the concessions. The extractive industry for wood should have a sustainable impact at the social, economic and environmental levels, for example, by drawing up specifications according to the stated regulations.

It is not clear how many companies try to implement the required standards and it is difficult to measure the social impact of the wood industry and the socio-economic

and environmental effects of national standards on this industry. Is there in fact a positive correlation between the social programmes undertaken by companies and an improvement in the living conditions of communities? What is the impact on the availability of the extracted timbers and their continued use by communities?

These issues are examined in a study on TRANS-M, a company based in the Equateur and Orientale Provinces (in Ndobu and Alibuku respectively). TRANS-M/Bois is among the 75 companies affected by the conversion of deeds in the forestry sector.

2. THE PROFILE OF TRANS-M

TRANS-M/BOIS is one of the companies of the CONGOFUTUR group created in 1997 by Kassim Tadjideen. This Congolese company specialises in the importing of goods, the transformation industry, the production and commercialisation of food products, the production of plastics, transport, logging, construction and the production of gas (See: www.congofutur.com).

The major shareholders of CONGOFUTUR are Lebanese nationals whose activities probably go back to the diamond boom of 1986. TRANS-M/BOIS was created in 2003 and started its activity in 2004 during the post moratorium period.

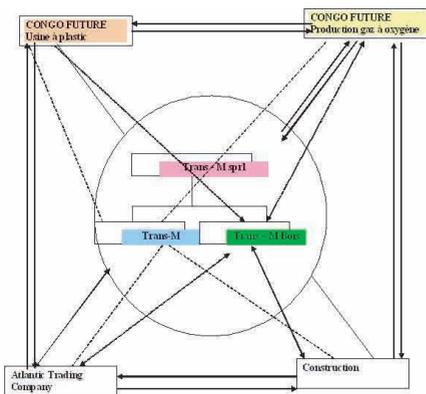
TRANS-M has 3 logging concessions: 2 in the Equateur province (in Ndobu/Bumbu and Befale) and one in the Orientale province (in Alibuku/Bafwasende and Banalia).

Figure 3: The three sites where TRANS-M is active



Their post-moratorium strategy is the same as the one used by many companies exploiting wood in the DRC: they inherit a site, as in the case with the TRANS-M/BOIS concession in Alibuku which was inherited from AMEX/BOIS.

Figure 4: TRANS-M supply chain



The supply chain includes the logging areas in the three concessions, the system whereby the logs are evacuated to the modern sawmills based in Kinshasa, mainly by river and a very well organised infrastructure for the exporting of timber

via the harbour in Matadi (see Figure 5). This shows that the wood is treated at quite a distance from the production site of the logs. This situation generally prejudices the economy and job market at a local level.

3. THE RESEARCH METHOD

Data collection was done over a period of 4 months from July to October 2006 and the following methods were used:

1. Partially structured interviews of a sample of 100 stakeholders (from local communities, workers, TRANS-M management and local authorities), 40 in focus groups and 60 individuals. The general issues were:
 - (1) Social intervention programmes;
 - (2) The drawing up of the specifications;
 - (3) The extent to which the socio-economic interests of communities were taken into account;
 - (4) Legal and ecological issues;
2. Desk study of various reports, archives, legal documents and the CONGOFUTUR group's website (www.congofutur.com);
3. Direct observation;
4. GPS mapping of the concessions and the sites of community production.

The study had to be scaled down due to insufficient funds; of the 3 sites initially targeted, only the Ndobo/Bumba and Alibuku/Kisangani-Bafwasende-Banalia sites were studied. We must also point out that, in addition to problems encountered with the Internet, a community leader was suspended for his involvement in this study.

4. RESULTS

TRANS-M/BOIS is among 75 companies affected by the conversion of title deeds. The results deal mainly with the social aspects of the living conditions of workers and communities and the impact of the use of the different timbers on the survival of communities and the availability of these timbers.

4.1. The System of Social Intervention

4.1.1. Socio-Economic and Socio-Professional Parameters

We analysed socio-economic parameters such as schooling, access to water, malnutrition, and access to health care. With respect to the ALIBUKU site, this was the result of our interviews:

1. Schooling is weak;
2. The company does nothing to improve the health condition of communities or access to water;
3. Malnutrition is rife in the area, especially among the families of workers.

With respect to the NDOBO site, the company is responsible for the same scenario; it has however provided 10 schools instead of two.

The fact that socio-economic factors are so little covered suggests that the company does not respect its obligation with respect to the social issues facing communities. The company has no social policy for community development. As an example, malnutrition in the families of workers is an indication of the low income of these workers. This lack of interest is also very visible in the lack of interest shown in the

housing conditions of employees. As can be seen in Figures 5 and 6, the type of house belonging to workers and villagers is in stark contrast to the villa where the company director lives.

Figure 5: Residence of the Trans-M Director in Alibuku



Figure 6: A typical worker's or villager's house in Alibuku



Socio-professional parameters, such as hours of work, the average age of workers, the integration of local community members within the company and the labour limitations were analysed.

We compared working hours for each type of job on the Alibuku site and saw that:

- Living conditions are extremely hard;
- Income depends on working hours which vary between 8 and 11 hours.

We noted that the age range is between 20 and 60 years. Since there is no social security one wonders how the latter will pay for their retirement. The company does not have a policy which focuses on the social well-being of its workers

4.1.2. Breakdown of employees and conditions of employment in TRANS-M

At the time of this study the situation was as follows: 91 agents in Alibuku and 154 in Ndobo. The company has more employees on the logging sites and the cartage section. There is no proper site planning. The planners who are employed are mainly there to draw up the inventory of timbers to be exploited.

Local community members are not well integrated into employment structures, either because of bad will on the part of the company or because of poor pay, which is on average 1,25USD/day. They are active in prospecting activities, the logging sites and the building of socio-economic infrastructures.

In an attempt to better understand this lack of integration, we have analysed the constraints linked to employment (see Table below).

4.1.3. Review of the negotiations of requirements

What is the level of satisfaction with the requirements that have been negotiated? To answer this question we have drawn up an analysis of negotiations that have occurred between TRANS-M and local communities. Everything points to the fact that requirements have not only been badly drawn up, but also inadequately negotiated.

Table 1: Constraints linked to employment in this sector

Issue	Constraint
	Working of longer hours than those stipulated by regulations without pay for overtime
Legal and social protection	- No work contract
	- Internship/trial period longer than the legal limit
	- No trade union
	- No risk premium
	- No canteen
	- No workers' accommodation
	- No safety equipment
Access to health care	No adequate health care
Average income	Lower than the legal basic salary
Provision of schooling	Difficult to send children to school
Relations	Employee dissatisfaction

BOX 1: ATIBT standards (Adapted from ATIBT and FRM (2006)•

Ensure adequate health measures and social living conditions by involving communities in the drawing up and implementation of appropriate requirements;

- Ensure a viable and sustainable coexistence between resources and natural areas through a participatory process with all stakeholders;
- Contribute to the strengthening of local development to benefit local communities by means of tax measures.

regulatory framework states in the section pertaining to the development of a social plan, in particular:

1. an analysis of ecological, economic and social data;
2. a master plan for the development of basic living conditions, including such aspects as: decent accommodation; socio-medical centres; schools; provision of water and electricity, sporting facilities, food security.

In both sites TRANS-M has not undertaken an analysis of ecological, economic and social data, which means that there is no master plan for a participatory development which would include all the above issues. In Ndobo we have noted some signs of diversified initiatives, but without any research, without a settlement plan. There is a need to undertake socio-economic

Table 2: An evaluation of objective criteria in the formulation of requirements

N°	Variable	Strengths	Weaknesses
1	Negotiating skills	The existence of 6 people who had already conducted negotiations with TRANS-M	Weak technical ability
2	Involvement of stakeholders	Collective and local involvement	Interference of provincial authorities in negotiations
		Closeness to Kisangani allows for partnerships with NGOs	Very little involvement on the part of rural development services in the implementation of community development programmes
3	TRANS-M involvement in Alibuku	Agreement to build a school, a camp for workers, local roads, a well, delivery of planks for coffins,...)	Undertakings have not been kept (except for the school which is being constructed)
4	TRANS-M involvement in Ndobo	Agreement to build 20 schools, 10 health centres, 1 transit house, 1 rice mill, 1 leisure centre, roads, boat transport (5 people/month)	School building underway (9 completed);
			Health centres being constructed (1 completed);
			Other undertakings not kept

studies to determine the real needs of local communities in accordance with ATIBT and FRM standards (2006) which specify that local populations must take part in decision making around the sustainable management of forest resources. This is the corner stone to sustainable socio-economic development.

4.2. The distribution of TRANS-M and community production areas

These areas are not well distributed since the community production areas are included in the concession. We have created a map showing the logging zones of TRANS-M/ Alibuku as well as a small production area for local communities. It has been observed that there are many abandoned logs in the community areas indicating that these spaces have already been exploited and that communities can no longer hope to

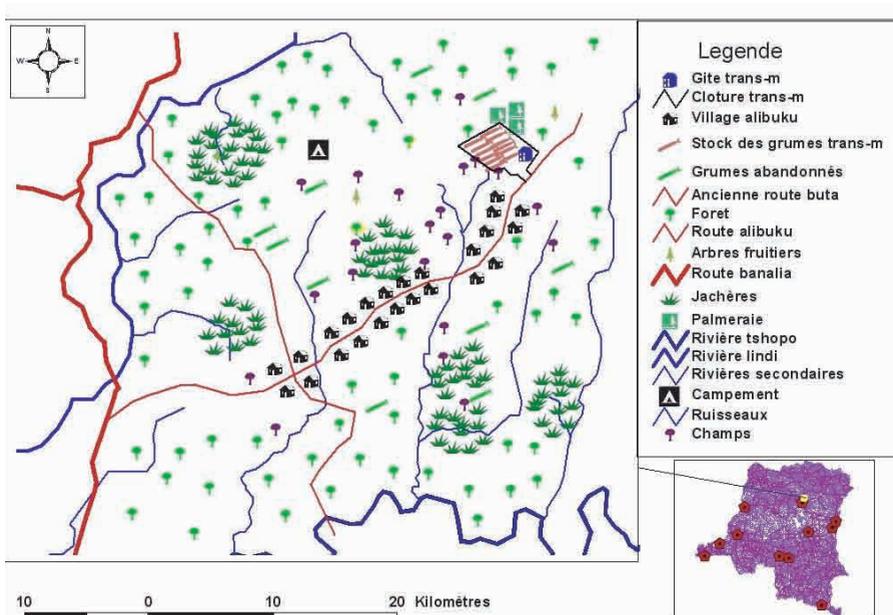
claim a concession in accordance with the community logging process.

The same situation can be seen in Bumba/ Ndobo. An interpretation of the zoning-test map drawn up by the FAO in 2004 in the Bumba-Lisala-Businga area, local communities are included in the TRANS-M concession. It can be seen that this is against the millennium goal to fight against poverty, one of the aims of the new Congolese Forest Code.

The two maps (figures 7 and 8) have been produced according to two approaches:

- The first approach is based on the interests of local communities: participatory mapping is essential to make a clear distinction between community and company production spaces. In this approach communities

Figure 7: Map showing the use of forest resources by local communities and TRANS-M in Alibuku (Source : Labo cartopat RRN/Province orientale)

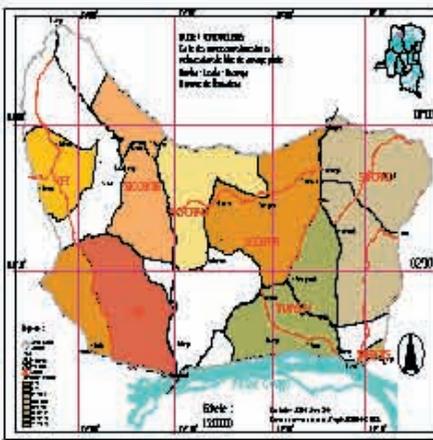


participate in the mapping process by means of workshops, walking through the areas with communities, identifying GPS points by community members.



The other approach is based entirely on the industrial production zone: through the FAO's test-zoning in 2004 it is possible to obtain maps by satellite which fail to take into account the real limitations of the production space. Traditional communities in the area do not feel involved except for a few badly negotiated requirements which bring no real development to the area.

Figure 8: TRANS-M/BOIS concession in the Bumba territory; note that the forest is segmented into about 8 concessions (Source : *Projet AFRICOVER/FAO*)



The exploitation of timber in the production spaces of communities is akin to 'poaching' if one thinks that these spaces should be reserved, legally and traditionally, for the needs of communities in terms of agriculture, hunting, ancestral rites, etc. These activities have an important impact on

local subsistence and economies. If through the conversion of title deeds TRANS-M manages to take over villages it goes without saying that communities will be legally bound not to undertake the above activities. This would lead to a disintegration of the social fabric of communities concerned, underdevelopment, deterioration in the social climate, etc.

Far from being a solution to the problem of poverty, logging could make it worse. It is urgent to use the resource maps already available for Alibuku and produce such maps for the Ndobo communities.

4.3. The direct impact on population of the timbers exploited and their use by communities

According to the various quarterly reports, TRANS-M/Bois exploits the following timbers:

Timbers	A	N
Afrormosia (<i>Pericopsis elata</i>)	+	-
Sapelli (<i>Entandrophragma cylindricum</i>)	+	+
Tiama (<i>Entandrophragma angolense</i>)	+	+
Sipo (<i>Entandrophragma utile</i>)	+	+
Doussier (<i>Azelia bipendensis</i>)	+	-
Acajou d'Afrique (<i>Khaya anthotheca</i>)	+	+
Bosse clair (<i>Guarea cedrata</i>)	+	+
Bosse foncée (<i>Guarea tompsonii</i>)	+	-
Tola (<i>Gossweilerodendron balsamiferum</i>),	+	+
Padouk (<i>Pterocarpus soyauxii</i>)	+	+
Dibetou (<i>Lovoa trichilioides</i>)	+	+
Iroko (<i>Millicia excelsa</i>)	+	+

A = Alibuku, N = Ndobo

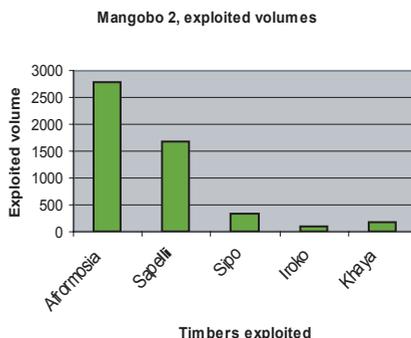
Exploitation is selective and threatens biodiversity. In fact the following timbers are on the list but are not exploited: dibetu, padouk, khaya. Others like Sapelli, Tiama, which provide caterpillars, are near extinction.

We have attempted to draw up the rate of exploitation of these two timbers for three month period in Alibuku. This revealed that the cutting of Sapelli and Tiama timbers, two caterpillar bearing species, threatens the survival of the Alibuku communities. When asked which species were not to be exploited, the NDOBO communities answered the following:

- 🌳 Mukulungu, a sacred tree;
- 🌳 Sapelli, for the provision of caterpillars;
- 🌳 Kosipo, for the provision of caterpillars.

Table 4 : Statistics showing the cutting of Sapelli and Tiama timbers over a 3 month period

Month	Timbers	Trees cut
August 2006	Sapelli	38
	Tiama	4
September 2006	Sapelli	25
	Tiama	2
October 2006	Sapelli	14
	Tiama	2
TOTAL	Sapelli	77
	Tiama	8



5. CONCLUSIONS AND RECOMMENDATIONS

Four essential aspects were studied, namely:

- 🌳 The social aspects of communities and employees of the company;
- 🌳 The supply chain of TRANS-M/Bois;
- 🌳 The environmental impact of logging;
- 🌳 The economic impact on communities of the exploitation of certain timbers.

The economic impact:

Akin to ‘poaching’, the exploitation of timber in the community production space has a significant impact on the subsistence of local economies in the rural areas. If the conversion of title deeds incorporates villages, as is the case today with Alibuku and Ndobo, it is clear that communities will legally no longer be able to continue their traditional practices as mentioned above. This would lead to a disintegration of the social fabric of communities concerned, underdevelopment, deterioration in the social climate, etc.

Far from being a solution to the problem of poverty, logging could make it worse. It is urgent to use the resource maps already available for Alibuku and produce such maps for the Ndobu communities. The intensive logging of Sapelli and Tiama timbers, two caterpillar bearing trees, threatens the long-term survival of Alibuku. When asked which species were not to be exploited, the Ndobu communities answered the following:

-  Mukulungu, a sacred tree;
-  Sapelli, for the provision of caterpillars;
-  Kosipo, for the provision of caterpillars.

There is therefore the need to undertake a CITES study; it is also necessary to regulate the exploitation of timbers which support food sources or are considered precious.

The TRANS-M/Bois Supply chain:

TRANS M/Bois obtains its logs from 3 sites (Alibuku, Ndobu et Befale); the logs are transported by river to Kinshasa where they are cut. The cut timber is transported to the harbour in Matadi, and then transported out of the country. By selling the timber outside the country and by importing it into the various sectors in which CONGOFUTUR operates, the price obtained is very much increased. Employees must organise themselves or join trade unions to lay claim to these profits; it is also necessary to determine which countries use this timber produced by TRANS-M to trace the route it follows. A working group must be set up to develop a certification programme for the wood to control usage by the end consumer.

The environmental impact:

Exploitation is selective and threatens biodiversity in that several species which are listed are not exploited, as is the case for dibetu, padouk and khaya which will no longer be exploited. Other timbers such as Sapelli or Tiama, which are host to caterpillars eaten by local communities, are thought to be on the brink of extinction. Urgent measures must be taken to protect the Afrormosia, Sapelli and Tiama timbers.

The social issues relating to communities and employees of TRANS-M:

An examination of the social policies of TRANS-M, with respect to several social issues shows a great contrast in the improvements which the company should be making in the living conditions of communities and employees, this notwithstanding the fact that it operates in violation of Ministerial Decree n°CAB/MIN/AF.F.ET/194/MAS/02 of the 14 May 2002 suspending the granting of logging concessions and of Decree n°05/116 of 24 October 2005 on the modes of converting old logging title deeds into logging contracts and extending the moratorium in the granting of logging rights.

This violation is seen favourably by the very authorities who should be enforcing its application and creates a precedent in the person of the CEO of TRANS-M. This is what makes a farce of the consultation process with local communities to draw up the specifications needed for community development. In the short term, communities must be given the skills needed to identify their needs and attention must be given to the communal planning of development micro projects.

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LEGAL TEXTS

Basic Text : Loi du 29 août 2002 portant code forestier (Forest Code)

Regulatory Texts:

1. Ordonnance n°85-211 du 30 août 1985 portant création du fonds de reconstitution du capital Forestier
2. Arrêté interministériel n°CAB/MIN/ECO-FIN et BUD/AF.FE.T/0187/02 du 20 avril 2002 portant modification des taux des taxes en matière de foresterie et de faune
3. Arrêté ministériel n°CAB/MIN/AF. F.E.T/194/MAS/02 du 14 mai 2002 portant suspension de l'octroi des allocations forestière
4. Arrêté ministériel n°CAB/MIN/AF.FE.T/260/2002 du 03 octobre 2002 fixant la procédure des transactions en matière forestière
5. Arrêté n°CAB/MIN/AF.FE.T/261/2002 du 03 octobre 2002 portant organisation et fonctionnement du cadastre forestier
6. Arrêté ministériel n°CAB/MIN/AF.FE.T/262/2002 du 03 octobre 2002 fixant la procédure d'établissement d'un plan d'aménagement forestier
7. Arrêté ministériel n°CAB/MIN/AF.FE.T/263/2002 du 03 octobre 2002 portant mesures relatives à l'exploitation forestière
8. Arrêté ministériel n°CAB/MIN/AF.FE.T/276/2002 du 05 novembre 2002 déterminant les essences forestières protégées
9. Décret n°05/116 du 24 octobre 2005 fixant les modalités de conversion des anciens titres forestiers en contrats de concession forestière et portant extension du moratoire en matière des titres d'exploitation forestière



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