Project of Independent Observation in Support of Forest Law Enforcement in Cameroon

Validated by the Reading Committee

Report of the Independent Observer
No. 112En
Central Control Unit – Independent Observer Joint Mission

<table>
<thead>
<tr>
<th>Title</th>
<th>FMU 09 012</th>
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</thead>
<tbody>
<tr>
<td>Location</td>
<td>Dja &amp; Lobo Division, South Province</td>
</tr>
<tr>
<td>Mission date</td>
<td>30 July 2004</td>
</tr>
<tr>
<td>Company</td>
<td>AVEICO</td>
</tr>
</tbody>
</table>

Independent Observer Team (Global Witness):
Mr Reiner Tegtmeyer, Project Director
Mr Jean Cyrille Owadai, Technical Assistant
Mr Célestine Tangjie Ché, Driver
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1. EXECUTIVE SUMMARY

The MINEF Central Control Unit (CCU) and the Independent Observer (Global Witness) conducted a joint mission to Forest Management Unit (FMU) 09 012. This FMU, allocated to the Avmbe International Corporation (AVEICO), is located in the Dja and Lobo Division, South Province.

The mission, which took place on 30 July 2004, formed part of the routine control programme commenced on 28 July 2004. During its stay in Oveng, the mission met with the Sub-Divisional Officer, the Mayor, the Commanding Officer of the Gendarmerie and the Head of the Forestry Post. The Head of the Forestry Post explained to the mission that AVEICO officials had repeatedly hindered his work.

In the field, the mission checked the boundaries of the Annual Standing Volume, verified the logging documents and inspected the wood depot.

The main conclusions drawn by the Independent Observer following this mission are as follows:

- AVEICO has logged 325m$^3$ of timber of various species without any authorization;
- Many lengths of timber and around twenty unmarked stumps were found along the access roads and tracks;
- Some logs prepared for transport were not registered in the field operations document (DF10) – in fact, this record had not been kept for weeks;
- The annual forestry fee for forest management unit 09 012 had not been paid since June 2003 – this is in violation of current regulations.

The CCU drew up an Official Statement of Offence against AVEICO.

In view of the above, the Independent Observer recommends that:

- the proceedings commenced following observations in the field be pursued;
- an evaluation of damages and interest for the timber illegally logged should be made and paid by AVEICO;
- the funds should be immediately recovered by calling upon a guarantee from the Forestry Revenue Enhancement Programme (FREP) in order to ensure the payment of the forestry tax for the previous years;
- the tax penalty applicable to AVEICO for non-declaration of extracted timber should be enforced.

The Reading Committee recommends:

That AVEICO should pay the full amount of the Annual Forestry Fee (AFF) by December 31, 2004. If not, no annual standing volume should be granted to AVEICO during 2005.
2. RESOURCES USED
- 1 Toyota Hilux Pick-up
- 1 digital camera
- 2 GPS
- 1 laptop computer

3. COMPOSITION OF THE MISSION
The mission team comprised Mrs Danièle Essono, CCU inspector and Head of Mission; Mr. Pierre Marcel Maméné and Mrs Margaret Ndjana, both CCU inspectors; Mr. James Afene Obam, senior executive at the Permanent Secretary for the Environment, and two members of the Independent Observer’s technical team. Mr. Jean-Pierre Mpem, Head of the Provincial Brigade for Monitoring of South Province, the Head of the Forestry Department of the Provincial Delegation for Environment and Forests of the Dja and Lobo Division, along with the Head of the Oveng Forestry Post, also joined the mission.

4. CONSTRAINTS
The mission encountered no difficulties in the field.

5. MISSION’S FINDINGS
5.1 History of FMU 09 012
FMU 09 012 was allocated to the AVEICO company in January 2002 by official Decree of the Prime Minister. This FMU covers an area of 85,131 ha. Timber extraction commenced in 2003, which means they are now in their second Annual Standing Volume (ASV).

5.2 Findings and Analysis of the Independent Observer
a) Unauthorized extraction in a State Forest and Fraudulent Marking of Timber
In the field, the mission checked the position of the Annual Standing Volume (ASV), the marking of the boundaries, and the keeping of logging documents.

The GPS data collected clearly demonstrates that a road network has been built within Standing Volume No. 03, which has not yet been allocated (see map below). Signs of logging activity have been observed along the whole length of this road network, especially wood depots containing logs marked « AVEICO, SV No. 03 » (see photos 1 and 2). Such actions form unauthorized logging, which is prohibited by article 156 (state forests) and 157 (permanent forests) of the law of January 20, 1994.

The map below shows the extent of timber extraction in Standing Volume No. 03, as well as all the wood depots observed and georeferenced with GPS points on a 1/200,000 map.
Map: Unauthorized timber extraction by AVEICO.

Photos 1 and 2: Wood depots in standing volume No. 03 of FMU 09 012.

The mission also noticed stumps and lengths of timber without any markings, which is in violation of article 127 of the Implementing Decree for Forest Management (see photo 3).
Moreover, the lengths of timber observed in the wood depot with coordinates (dd_long 12.36283, dd_lat 2.50204) had not been registered in the field operations document, in violation of the Implementing Decree for Forest Management. The mission’s investigations revealed that such actions were quite common on this site. In fact, the mission visited on 30 July 2004 and could see that the last sheet filled in in the field operations document was dated 1 July 2004 – a difference of 4 weeks during which the logging site was active. A simple analysis leads to the conclusion that, because of this practice, AVEICO is not complying with the requirements for filing DF10s to the Treasury by 15th of every month in order to pay its logging taxes. This could be interpreted as an offence in terms of the failure to keep field operations documents and an evasion of tax. The former offence was noted in the Official Statement of Offence drawn up by the Central Control Unit.

b) Unauthorized Timber Extraction in a State-owned Forest

Subsequent investigations within FMU 09 012 revealed that AVEICO had sent an application to MINEF requesting authorization to build an access road (Ref AV/00/DG/10-03, April 20, 2004). On June 14, 2004, MINEF granted authorization for a 3.2 km road, half of which was on state property and the rest on FMU 09 012 (see Appendix 1). Once this road was open, AVEICO evacuated certain logs felled in the area of state land under its control. This action was in violation of the MINEF authorization (see Appendix 1), point 1 of which stated that, “The exploitable trees situated in the agro-forestry area (1600 m) (…) are state property and the state will decide on their use when the time comes.” Moreover, AVEICO violated the provisions of point 2 of the MINEF letter, which required it to register the trees felled along the path within the FMU 09 012 on a DF10.
In fact, an inspection of the field operation documents showed that these trees were not mentioned. While travelling along the road built by AVEICO, the Independent Observer noticed many adjoining haulage paths and tracks. After transferring the GPS coordinates taken along the evacuation paths onto a 1/200,000 map, the Independent Observer was led to the conclusion that AVEICO had been illegally extracting timber from Standing Volume No.03, which is not yet allocated (see map above). It seems that these offences may have been the cause of proceedings initiated by the Dja and Lobo Divisional Delegation of MINEF, which gave notice to cease evacuation of the trees felled along the road. The Independent Observer was not able to confirm the initiation of such proceedings.

c) Non-implementation of the contractual conditions

The mission ended with talks with the Oveng local authorities, a town bordering FMU 09 012. These authorities included the Sub-Divisional Officer, the Mayor, the Commanding Officer of the Gendarmerie and the Head of the Forestry Post. The Independent Observer was told that there was great concern among the villages bordering the FMU. The local authorities expressed their concern at AVEICO’s activities. They noted the intimidation of the local authorities, the irregular payment of salaries, the fact that the processing plant was not built as agreed in the contract, and the fact that the forest fees had not been paid since June 2003, which amounted to a total of CFA F 800 million.

Some details in the MINEF letter authorizing the building of the road corroborate this last point (see Appendix 1), as does the press release issued by the Tax Department of the Ministry of Finance and Budgets, as published in *Le Messager* on June 16, 2004 (Payment of annual forest fee, first instalment for the 2004 year, see Appendix 2). The said authorities also stated that the processing plant (the building of which had already commenced) was being dismantled and taken piece by piece to an unknown destination.

These actions constitute a violation of the contractual conditions and are thus liable to the administrative sanctions stated in article 65 of the Forest Law of January 20, 1994 and articles 130 to 133 of the Implementing Decree for Forest Management. With regard to non-payment of the forest fees, in particular, this could give rise to the need to call upon a guarantee, as provided for by articles 17 and 18 of the Decree of November 27, 2001 establishing the regulations governing the taxable base and the methods for recovery and monitoring of duties, royalties and taxes related to forest exploitation.
6. CONCLUSIONS AND RECOMMENDATIONS

AVEICO has illegally extracted wood from a State forest (SV No. 03) and beyond the area of the road (national domain). Furthermore, the forest fees for FMU 09 012 have not been paid since June 2003, which is in violation of current legislation. The local authorities told the mission of the threats and intimidation they are frequently subjected to during the course of their duties.

The CCU drew up an Official Statement of Offence containing details of the illegal logging in permanent forest estates (SV No.03) and beyond the road. It also noted the failure to mark stumps and lengths of timber, along with the fact that certain lengths were not noted in the field operations document (DF10), and the fact that field operation documents were not correctly kept.

In view of the above, the Independent Observer recommends that:

- the proceedings commenced following observations in the field be pursued;
- an evaluation of damages and interest for the timber illegally logged should be made and paid by AVEICO;
- the funds should be immediately recovered by calling upon a guarantee from the Forestry Revenue Enhancement Programme (FREP) in order to ensure the payment of the forestry tax for the previous years;
- the tax penalty applicable to AVEICO for non-declaration of extracted timber should be enforced.

The Reading Committee recommends:

That AVEICO should pay the full amount of the Annual Forestry Fee (AFF) by December 31, 2004. If not, no annual standing volume should be granted to AVEICO during 2005.
Appendix 1

LE MINISTRE

A

MONSIEUR LE DIRECTEUR GENERAL
DE LA SOCIETE AVEMBE
INTERNATIONAL CORPORATION
(AVEICO) BP 348 YAOUNDE

Objet : Demande d’autorisation
d’ouverture de route d’accès
AC n°2, UFA 09 012

Monsieur le Directeur Général,

Faisant suite à votre demande relative à l’objet précédemment évoqué,

J’ai l’honneur de vous informer que suite à mon accord pour l’ouverture d’une route d’accès longue de 3200 m dont la moitié est située dans le domaine national et l'autre moitié à l’intérieur de votre UFA 09 012. Conformément aux normes d’intervention en milieu forestier et pour assurer un bon ensoleillement de cette route, les bois seront abattus sur une distance de 75 m de part et d’autre de l’axe central.

Toutefois, je vous invite à :

1. Entreposer les bois exploitables, situés dans la zone agroforestière (1 600m) sur les accotements de la route ; ces bois sont la propriété de l’Etat qui, le moment venu, pourra en disposer à sa guise;

Par ailleurs, le non respect des échéances de paiement de vos obligations entraînera le retrait du certificat d’assiette de coupe.

Veuillez agréer, Monsieur le Directeur Général, l’expression de ma considération distinguée.

[Signature]
# Appendix 2

## Ministère des Finances et du Budget
### Direction des Impôts

**Payement de la taxe forestière annuelle première tranche au titre de l'exercice 2004**

<table>
<thead>
<tr>
<th>N°</th>
<th>LOCALES CONCERNÉES</th>
<th>ASSISE</th>
<th>MONTANT EMERGENT</th>
<th>REVENUS EMERGENT</th>
<th>TRANSCHANE COMMUNE</th>
<th>END. POPULATION</th>
<th>40% COMMUNE</th>
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*Red rectangle highlights the range from row 15 to row 34.*