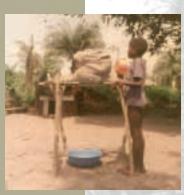
SEPTEMBER 2002









Plunder

The Silent Destruction of Liberia's Rainforest

Recommendations

The Government of Liberia should demonstrate a high-level of political will by addressing the problems outlined in this report. The government should:

- > Immediately launch an independent enquiry into the corrupt practices in the industry as supported by the facts presented in this report;
- > Put into place the requisite mechanisms to ensure transparency in the industry, including placing every concession agreement, concession maps and related documents in the public domain;
- > Immediately order a temporary halt to the Oriental Timber Company's operations until forest crimes and rights abuses, perpetuated by the company, are properly and independently investigated and appropriate measures taken to forestall any recurrence;
- > Prosecute all those who have been involved in illegal forest activities including indiscriminate harvesting and abandoning logs in their concessions and punish them according to the law;
- > Immediately begin to deliver on its promises to share timber revenue with rural people to improve economic opportunities for those relying on the forest and reduce incentives for forest conversion;
- > Allow for independent monitoring of logging operations to enhance the detection and suppression of forest crimes;
- > Declare the recruitment and formation of private militias by logging companies illegal;
- > Deliver on its 2000 promise to ban all round log export from Liberia by 2002;
- > Impose a ban on the use of round logs for bridge construction and encourage logging companies building bridges to use sawn timber as it would drastically reduce the quantity of logs wasted for bridge construction; and
- > In practice, involve all stakeholders, including local communities, in decisionmaking in the forestry sector, further promoting transparency, reducing the potential for corruption, ensuring greater equity and minimizing the undue influence of logging companies.

The international community, including the United Nations Security Council, European Union, the United States of America, the United Kingdom and other G-8 countries, together with the two biggest consumers of Liberian timber, France and China, should endorse these recommendations and further call on the Liberian government to take speedy action to implement them.

Local civil society organizations, especially Human Rights and Environmental organizations should become more actively involved in the debate on the future of the Liberian rainforest as a safeguard against further environmental and human rights abuses.

Executive summary

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This report is the result of two years of research and information gathering. It brings together a wide range of issues directly related to the logging industry in Liberia and focuses extensively on the Oriental Timber Company (OTC) as it represents a typical example of 'what is wrong with the Liberian logging industry'.

This report addresses various corrupt practices in the industry, fostered by a lack of transparency, and how it fuels the Silent Destruction of Liberia's Rainforest. It is a testimony of plunder, deprivation, conflict, discontentment, and environmental degradation as never before seen in Liberia. It demonstrates how local people continue to live in abject poverty while foreign businessmen siphon millions of dollars out of the country.

The information herein also demonstrates how the Government of Liberia is in breach of the Liberian Constitution as outlined in Chapter II; Article 7. "The Republic shall, consistent with the principles of individual freedom and social justice enshrined in this Constitution, manage the national economy and the natural resources of Liberia in such manner as shall ensure the maximum feasible participation of Liberian citizens under conditions of equality as to advance the general welfare of the Liberian people and the economic development of Liberia."

But this report doesn't merely criticize the Forest Development Authority (FDA); it presents vital evidence of destructive logging practices, environmentally unfriendly road construction, the extremely high waste of timber and timber products, and environmental and human rights abuses.

This report presents the hard and hurtful truth with a single objective in mind—to stimulate an informed public debate about the future of Liberia's rainforest, the conduct of logging companies and the appropriation of revenue from the industry.

We publish this report in fulfillment of our obligation, as citizens of Liberia, under the New National Forestry Law as stipulated therein: "Offenses under this law and the Regulations shall be reported by law enforcement officers, members of plant protection forces, private security officer, forestry officers of the Authority, and any private individual to Government".

It presents the international community with the information it needs to fully understand the gravity of the problems facing the Liberian forest and people. And finally, it advances proposals for the Liberian government to 'clean up' the industry for the benefit of Liberia and its people.

Introduction

Liberia hosts the last two significant blocks of the remaining closed canopy tropical rainforest within the Upper Guinea Forests of West Africa. The Upper Guinea Forest, recognized as one of the world's twenty-five biodiversity hotspots, consists of a belt of fragmented forests that runs parallel to the coast of West Africa, and covers all or part of some ten countries, from Guinea at its western end to southwestern Cameroon at its eastern terminus. It ranks first in mammalian diversity among the world's twentyfive hotspots. The Upper Guinea Forest hosts 551 different species of mammals and is home to half of the mammal species known to the African continent. Additionally, it is among the highest priority regions in the world for primate conservation, and is consequently one of the priorities for global biodiversity conservation.

The Upper Guinea Forest has shrunk to an estimated 12.7% of its original size, estimated to be 727,900 square-kilometers, and almost 45% of this remaining forest is in Liberia.

The Liberian forest serves as habitat for large amounts of endemic flora and fauna and is a unique ecological niche for some of the rarest species in the world. The Jentink's duiker (the rarest in the world), white-breasted guinea fowl, pygmy hippopotamus (Cherosis liberensisis), Diana monkey, Liberian mongoose (Liberictis kuhnii), the giant forest hog, chimpanzees, red colobus (a long-tailed monkey), bongo antelope, leopard and the golden cat are amongst the animal population inhabiting Liberia's forests. Although there has been no recent scientific survey of the forest, it is believed to abound with more than two thousand different types of flowering plants, most of which are medicinal plants, as well as valuable timber species. It is also home to hundreds of birds, nine of which are endangered; several dozens of reptiles, including three types of crocodiles and at least eight poisonous snakes; amphibians and at least a thousand different insects. The fauna and flora of this zone are distinct and conservation of its biological diversity is recognized as a global priority, because although Liberia possesses bio-riches in profusion, there is rarity.

The Liberian rainforest, however, is under great threat, primarily from industrial logging. From 1997 to 2001 log production increased by more than a staggering 1,300%. Unsurprisingly, this is already having an enormous impact on indigenous rural communities and local people who depend on the land and the forest for their livelihood. Their cultural and spiritual practices are so dependent on the forest that, with the rapid loss of forest, the survival and growth of these communities is being severely endangered. The current level of poverty in these communities is a clear indication of what is to come if nothing is done to check the current trend of forest exploitation.

In 2000, the Save My Future Foundation (SAMFU) launched an investigation into activities in the logging industry. Preliminary investigations revealed that the overwhelming majority of ordinary Liberians interviewed, especially rural people, were unhappy with how logging companies were operating. They also expressed high disappointment at how the Liberian government was expending revenue from the timber trade—neglecting to return any of the revenue to address the desperate living conditions in their communities. The investigating team also reported unsustainable and extremely dangerous logging practices, and in some areas locals reported logging companies' militiamen harassing and intimidating them.

These findings necessitated a deeper investigation of the timber industry. The Liberian Forest and Human Rights Campaign was therefore launched to investigate the operations of the Liberian logging industry on a wider scale. The goal of the current campaign is to protect the rainforest, promote respect for the individual and collective rights of indigenous people while working closely with them towards this end. The project also monitors logging operations, documenting and exposing forest crimes, and facilitating public debates on these issues.

Wasted wealth

Industrial or commercial logging poses the gravest threat to the Liberian rainforest; the largest remaining forest blocks in the Upper Guinea Forest region. Although other factors contribute to the problem of deforestation in Liberia, logging companies remain the single most destructive force and are responsible for the larger percentage of deforestation. In the last three years, logging companies led by the OTC intensified their operations so much so that they now represent the strongest threat to the Liberian forest. Logging operations have reached unprecedented levels while forest crimes are being committed on a scale probably never before seen in Liberia's history.

Some forest areas set aside by previous governments for conservation or scientific studies have been granted as logging concessions. For example, 284,000 acres of forest in Sinoe County set aside by the Liberian government in the 1980's for scientific research and forestry studies for the University of Liberia was annexed to the OTC concession in 2000. When students protested they were informed that the OTC would surrender 50% of the profits to the University; but to date there is no indication that that 50% has been forth coming.

The Oriental Timber Company is symbolic of what is wrong with the Liberian logging industry. From Grand Bassa through Rivercess to Sinoe County, the company spearheads the destruction of the forest. The company has cleared approximately a thousand acres of forest to establish several dozen logging camps and log ponds since its arrival.

Several dozen logging roads, of absolutely no value to local people when the company moves out, have already severely fragmented the forest. In Sinoe County,

OTC camp Zero Two, Rivercess County, 2002.





one easily gets lost on the road to Greenville city from Buchanan, as roads virtually litter the forest. Roads averaging fifteen to twenty meters in width crisscross each other approximately every 10 - 15 km. This fragmentation of the forest has significantly contributed to the massive displacement of wildlife while rendering them vulnerable to hunting. Contrary to what the logging companies explain is development, roads constructed by them are primarily to facilitate harvesting and delivery of logs.

Abandoned logs bear evidence of the wanton harvesting of logs by logging companies. In three of several dozen areas visited, abandoned logs stood as a bitter reminder for locals. In Sand Beach, approximately 140 km south east of Buchanan, the OTC abandoned over 2,500 pieces of round logs. In Zammie town Rivercess County (near OTC Camp 02), OTC also abandoned more than 1000 pieces of logs at one of four sites reported by locals. This number excludes the number of logs buried before the departure of the OTC. The investigating team also encountered about 4000 pieces of logs buried in about a mile of swamp in Sinoe County after OTC Camp F. In Buchanan, FORUM Africa (Liberia) abandoned more than 750 pieces of logs just a few meters from the port.

Locals in Grand Gedeh and Maryland Counties reported the same practices to the investigating team. This is a blatant violation of the New National Forestry Law.

"All holders shall carry out their operations and activities in accordance with environmentally sound Forest Resource Utilization practices and in accordance with internationally acceptable principles and applicable to Timber and Forestry Operations and Processing. All forestry Operations and activities shall be conducted so as to avoid waste and loss of natural resources and to protect natural resources against damage, as well as to prevent pollution and contamination of the environment." New National Forestry Law as published December 11, 2000

Above: Logs abandoned by FORUM, Buchanan City.





Above Left: Typical OTC-built bridge, Grand Bassa County, Compound 3, 2002.

Above Right: OTC log road construction, Grand Bassa County, 2001.

In addition to harvesting and abandoning logs, logging companies use an estimated 125,000 cubic meters of round logs to construct makeshift bridges each year. Between Buchanan and Nizwein (OTC Camp KM 85) 97 bridges were counted, including ones off the main highway. These had been constructed by the OTC alone. Alone, these figures may appear relatively small. However, when added to the volume of logs reported as production it clearly suggests harvesting significantly beyond sustainable level.

This data points to a massive loss for Liberia and its people. This loss in terms of revenue foregone, loss of critical ecosystem and biodiversity, resources for the sustainable development of rural communities, etc. is astounding. Additionally, should this trend continue for the next ten to fifteen years, the cost of restoration will be phenomenal. More to the point—the damage would probably be irreparable.

Also in 2001, as the debate about the logging industry and its alleged links to sub-regional insecurity reached scandalous proportions, DLH Nordisk and other European timber buyers reportedly requested specific changes in the structure of manifests provided by the OTC. These companies, in order to protect their claims that they only purchase timber from sustainable sources, set out to disquise the source/supplier of their timber. Amongst the changes requested was a change of name. OTC replaced its usual acronym, creating a new company identity, Evergreen Trading Corporation. From October to December 2001, most of the OTC exports to Europe were labeled as supplied by Evergreen, but OTC maintained its original name when supplying Global Star, a company reported to be an associated/sister company, in China. Customs and FDA officials in Buchanan were actively involved in this scheme obviously to mislead European environmental groups and consumers interested in monitoring OTC log supply to Europe. For example, OTC branding on logs was removed.

This illustrates that both OTC and some of its customers admit to themselves that their practices do not bear up to international scrutiny. However, rather than improve their business practices, they prefer to deceive the end-consumers.

Double losses

THE IMPACTS OF LOGGING OPERATIONS ON RURAL PEOPLE

The livelihood of rural people, the overwhelming percentage of Liberians, is inextricably linked to the forest. They depend on the land and the forest for food, clean water, medicine and other forest products for survival. Their relationship with the forest is the cornerstone for their cultural and spiritual practices. For instance, in the Poro and Sande societies, traditional bush schools can only be conducted in very isolated highly-forested areas, where hunting and survival skills are taught. Traditional legal institutions, especially those involving elders and Zoes (elders who make up the supreme decision making body in rural communities) usually sit in the deep forest to hear cases of grave significance to the people. Because the forest is so central to their lives, the destruction of the forest will ultimately have severe consequences for future generations; a situation not lost on rural people themselves.

"The OTC is extracting the natural resources (log) leaving behind nothing but sickness, hunger, poverty and poor welfare." Gerald Flomo, A participant at a communal workshop discussing forest conservation in Liberia, Buchanan.

> Zoe Bush brothel outside OTC Camp Zero Two, Rivercess County, 2002.



SOCIAL IMPACTS

The most noticeable social impact on local communities where logging companies have set up bush-camps is the introduction of prostitution, drugs and gangsterism.

Brothels, referred to as Zoe Bush (out of bounds for non-members) have sprung up nearby most of the OTC bush-camps. As more and more hardcore prostitutes arrived in the Zoe Bush and began mixing with local girls in nearby villages, they gradually began encouraging girls from the nearby villages to move to the Zoe Bushes. Some of the local girls have abandoned school, leaving the security and warmth of their homes and families to live with these older girls from the cities, who eventually trade them off to OTC expatriates, including Malaysians and other nationals, as well as Liberian workers. The Malaysians especially prefer teenage girls between the ages of 12 to 15 years old who they actively exploit as prostitutes. Alcoholism and other forms of drug abuse also flourish in the Zoe Bush, making it an unhealthy influence on youths in the communities. Most of these teenage girls only return to their homes when they realize that they are pregnant.

Two health workers operating clinics in Nizwein and Zammie towns expressed serious concerns about the increase in the cases of sexually transmitted diseases, including gonorrhea and syphilis. The fact that sexually transmitted diseases are being reported is a cause for alarm as the introduction of HIV/AIDS would obviously spread rapidly in these areas.

As the once remote forest regions used by local people to host their traditional bush schools (Sande and Poro) disappear, the schools themselves have begun to die away. In some areas, especially in Grand Bassa County, those wishing to hang onto the practice have been forced to move to areas not conducive for its purpose and intent. Additionally, as teenage girls leave home for the Zoe Bush, they are usually unable to attend their Bush School if and when they convene. This is taking a serious toll on the authority of traditional institutions and the social fibers of the rural communities.

Some residents of Zoe Bush, OTC Camp Zero Two, Rivercess County, 2002.



EFFECTS ON FOOD SECURITY

As the forest diminishes competition for farmlands intensifies and with this, conflicts and animosities increase. Although traditional farming methods such as shifting cultivation have had impacts on the forest, present day logging operations pose the gravest threat to future food security.

Already, there is a tremendous increase in the bushmeat trade, which has now taken on an international dimension. As logging companies open up once inaccessible forest regions, commercial hunters move in to set up hunting settlements. In addition to hunters being granted access to remote forest regions by these logging companies, hunting is being made easier because fragmented forest blocks now serve as virtual death traps for the wildlife. Although some of the companies profess that they discourage hunting in their concessions, OTC employees have been found to be actively involved in the trade. Their logging trailers and trucks also provide vital transportation without which the bushmeat traders would not be able to travel the distances they cover to reach these remote regions.

Commercial hunting is also posing serious problems for Liberia's protected wildlife, which is now under attack from commercial hunters. This is manifested by the increase in live-animal trade mostly involving young protected animals that are constantly captured and used as pets or sold alive.

Additionally, as more and more bushmeat traders from Monrovia and the Ivory Coast compete for local meat, prices have increased. As prices increase, rural people become less able to afford the meat. This has led most rural people to rely heavily on imported and/or frozen meat and chicken thus drastically reducing their protein intake.

EFFECTS ON HEALTH

Logging companies set up bush camps without sanitation facilities, near creeks and streams—this poses very serious threats to the health of rural people. In all the logging camps visited, especially in the OTC concessions, toilet facilities were either inadequate or non-existent. For this reason, most of their personnel use nearby creeks and streams as latrines. As local people use the same creeks for washing, bathing and drinking, diarrhea and other sicknesses are now commonplace.

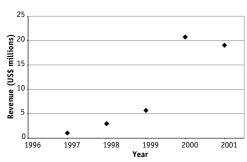
In Nizwein the site of the largest OTC bush camp, locals reported that OTC expatriate and Liberian employees use the creek/stream they drink from as latrines. In fact, they now refer to the creek as the "Malaysian water" instead of its original name. Also, because OTC employees are not allowed to bring their families into the camps where they stay, Liberian employees whose salaries are barely adequate to maintain their families at a distance relocate their families to makeshift camps outside their bush-camps. There are no toilet facilities in these camps and so the number of people using the local creeks/streams and nearby bushes for latrines increases as a camp stays longer in any one area. A health worker at the Nizwein clinic reported cases of diarrhea and said that he expects the cases to increase as the rainy season intensifies.

Likewise, in early July 2002, an outbreak of cholera in a logging area in River Gbeh (the area where the Maryland Wood Processing Industry has its bush camp and sawmill), rapidly spread to Harper city and by July 11, more than twenty people were already reported dead by local health authorities.

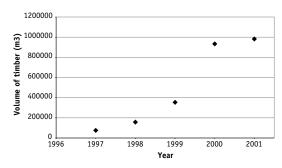
Along with these effects of deforestation, rural Liberia has also come to witness the loss of medicinal plants used by traditional herbalists for the treatment of various sicknesses. This situation is likely to get worse.

Village boy filtering polluted water for drinking, through sand. Pollution of water courses is a common by-product of the logging industry. Yasla, Rivercess County, 2002.

Reported timber revenue in Liberia



Production volume of timber in Liberia





DENIAL: POVERTY IN THE MIDST OF PLENTY

The Liberian logging industry is one of the highest foreign exchange earners for the Government of Liberia. However, rural people who are the traditional custodians of the forest have not benefited from revenue generated by the industry. After almost five years since the current government took office, rural people continue to live in abject poverty, destitution and appalling conditions. Safe drinking water in rural Liberia is a luxury and health services are near collapse. In Rivercess County, the only government high school stands virtually unused, as a majority of the teachers have simply refused to render any further volunteer services.

The government of Liberia has blamed all of these problems on the international community's refusal to provide aid for reconstruction and development. What the government has failed to explain is where the millions of dollars earned by the logging industry each year have been allocated.

In the five years from 1997 to 2001 that the present government has managed the logging industry, timber production has increased annually, such that by 2001 production increased by a staggering 1,300% over 1997 production. As production has increased, so has the assessed revenue. According to FDA reports, production for the last five years has totaled 2,502,068.603 cubic meters bringing in a total of US\$49,451,586.85 in revenue. This revenue is a combined total of reforestation, conservation, forest research, severance fees, and land rental, 0ther fees included are Industrialization Incentive and Forest Product Fees.

Table I: Five year comparative analysis of log production and reported assessed revenue

Year	Production Vol. (m³)	Reported assessed Revenue (US\$ millions)
1997	74,975.814	1,032,481.50
1998	157,097.625	2,975,353.37
1999	353,543.068	5,677,572.94
2000	934,160.021	20,730,046.05
2001	982,292.075	19,036,132.99
	2,502,068.603	49,451,586.85

Corruption or incompetence – or both

Since 1999, especially with the arrival of the OTC, the Liberian logging industry has been at the center of scandals and controversies ranging from concerns about the management of the forest estate to the amount of revenue accrued to the government. Of particular concern is the unsustainable exploitation of the Liberian forest, the conduct of logging companies and the appropriation of the generated revenue. There is a disappointingly high level of corruption in the industry. A series of cases are presented below.

Unaccounted for logs: A comparative analysis of timber production and timber reported assessed revenue from 1997 to 2001 shows that a total of 2,502,068.603 cubic meters of round logs was produced during the period but only a total of 1,769,476.060 cubic meters of round logs and sawn timber was reported as export. This leaves a total of 732,592.543 cubic meters of round logs for the same period unaccounted for.

Table II: Timber export vs Unaccounted-for round logs

Year	Production vol. (m³)	Export vol. (m³)	Unaccounted for vol. (m³)	
	(Rot	ınd log& sawn timber)	with unaccounted for vol. as	% of total
1997	74,975.814	49,463.189	25,512.625	34%
1998	157,097.625	80,645.622	76,452.003	49%
1999	353,543.068	207,771.615	145,771.453	41%
2000	934,160.021	643,410.202	290,749.819	31%
2001	982,292.075	788,185.432	194,106.643	20%
	2,502,068.603	1,769,476.060	732,592.543	

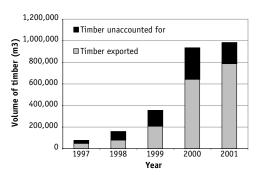
Granted that all of the unaccounted for logs were Ekki, if sold at the minimum Liberian market value of US\$80 per cubic meter, 732,592.543 cubic meters would bring in US\$62,270,366.16; sold at US\$150 per cubic meter for Movingui this would amount to US\$109,888,881.45 and if sold at US\$220 per cubic meter for Sipo it would amount to US\$161,170,359.46. Better still for Iroko, at the Liberian market value of US\$250 per cubic meter, this would amount to US\$183,148,135.75. Although some forestry officials have been quick to suggest that it is consumed by the local market, this is highly unbelievable as local loggers engaged in pit sawing traditionally provide wood for the local construction market.

Table III: Approximate market value of unaccounted for round logs

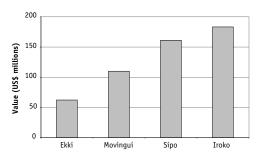
Species	Liberian market value (US\$/m³)	Amount (US\$)
Ekki	85	62,270,366.16
Movingui	150	109,888,881.45
Sipo	220	161,170,359.46
Iroko	250	183,148,135.75

Unreported export duty: In the five years mentioned above, the FDA reported that 1,769,476.060m3 with a Free On Board (FOB) value of US\$195,330,937.83 was exported, but the FDA did not report any export duty. If calculated at a flat rate of 5% of the FOB value for round logs this would amount to US\$9,531,084.73. This rate does not apply to sawn timber because we could not ascertain the rate at which sawn timber export is calculated. Therefore, it is likely that this unaccounted for export duty would have reached US\$10m if the duty on sawn timber is included.

Missing timber



Approximate market value of unaccounted-for round logs



Bottom: CEC Blue, loading timber in Harper Port, 2002.

Below: Ready to go. Sawn timber in

Harper Port, Maryland County, 2001.





Table IV: Unreported export duty on timber export

Year	Export Vol. (m³)	FOB Value (US\$)	5% Export Duty (US\$)
1997	49,463.189	7,525,594.19	376,279.71
1998	80,645.622	12,288,133.06	614,406.65
1999	207,472.190	23,418,567.19	1,170,928.36
1999*	299.425	74,856.25	
2000	637,400.750	67,505,473.49	3,375,273.67
2000*	6,009.452	1,358,850.11	
2001	773,612.660	79,883,926.79	3,994,196.34
2001*	14,572.772	3,335,537.75	
	1,769,476.060	195,390,938.83	9,531,084.73

^{*} For sawn timber, the FDA reported no export duty.

Contradictions in revenue figures: Figures regarding revenue emanating from the government agencies responsible for the collection and management of forestry revenue, have been mostly contradictory. This is another strong indication of corruption in the industry.

In its 2000 annual report the Central Bank of Liberia (CBL) reported round log export volume as 578,721 cubic meters and a corresponding value of US\$59.5m, while the FDA reported round log export for the same period as 637,400.750 cubic meters with an FOB value of U\$67,505,473.49; approximately US\$8m more than the CBL figure.

In 2001 the Ministry of Finance reported the production of round logs to be 815,078 cubic meters with the OTC alone producing 316,568 cubic meters. The MOF reported export for the year as 557,314 cubic meters of both round logs and sawn timber with a corresponding FOB value of \$60,273,000.00. The OTC and Natura Liberia Incorporated were reported as jointly exporting a total 64.2%, or approximately 357,795 cubic meters, with an FOB value of US\$38,661,000.00. However, also in 2001, the FDA reported a total of 773,612.660 cubic meters of round logs with a corresponding FOB value of US\$79,883,926.79. Again FDA production and export figures differ considerably with the figures provided by the MOF, while FOB value differs by approximately US\$19,610,926.79.

Table V: CBL & MOF export figures vs FDA export figures

Round log export (m³)		Rou	nd log export (m³)	
Year	(Central Bank report)	FOB Value	(FDA report)	FOB Value (US\$)
2000	578,721.000	59,500,000.00	637,400.750	67,505,473.49
2001	*557,314.000	60,273,000.00	773,612.660	79,883,926.79

^{*} Ministry of Finance report

Understated export: Export figures in 2001 appear grossly understated. For instance, a random sample of sixteen different shipments from the OTC to Global Star alone, delivered a total of 98,817 pieces of round logs, over 470,000 cubic meters, to Penglai and Chiwan sea-ports in China. The FOB value, after being assessed by custom officials in Buchanan totaled US\$42,711,552.86. Considering that with extremely limited capacity we recorded 87 vessels that called at the ports of Buchanan and Harper alone in 2001, it is extremely difficult to believe that the remaining 71 vessels that we know called at Harper and Buchanan, plus the many more that visited Greenville and Monrovia that we were unable to document, lifted less than the 16 vessels mentioned below.

Table VI: Table of 16 shipments from OTC to the Global Star

	Vessel Name	Pcs	Total (m³)	FOB Val (US\$)
	(all of these vessels we	nt to		
	Penglai & Chiwan in Cl	hina)		
1.	Antarctic Mariner	7,808	33,191.841	2,987,265.69
2.	Atlas Sea	6,381	31,649.932	2,848,494.00
3.	Broadgate	5,525	28,157.279	2,534,155.11
4.	Springwood	6,993	32,671.855	2,940,466.95
5.	Achilles	6,915	31,896.185	2,870,656.65
6.	Jedi Knight	6,231	32,753.307	3,111,564.17
7.	Senorita	6,910	36,721.852	3,488,575.94
8.	Samsun Earnest	5,486	25,449.831	2,417,733.95
9.	Corn Racer	6,215	27,527.035	2,477,433.15
10.	Panormos Pride	4,374	25,997.533	2,339,777.97
11.	Antarctic Mariner	5,635	31,090.223	2,798,120.07
12.	Sidrela	5,288	30,756.568	2,460,525.44
13.	Calypso N	4,906	26,155.038	2,353.953.42
14.	Antarctic Mariner	5,583	29,904.716	2,691,424.44
15.	Rubin Bonanza	4,320	20,486.644	1,843,797.96
16.	Dory	5,247	28,306.755	2,547,607.95
		94,817	472,716.594	42,711,552.86

The few instances cited above alone discredit the official statistics released by the FDA, the CBL and the Ministry of Finance. However, what is astonishing about these discrepancies is not the few figures stated above. When projected over a fiveyear period, larger and more disturbing amounts emerge.

Efforts to independently monitor round log exports were relatively successful in 2001. Export figures available to us, including those presented by the FDA, indicated that even with our limited success we recorded a higher export than the FDA.

Table VII: 2001 round log export volume and FOB value

Name of Company	Export Volume (CBM)	FOB Value (US\$)
Oriental Timber Company/NLI	540,807.651	50,388,375.94
Maryland Wood Processing Industry	47,649.842	6,408,985.96
Inland Logging Company	57,120.546	5,752,453.32
Royal Timber Corporation	31,538.967	3,767,040.04
United Logging Corporation	25,112.662	2,869,682.10
Togba Timber Company	15,066.382	1,640,407.73
Mohammed Group of Companies	17,068.877	2,557,697.09
Iberic Liberia Forest Corporation	11,080.057	1,392,117.50
Cavalla Timber Company	7,662.834	1,145,005.41
Liberia Wood Management Company/CBI	7,712.356	915,590.08
DGL	6,929.300	934,232.46
DABA	5,844.391	658,975.76
Akari Timber Industry	4,387.278	450,203.80
TUTEX	3,791.535	523,019.64
Xanon Liberia Limited	3,342.404	458,181.84
American Wood Processing Company	2,702.198	290,057.52
FORUM	2,399.985	131,998.83
Forest Hill Corporation	1,906.140	271,371.16
FAPCO	1,648.122	207,826.62
Bureaux Ivoirian Ngorian	1,363.837	218,234.20
Tropical Logging Company	1,262.690	180,880.40
GAMMA	580.650	87,977.46
RGMM	438.404	65,490.75
Tropical Lumber Company	157.128	26,660.30
YLII	25.873	4,527.78
	797,600.109	81,346,993.69

Furthermore, the secrecy that surrounds the operation of the FDA and the management of Liberia's forest estate is one that impedes sustainable management of this vital resource as well as the equitable distribution of revenue generated by the trade. Not only has it provided a very strong incentive for corruption in the industry, it has contributed significantly to the scandals that have engulfed the industry in the past few years.



Sawn timber ready for shipment, Greenville Port, Sinoe County, 2001.

Nothing but promises

In 2001, people in rural Liberia became more and more vocal on the issue of forest destruction by logging companies. They have addressed the failure of the government to return a significant portion of revenue generated by the logging industry back to their areas for development, and the logging companies' refusal to honor their own commitments and social responsibilities to the communities in which they operate. Furthermore, some affected communities were either deceived, forced or coerced into allowing logging companies into their areas. In all the instances investigated, we found that logging companies simply refused to honor commitments they made to local people before starting logging operations.

From Grand Bassa through Rivercess to Sinoe and Maryland counties, the stories about logging companies are the same. As Grand Bassa citizens complain about the OTC bringing in Malaysian laborers, people in Grand Gedeh complain that Bureaux Ivoirian Ngorian (BIN) hire mostly Ivorians who presently make up approximately 95% of their workforce. Citizens of River Gee and Maryland counties also complain that the Maryland Wood Processing Industry hire mostly Ivorians. Although the hiring of foreign unskilled labor is illegal, labor officials have not done enough to discourage such practice in the logging industry.

Wasted wealth - piles of abandoned logs litter the OTC concession from Grand Bassa to Rivercess to Since.



"No operator, its contractors or subcontractors under this Law shall employ foreign unskilled labor. To the maximum extent feasible, an operator, its contractors and/or subcontractors shall employ Liberian citizens, especially Liberian professional foresters, at all levels, and particularly in skilled, technical, administrative, financial, and managerial positions including supervisory and senior managerial positions." New National Forestry Law as published December 11, 2000

Local people in Gbarzohn district (Grand Gedeh County), the district hosting the BIN sawmill, also complain that the company uses its contact with high-ranking government officials to intimidate them during disputes or disagreement. A case that was repeatedly narrated involved the construction of the BIN sawmill and the conduct of the company management.

When BIN arrived and held meetings with local authorities and people of Gbarzohn district, they made several promises including development assistance such as the construction of a youth center, renovation of the Commissioner's compound, etc. At the meeting BIN informed the locals that they were going to install a sawmill that would provide employment for people in the district. The people welcomed the company but requested that they install the sawmill in an area accessible to them to enable them utilize the unwanted pieces of timber from the mill for reconstruction. BIN instead suggested an area regarded by the locals more as a part of the Ivory Coast than Liberia. As the meeting progressed and BIN officials would not budge from their position, the locals suggested a postponement of the discussion and sent for their representatives, including Representative William Karyee, Jr. and other prominent citizens of Grand Gedeh from Monrovia.

In the subsequent meeting BIN officials again rejected the locals' appeal to locate the sawmill in an accessible area. BIN eventually became defiant and requested an adjournment for further consultations. However, when the Representatives from Gbarzohn district returned to Monrovia, BIN had already reportedly used their connections to get a Presidential order decreeing that the company use the site it had proposed earlier, much to the dismay of the people. BIN constructed their sawmill and since then the company has always used its connections to suppress local people's grievances.

In 2001, Liberian workers went on a go-slow (strike) to demand equal pay to that of their Ivoirian counterparts. BIN contacted Monrovia and military personnel were flown in by helicopter to the BIN site. Disgruntled Liberian workers were ordered to either accept the job with the existing conditions or leave; some chose to leave and ever since there has not been another strike action.

In Maryland, locals reported a case of a more serious nature. Those interviewed all confirmed that most of the senior local government officials were on the payroll of the Maryland Wood Processing Industry (MWPI). This unhealthy practice naturally makes it almost impossible for local authorities to fairly settle disputes involving locals, Liberian employees and the company's management.

Two case studies, involving the Oriental Timber Company and the Exotic Tropical Timber Enterprise are presented below as corroborations for our findings from other parts of the country.

THE PEOPLE US THE ORIENTAL TIMBER COMPANY

a.k.a Evergreen Trading Corporation, Natura Liberia, Sovereign Timber Company Grand Bassa & Rivercess Counties

The OTC arrived in Liberia in late 1999 and was formally launched by H.E. Charles Ghankay Taylor on 18th October 1999. At the launching, Gus Kouwenhoven, President of the OTC, promised electricity and other social services to the people of Buchanan and massive employment opportunities for thousands of Liberians. When they began moving to Rivercess County, OTC promised citizens of the county that they would construct schools and clinics in the county. For some time, citizens of Grand Bassa and Rivercess Counties were euphoric; at last their days of living in poverty and destitution were over.

"There were promises made to our citizens in our presence as we went for some discussion at the beginning... Many a time we find that when the company [OTC] is trying to go through the forest and even the citizens having their farms, they just move in and damage the farm and don't care who is there. Whenever the people try to negotiate for some compensation, the company denies them and these are problems. When they come to local authorities we put forward their claims, but certain time if you leave as a county authority, you get to the OTC they don't pay heed to you. The next thing they will tell you is that you should meet the president. One thing I will let you know, we have said enough, we have tried in every weak way that we can, but I must tell you that it is not easy...because the government has dominion over everything" A local government official speaking at a communal workshop/meeting in Buchanan, Grand Bassa on July 4 2002.

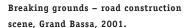
At the launching ceremony, President Taylor proclaimed the company the first major investment under his administration vowing that "no one will be permitted to disturb its operations. This is my pepperbush." Many thought this was in reference to the customary practices of government officials seeking bribes from investors or security personnel who habitually exhort money from foreign businessmen. However, people began to raise eye-brows when he ordered the Labor Ministry to grant gratis work permits to the expatriate Malaysian and Indonesians workers brought in by the company. He announced that the company would be constructing a major highway to link Grand Bassa to Sinoe, but warned that if in the process they offended anyone, the victim should pursue legal action.

The company started its operations soon after the launching, without approval of their concession agreement by the House of Senate. As far as we could definitely confirm, eight months later, their agreement had still not been ratified; rendering their operations illegal.

The OTC started their road construction work simultaneously with logging operations. By 2000, complaints by locals began to emerge. Most of the complaints centered around the company hiring and arming a private militia, who were harassing and intimidating local people, destroying private farms during road construction, and a complete disregard for local authority. Locals in Nizwein, Rivercess raised particular concern when the company began clearing approximately 75 acres of a forest less than a mile outside the village to set up their first bush camp later known as Kilometer 85. As the government continued to downplay these complaints, people victimized by the company increasingly began to feel powerless.

These abuses continued unabated and mostly unreported as locals complaining became more vulnerable to reprisals from the OTC militia force.

Two employees of the JALK Inc., owned by John T. Richardson, former minister of Public Works in the present government and a close associate of President Taylor, were illegally arrested by armed OTC militiamen on April 25, 2000 in Buchanan and jailed in the OTC private prison at the company's headquarters in Buchanan. No charges were brought against them. After several attempts to get his workers released, Richardson granted a press conference and raised the issue of the OTC Militia to the highest ever level.





"Who are these people... that they will kidnap Liberians and go with impunity and continue to disregard the authority of our government...it frightens me so much that these foreigners will operate a private army... this is unacceptable. This is a matter of grave concern to the nation and to the state". John T. Richardson

As more and more people became vocal and critical about the OTC's operations and the conduct of its militia, OTC hired former Liberian Foreign Minister and presidential aspirant, G. Baccus Matthews to conduct their Public Relations.

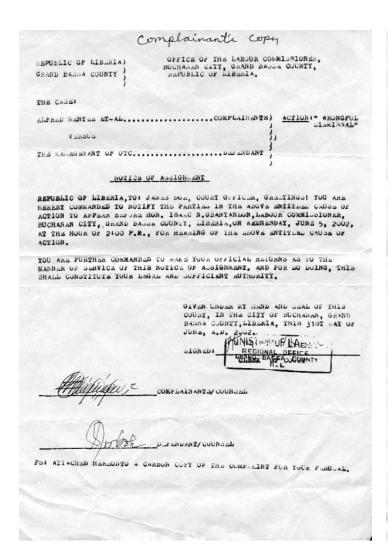
Three years after the OTC's arrival, and after three years of OTC reaping millions of dollars in profit from logging in these counties, the company has not undertaken any development projects in the areas they operate. Instead, as they move from one area to the other, they are leaving behind a people embittered about the destruction of their forest, the pollution of their waters, and the sickness and disease brought upon them.

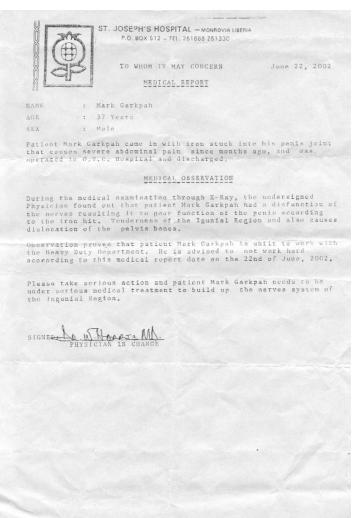
EXPLOITED AND ABUSED

Time and time again the OTC has come under attack for its treatment of Liberian employees. Some of the complaints against OTC have been investigated by the government. This is mostly a face-saving measure rather than a measure to ascertain facts and take measures to correct the reported abuses. In Buchanan, workers speak of maltreatment at the hands of expatriate bosses but lament the fact that their plight is not being taken seriously by the government.

These complaints are as old as the OTC itself. In April 2000, Malaysian/ Indonesian laborers working for OTC staged an industrial action when the company failed to pay five months salary arrears and other benefits due them. They accused the management of unfair labor practices including its refusal to clearly define their salary scale and other benefits upon their arrival in Liberia. They also complained of poor living conditions.

The few Liberians then hired were constantly informed that they were on probation and that soon those deserving would be employed. Believing that the situation would improve for them once the company settled, and also taking into consideration the hardship and high cost of living in the country, most restrained themselves while quietly accepting their conditions. But with time and no sign of change, most have become more vocal and aggressive in pursuit of their interests.





Above: Dismissed for refusing to eat yesterday's food. A case filed by OTC employees against the company for wrongful dismissal, currently before the Labor Court in Buchanan.

Above right: Matthew Garkpa's medical report - despite suffering a severe industrial injury he has not received any compensation from his employer, OTC.

"I was employed with the OTC January 11, 2000. Sometime last year, on the job, I went to wash my machine and fell on the generator of the water pump and the iron struck into my penis and went into my stomach and my whole nerve is spoiled and I can't function [impotent] at the present time. Since they took me to the hospital and I underwent operation, from that operation they put me down. They have not paid me, they have not said anything to me. Still I was behind them but up to this time they never do anything. Now even my home is spoiled...my woman now is gone away from me and left me with our four children [divorced]." Matthew Garkpa, former OTC employee. His case against the OTC in the labor court in Buchanan has not received any attention

In June 2002, some Liberian employees held top managers of the company hostage at the regional labor office in Buchanan. Their action stemmed from the company's failure to pay them salary arrears ranging from three to six months. They set their managers free when the local Police intervened.

Presently, there is a case before the labor court in Buchanan filed by Liberian employees against the company for wrongful dismissal. According to their complaints, the company had dismissed them when they refused to eat food left over from the previous evening meal.

Workers hired for and assigned to the bush camps are allowed only three days per month to visit their families. The three days include travel time, including a typical two-day round-trip, which leaves only one day to spend with the family. One is dismissed without warning if s/he overstays.

Attempts by the local labor officials to settle these kinds of disputes are usually undermined by the OTC management's intransiqence and lack of respect for same.

THE PEOPLE VS THE EXOTIC TROPICAL TIMBER ENTERPRISE

Malongai, Goamu, Decker's town & Gbarlorkpala, Kokoya District, Bong County

In 1999, representatives of the Exotic Tropical Timber Enterprise (ETTE) arrived in Kokoya District, Bong County and presented themselves as a logging company interested in the forest block in the area. In Malongai, they met with the Chiefs and elders of Malongai, Goamu and Decker's Town. They informed the locals that an agreement had been reached with the government for them to log in the area; they were only there to ensure that the people reaped some benefits from the forest they had conserved over the years. They wanted to know what the people wanted in return.

The villagers requested them to:

- > Repair their farm to market road and the bridges to enable them get their cocoa, coffee and other agricultural produce to the nearby markets. For the bridges, they suggested either steel beams from the abandoned railway in nearby Botota or concrete coverts instead of logs;
- > Construct a school because the nearest school was almost 10km away and children from the villages had to walk the distance to and from school everyday; and
- > Construct a Clinic for the community.

The ETTE representatives including Anthony Campaore (Burkinabe) and Napoleon Wilson (Togolese) agreed to these requests.

In a couple of weeks after this agreement was reached, ETTE began grading the road and felling logs simultaneously. In early 2000 their first trailer arrived to take away logs. The villagers, not seeing any progress on the school, clinic or bridges, became suspicious and prevented them from taking any logs out until work had begun. A confrontation ensued.

At the same time, ETTE had already gone beyond Malongai and Goamu and entered communal forest belonging to the people of Gbalorkpala. Chief Cole of Gbalorkpala, when contacted and informed about the ETTE operations in their forest, went along with youths from the town and demanded that they halt operations, because the area they were now logging did not belong to Malongai. They had already felled a significant amount of logs and were stock piling them for transport to Monrovia.

Facing angry villagers from both sides, the ETTE representatives went to the District Commissioner (DC) David Wamah, and complained that the villagers had prevented them from logging their concession. The DC invited Chief Cole and elders of Gbarlorkpala for a meeting with ETTE representatives. During the meeting, the ETTE representatives formally presented themselves as loggers also interested in the Gbalorkpala forest.

Chief Cole insisted that, considering that these people had already illegally entered their communal forest, before any discussion could take place between them—let alone any form of agreement—they had to meet the following conditions:

- > Repair their road and link it to the main highway;
- > Repair the bridges linking their village to the main highway using durable materials; and
- > Construct a clinic for the community.

Chief Cole firmly maintained that unless these projects were launched and significant progress made, he could not discuss any further with the company nor enter into any agreement. The negotiations were then tabled, at the request of the ETTE, to enable them return to Monrovia and consult with their bosses; they never returned. The logs that were cut and stockpiled were simply abandoned and are today a bitter reminder of destruction and deceit for the people.



When the logging companies move out, their log bridges rot away, cutting off towns and villages. Malongai, Kokoyah District, Bong County, 2001.

"The time the loggers came here, they asked for me and I presented myself. They informed me that they had come to log. I sent for the Chiefs of Goamu and Decker's towns and we all gathered here. We asked them 'what are you going to do for us?' and they replied 'what do you want from us?'. We said 'we want a clinic, because there is no clinic, we want a school because there is no school, but our priority now is our road.' We want you to grade our road and repair our bridges over the creeks. We don't want log bridges, because they don't last. Use concrete coverts or steel beams; then they will last. They agreed to this. But later on there was no progress along these lines. Disagreements ensued. The D.C (District Commissioner) heard about this and sent for us. He asked us 'what do you want from these people' and he asked them 'what can you do for these villagers?' We said the same things and they again agreed to our terms.

We returned, but they did not build the school, they did not fix the road, they did not fix the bridge. Their boss, Anthony Campaore, began to dodge around. He was not doing any of the things we had agreed upon. In fact, when he was leaving he did not inform us (Malongai people)—he just left." Chief Cooper Dongbo (Malongai)

Conclusion

SAMFU has gone to great lengths to gather, document and present these issues to the Liberian people, the government and the international community. Needless to say, each member of our campaign team experienced personal emotional stress during our numerous discussions about whether or not to publish these findings. We finally decided to publicize these issues because we all felt that it was a moral obligation. Not to do so was great disservice to our country.

We would like to stress that we are not opposed to logging. What we stand opposed to is the unsustainable practices, characterized by lawlessness, by the Liberian logging industry. Therefore, we urge the government of Liberia to begin to take immediate actions to address first the environmental concerns raised in this report:

- > The sheer volume of logs produced, abandoned or wasted in constructing log bridges that are changed almost every year is unsustainable.
- > The wanton harvesting of logs without proper inventories, which is manifested by the high waste, must be discouraged.
- > Clear-felling hundreds of acres of forested areas, to set up logging camps, log ponds and loading sites are some of the most damaging practices currently prevalent in the logging industry, especially in OTC areas.
- > The bulldozing of several kilometers of dense forest to construct short-cuts (roads) to hastily deliver logs to various ports must also be discouraged.
- > The FDA must begin to take her responsibilities very seriously and become much more vigilant in the enforcement of forestry laws and regulations.

Also, the high level of secrecy that now surrounds the operations of the logging industry is dangerous and unhealthy. People have now refused to discuss the negative environmental impacts of present day logging operations simply because of fear of reprisals or a heavy handed response from the government. This is a major incentive for corruption as forestry, customs and port officials feel protected by the fact that no one can investigate their conduct or the discharge of their duties.

Furthermore, negotiations of concessions have been shrouded in mystery. Information about concessions, including maps, size of concessions, contents of the concession agreements, etc., are largely well kept away from the public.

The industry must do away with its own paranoia and allow for independent monitoring as an indirect means of building its own capacity to enhance the detection and suppression of forest crimes. Local and international NGOs would jump at this opportunity to help save our forest. Similar joint efforts in other countries are a living testimony of the fact that indeed NGOs can be real partners in progress. The benefits of such partnerships would be phenomenal and would help save our forest and address the discontentment of the rural people.

Acknowledgements

We hereby acknowledge the excellent cooperation we received from the Grand Gedeh Community Servants Association (GECOMSA) during the Bushmeat market survey and impact assessment.

We cannot go further without expressing our thanks to those who have financially or otherwise supported and encouraged us since this campaign was launched:

- > The Whitley Laing Foundation (UK), especially Sting and Trudy Styler, sponsors of the Sting and Trudy Styler Award for the Environment and Human Rights awarded to Silas Kpanan'Ayoung Siakor (Campaign Coordinator) in 2002;
- > The Open Society Institute (USA) whose funding enabled us to hold the communal workshops that provided local people a forum to discuss the logging industry;
- > The Global Green grants facility of the Tides Foundation (USA) who funded our preliminary investigation in 2000 that gave rise to this campaign;
- > Both ENDS (the Netherlands) who provided us a grant in 1997 to re-register the organization after the civil war. Without them SAMFU might not exist today;
- > The Rainforest Action Network (USA) who provided vital advisory and moral support to our campaign over the years; and
- > All of our other faithful supporters and our sympathizers who we cannot name here due to space;

To them all we remain grateful.

Silas Kpanan'Ayoung Siakor Campaign Coordinator Liberian Forest and Human Rights Campaign

Save My Future Foundation (SAMFU)

The Save My Future Foundation (SAMFU) is an indigenous Liberian non-governmental organization fully registered, incorporated and accredited under the Laws of Liberia. The organization was originally founded in 1987, but was dormant for most of the 1990s due to the Liberian civil war.

SAMFU's mission is to promote sustainable management and development of Liberia's natural and human resources. SAMFU's activities are mostly communitybased involving indigenous people.

SAMFU conducts research, using Participatory Rapid Appraisal techniques, and uses the information to promote the sustainable management and development of Liberia's natural and human resources.

SAMFU gathers and disseminates information about the activities of multinational corporations/companies operating in Liberia, especially those in the extractive industries, for the purpose of creating awareness.

SAMFU produces and publishes educational resource materials—visual aids, journals, news publications, etc., on the subjects of environment, sustainable development and social justice.

SAMFU facilitates networking amongst rural communities, grassroots organizations, individuals etc., and supports their activities aimed at protecting the environment and peoples threatened or affected by the activities of multinationals.

SAMFU aims to serve as a catalyst for positive change by bringing together development workers, conservationists and environmentalists, social justice campaigners, educators and others to discuss and/or debate a wide range of policy issues regarding sustainable development, the environment and social justice. Policy proposals evolving from these events are used in lobby campaigns targeting the public at large and decision-makers specifically.

Front Cover pictures from top: OTC logging site, Sinoe County, 2002; Forest clearance, Sinoe County; Village boy filtering polluted water; Atlantic Mercado loading logs, Harper Port, 2001.

This page: Partial view of unused OTC log pond, one of many cleared by the company every year, Rivercess County, 2002.

All pictures © SAMFU



WORKING FOR NATURE CONSERVATION

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