Assessing progress in the implementation of forest law enforcement and governance (FLEG) action plan in Africa

STUDY REPORT
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EXECUTIVE SUMMARY

This report aims to initiate the process of supporting timber-exporting African countries in combating illegal timber harvesting and trade. It focuses, in particular, on Forest Law Enforcement and Governance (FLEG) national strategies and the implementation of European Union Law Enforcement, Governance and Trade Voluntary Partnership Agreements (EU-FLEGT VPAs).

The is largely based on a desk review of the global forestry context and the technical and institutional aspects of VPA ratification, as well as current constraints to ratification. Three African countries (Côte d’Ivoire, Gabon and Liberia) were specifically studied in field research and Indonesia, as possibly the most advanced country in VPA implementation worldwide, was also studied. A total of 77 stakeholder group representatives were interviewed in the field research, while analysis of secondary data was performed for Cameroon and the Southern Africa sub-region.

This report considers forestry governance to be more than law enforcement and includes the political, institutional and cultural frameworks through which interests in forest resources are coordinated and controlled. It incorporates the rules adopted to organize and manage activities to serve larger social objectives and to solve conflicts between stakeholder groups, the functioning of institutions and their acceptance by the public, and the broader efficacy of government.

In 2013, African countries exported timber products worth about USD 4.5 billion. Of these, three-quarters were primary products (logs, sawnwood and veneer). The rest were processed products. The same year, timber imports to African markets amounted to USD 6.5 billion, of which 8% (USD 526 million) were intra-regional. Sawnwood was the most important timber import with 31% of the total (USD 2 billion).

African timber producers and exporters are mainly located in Central Africa (Congo Basin), with others located in West and East Africa, while importing countries are found in Northern, Western, Eastern, and Southern Africa. The export and import markets within Africa present an opportunity for intra-African trade, with substantial benefits for the populations of both importers and exporters. Sub-regional communities such as the Economic Community Of West African States (ECOWAS), Economic Community Of Central African States (ECCAS), Economic Community of East African States (ECEAS) and Southern African Development Community (SADC) have a role to play in such integration by, for example, addressing trade barriers and transaction costs.

With the possible exception of Liberia, all or nearly all closed tropical forests in West Africa have already been logged at least once, while, although easily accessible forests in Central Africa have been cut over, large areas of primary
forests remain. Generally, long-term and large-scale privately managed forest concessions dominate timber production in Liberia and the Congo Basin where the most active companies are foreign-owned, traditionally by investors from Europe but more recently from Asia. The concession model originated in the colonial era but its current governance structure has changed over the past two decades in line with structural adjustments and political commitment to the sustainable management of forest resources that became part of the international policy agenda at the Earth Summit in Rio de Janeiro, Brazil in 1992. The forestry governance issues common to most countries of Africa include:

- Poor enforcement of forestry laws and regulations;
- Invasive political influence on forestry policy and decision making;
- Lack of land-use planning;
- Lack of coordination between government ministries; and
- A substantial but poorly monitored informal sector.

In addition to its impact on biodiversity and the environment, illegal logging has a high societal cost in terms of revenue forgone by governments. Moreover, there are substantial negative effects from forest and environmental damage on the livelihoods of forest-dependent poor.

The international community has launched several initiatives to curtail illegal logging, including regional ministerial conferences on FLEG in Africa, Asia and Eastern Europe, the FLEGT Action Plan of the European Commission (EC), the G8 Illegal Logging Dialogue forest certification scheme and a multitude of other initiatives and declarations promoted by different actors. The Africa Forest Law Enforcement and Governance (AFLEG) initiative launched in October 2003 has been all but abandoned.

The 2003 European Union (EU) FLEGT Action Plan emphasizes governance reform and capacity building and includes demand-side measures to reduce the consumption of illegally harvested timber in the EU and around the world. One of its key elements is a voluntary licensing scheme under which FLEGT partner countries sign a bilateral VPA with the EU. Six countries have concluded such VPAs, five of which are in Africa – Ghana (2009), Cameroon (2010), Republic of Congo (2010), Liberia (2012) and Central African Republic (2012) – and one Asian country, Indonesia (2013). Indonesia is set to become the first country to issue FLEGT licenses.

The most important achievements of the FLEGT Action Plan seem to be related to “equity” in the engagement of diverse national stakeholders in the VPA process. Capacity building of civil society and government has been relatively effective. However, engagement of private sector stakeholders has remained
weak, despite a number of initiatives led by international NGOs and business associations. In many countries, first steps in policy reforms have been made, but a lot remains to be done, particularly in terms of implementing new legislation.

The most effective sub-regional African initiatives on forestry law enforcement and good governance have been taken in Southern Africa through SADC and in Central Africa with the Commission Interministérielle des Forêts d’Afrique Centrale (COMIFAC).

The 2013 SADC-FLEGT aims to strengthen the implementation of FLEGT activities nationally and regionally by raising awareness and resources, as well as by improving coordination and a sense of purpose. In addition to the fight against illegal logging and trade in illegal timber products, SADC-FLEGT is committed to addressing the “formalization” of informal trade in forest products. SADC-FLEGT goes beyond the promotion of legality in timber harvesting and trade to embrace the wider area of sustainable forest management and intra-regional trade.

COMIFAC was created in 2000 and is the political and technical body for orientation, coordination and decision making with respect to conservation and sustainable management of forest ecosystems in Central Africa. It harmonizes and coordinates the forestry and environmental policies of its member states. One of its most noticeable achievements is the 2008 sub-regional agreement on forest control in Central Africa, applicable to activities related to logging, processing, monitoring, evaluation and transport of forest products from the sub-region both nationally and sub-regionally. The agreement allows for joint law enforcement activities between officers of neighboring countries. Other regional and sub-regional initiatives have been promoted and supported by COMIFAC which is seen as a reliable partner organization in forestry governance. However, financing constraints limit its effectiveness.

Forest certification (the main private initiative), independent observer projects, membership in the Extractive Industry Transparency Initiative (EITI) and capacity building initiatives complete the range of mechanisms to support forestry legality and sustainability.

The FLEGT Action Plan uses the demand for tropical timber products by European markets as leverage to obtain reforms in forestry governance. All systems under development are oriented towards monitoring overseas timber exports. Forest certification, although currently stalled in Africa, is a market instrument used for environmentally sensitive markets in Europe, the United States and Japan.
The main gaps in forestry governance are still to be found in national and intra-African timber markets, which are growing sharply and creating a strain on forest resources and biodiversity, as well as on the livelihoods of people living in forested areas. To have a decisive impact, AfDB needs to implement a regional program to promote legality in national and intra-African timber markets.

A regional program for the promotion of legality in African timber trade (PROLIGATT) would aim at improving the contribution of the forestry sector to African economies through trade in legal timber products between African sub-regional markets. The overall objective of the program would be to contribute to African economic integration by promoting domestic consumption and the intra-African trade of legally produced timber and processed wood products.
Assessing progress in the implementation of forest law enforcement and governance (FLEG) action plan in Africa
1. BACKGROUND

Objectives

The report was commissioned as part of efforts to initiate support – in particular, through the preparation of FLEG national strategies and the implementation of EU-FLEGT VPAs – for timber-exporting African countries combating illegal timber harvesting and trade and to guide future interventions of the ANRC in this area. More specifically, the report documents systems and processes to test for compliance with EU FLEGT-VPA regulation and provides inputs for ANRC support to implementing the AFLEG Action Plan through providing guidelines for the preparation of FLEG national strategies.

Focus

This report primarily examines relevant action in both the EU (and other consumer markets) and producer countries (VPA and non-VPA countries), as well as the development of multilateral cooperation frameworks to fight illegal logging, including global initiatives such as REDD+, and those by ITTO, FAO and the United Nations Forum on Forests (UNFF). Particular attention was paid to the implementation of the AFLEG Action Plan. It should also provide an opportunity to (re)engage with key stakeholders and to compile, evaluate and summarize the expectations of different AfDB regional member countries and their partner institutions regarding future action. The report contributes to informed decision making by ANRC, AfDB regional member countries and key stakeholders based on a comprehensive analysis of progress after 12 years of the FLEGT Action Plan and 12 years since the AFLEG Declaration and Action Plan.

2. METHODOLOGY

The report is largely based on a desk review to shed light on the global context of the forestry sector, to describe the technical and institutional aspects of VPA ratification and to analyze current constraints (legal frameworks, financial and human resources etc.). Three countries of the initial seven expected were visited: one VPA country (Liberia) and two non-VPA countries (Côte d’Ivoire and Gabon). Data on Cameroon and the Southern Africa sub-region were also explored. A total of 77 stakeholder group representatives were interviewed (Table 1) and their perceptions and opinions recorded through a semi-structured interview. The interviews covered:

1. trends and dynamics of the forestry sector and forest resources;
2. main governance problems faced by the forestry sector;
3. initiatives taken by stakeholder groups to improve governance and law enforcement within the forestry sector;
4. impacts of forestry governance programs and initiatives to date;
5. priority value chains and areas for future intervention aimed at improving governance in the sector; and
6. suggestions and recommendations for future AfDB interventions.

Detailed reports of the three country visits are in Annex 1.
### TABLE 01
NUMBER OF STAKEHOLDER GROUP REPRESENTATIVES INTERVIEWED IN EACH COUNTRY

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>Côte d’Ivoire</th>
<th>Gabon</th>
<th>Liberia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>20</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>CSOs</td>
<td>9</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Private sector</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Community forests</td>
<td>5</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Regional/international organizations</td>
<td>-</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Donor/donor projects</td>
<td>2</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>19</strong></td>
<td><strong>17</strong></td>
</tr>
</tbody>
</table>

### 3. STUDY FINDINGS

#### 3.1 Forestry governance

Governance is any effort to coordinate human action towards goals (Rayner et al., 2010). In the common distinction between government and governance, the latter is usually taken to refer specifically to coordination mechanisms that do not rest on the authority and sanctions possessed by states (Stoker, 1998). It signifies a recognition that the state and its bureaucratic apparatus alone cannot be relied upon to provide all public goods (Grant et al. 2016), nor all the inherent governance arrangements. Forestry governance is not limited to law enforcement but includes the political, institutional and cultural frameworks through which the diverse interests in forest resources are coordinated and controlled (Cronkleton et al 2008). Governance incorporates the rules adopted to organize and manage activities to serve larger social objectives and solve conflicts between stakeholder groups, the functioning of institutions and their acceptance by the public, and the broader efficacy of government (Laird et al. 2010). Some qualities of good forestry governance include (Higman et al.2005):

- **The rule of law**, or fair legal frameworks that are impartially enforced;
- **Transparency**, or decisions taken in accordance with agreed rules;
- **Equity**, or citizens’ feeling they have a stake in, and are not excluded from, society;
- **Efficiency**, or citizens’ and institutions’ producing results that meet the needs of society while making the best use of resources at their disposal;
- **Accountability**, or governmental institutions, private sector enterprises and civil society organizations answering to those who are affected by their actions.
3.2 The african timber trade

An ITTO report (Erling et al., 2016) estimates that in 2013 Africa exported timber products worth about USD 4.5 billion. Three quarters were primary products (logs, sawnwood and veneer) and the rest were processed products. Logs and sawnwood still occupy more than half of regional timber exports. Log exports have remained in the range of USD 1 billion and those of sawnwood amounted to about USD 1.4 billion in 2013, with a slow growth trend. Only 8.3% of the total was directed to intra-regional markets. In the same year, African imports of timber products were worth USD 6.5 billion, of which intra-regional imports constituted 8%. Log imports amounted to USD 445 million with a slow negative trend, while sawnwood took up the largest proportion of imports, accounting for 31% of the total.

Additionally, there are important timber flows within Africa that are not monitored systematically. A report by Eba’a Atyi et al. (2016) estimates annual exports from Cameroon to neighboring countries (mainly Chad and Nigeria) at about 200,000m³ of sawnwood, while DRC and Côte d’Ivoire export 150,000m³ and 120,000m³ of sawnwood, respectively, over their borders and Ghana exports an estimated 115,000m³ timber and wood products overland per year (Marfo et al. 2014).

The main timber-exporting African countries (mainly to Europe and Asia) are in the Central and West Africa sub-regions (Figure 2). From Central Africa, Gabon,
Cameroon, Republic of Congo, CAR and DRC annually export about five million m$^3$ of round wood equivalent (RWE) (FAO, 2011), with Asia (essentially China) accounting for about 50% of this volume. The main exporters to Asia and Europe are Gabon and Cameroon, in that order, and they also supply intra-African markets. However, their total exports to African markets represent only about 10% of their aggregate RWE exports.

Liberia, Ghana and Côte d’Ivoire export timber products from West Africa. According to the ITTO database, Ghanaian annual exports of processed products are about 448,000m$^3$, while the ministry in charge of forests in Côte d’Ivoire reports that timber exports to overseas markets are about 350,000m$^3$ per year. Neither country exports raw logs. Liberia produces 200,000-250,000m$^3$ of timber annually from its forests, mostly for export to China and Europe (mainly France) as raw logs.

In East and Southern Africa, Mozambique, which is also an ITTO producer member country, exports about 250,000m$^3$ per year, mainly to China.

In West Africa, there are three countries that export timber products: Liberia, Ghana and Côte d’Ivoire. According to the ITTO database, Ghanaian annual exports of processed products are about 448,000m$^3$. Reports from the ministry in charge of forests in Côte d’Ivoire show that timber exports to overseas markets are about 350,000m$^3$ per year. Côte d’Ivoire, like Ghana, does not export raw logs. Liberia produces 200,000-250,000m$^3$ of timber annually from its forests; most is exported to China and Europe (mainly France) mainly as raw logs since the timber processing industry is still nascent. Log exports represent about 95% of total round wood production from the formal industrial sector, without any added economic value from the timber sector.

In East and Southern Africa, Mozambique, which is also an ITTO producer member country, exports about 250,000m$^3$ per year, mainly to China.

The major timber-product importing countries are located in Northern Africa and account for about 60% of all African imports of timber products (Erling et al. 2016), while a further quarter go to Southern Africa. Timber imports from both outside and inside the African continent are growing. Northern African countries tend to import unprocessed logs from outside Africa, while West African countries importing raw logs (Ghana, Mauritania, Nigeria), and Eastern and Southern African importers (Zambia, Mozambique, Tanzania, Rwanda, Namibia, South Africa) source their logs from other African countries.

The story is somewhat different for processed products, although Egypt, the biggest import market for timber products in Africa, receives the most important share of its supply from outside Africa.
African timber-products producers and exporters are mainly located in Central Africa (Congo Basin), with a few others in West and East Africa (Figure 3), while countries importing timber products are in Northern, West, Eastern, and Southern Africa. With the exception of Chad (especially for artisanal sawn timber), Central Africa does not represent an import market, at least not for logs and primary processed products, such as lumber or veneer. There are opportunities to integrate export and import markets within Africa by promoting intra-African trade of timber products within a more legal and less informal framework. This would yield substantial benefits to the populations of both timber-exporting...
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and importing countries. Such integration can be facilitated by sub-regional communities – such as ECOWAS, ECCAS, ECEAS and SADC – addressing trade barriers and transaction costs.

FIGURE 03
INTRA-AFRICAN TRADE FLUXES IN TIMBER PRODUCTS

3.3 Industrial timber production in Africa: The forest concession model
In West Africa (Liberia may be the exception), all (or nearly all) closed tropical forests have already been logged at least once, while Central Africa still hosts large areas of primary forests, even if easily accessible forests have been cut over (ITTO, 2005). Generally, long-term and large-scale privately managed forest concessions dominate timber production in Central Africa (the Congo
Basin) and Liberia. Most of the active companies involved are foreign-owned by investors, traditionally from Europe, but increasingly from Asia.

The concession model has its origins in the colonial era (Karsenty 2007). However, the current governance regime under which it operates largely stems from two processes that have been developing over the past two decades. On the one side, there are a series of macro-economic structural adjustments while, on the other, political commitment to the sustainable management of forest resources became the norm after the 1992 Rio Earth Summit (Cerutti et al. 2016b).

ITTO has a rather positive view of forest concessions as part of the Permanent Forest Estate (PFE), which are certain categories of public or private land that must be kept under permanent forest cover to secure their optimal continued contribution to national development. The organization stresses the need for countries to establish a PFE as one of the conditions for sustainable forest management (SFM) and to include three categories: protection forests on fragile lands, those set aside for plant, animal and ecosystem conservation and production forests (ITTO, 2005; ITTO, 2011). Thus, forest concessions can be production forests within the PFE. African forest concessions are managed for cutting cycles (the interval between timber harvests) that vary from 25 to 40 years. In the Congo Basin, the cutting cycle for concessions is 30 years, with specific management requirements and denominations for each country (Table 2).

Outside the PFE there are still resources in non-permanent forest that can be converted to other land uses, such as agriculture, but where industrial timber harvesting also occurs.

Gabon is a typical example of forest management approaches in the Congo Basin (Annex 1-c). In 2001, Gabon adopted the principle of sustainable forest management (SFM) through forest concessions in line with the new forest law. The law distinguishes four different logging permits: a) PFA (permis forestier associé) that covers up to 15,000ha; b) CFAD (concession forestière d’aménagement durable) covering up to 200,000ha; c) community forests for a maximum of 5,000ha; and d) PGG (permis de gré à gré) granted in terms of the number of trees to be cut. CFAD are generally granted to big companies with foreign capital from Asia or Europe, while PFA are granted to smaller local businesses (although they can be managed jointly with CFADs). PGG are often granted to local elites selling standing trees to logging companies or to chainsaw millers. Community forestry is slow in development.

In West Africa, there are substantial differences between Ghana and Côte d’Ivoire, on the one side, and Liberia, on the other. In Ghana and Côte d’Ivoire,
### TABLE 02
FOREST CONCESSION TYPES IN CONGO BASIN COUNTRIES

<table>
<thead>
<tr>
<th>Country</th>
<th>Concession types</th>
<th>Maximum size (ha)</th>
<th>Grant duration</th>
<th>Management requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
<td>Timber concession</td>
<td>200,000</td>
<td>15 years,</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>renewable</td>
<td>30-year cutting cycle</td>
</tr>
<tr>
<td></td>
<td>Council forest</td>
<td>Undetermined</td>
<td>Undetermined</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>30-year cutting cycle</td>
</tr>
<tr>
<td></td>
<td>Community forests</td>
<td>5,000</td>
<td>Undetermined</td>
<td>Simple management plan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25-year cutting cycle</td>
</tr>
<tr>
<td>Gabon</td>
<td>CFAD (forest concession under sustainable</td>
<td>600,000</td>
<td>Undetermined</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td>management)</td>
<td></td>
<td></td>
<td>Industrialization plan</td>
</tr>
<tr>
<td></td>
<td>PFA (associated forest permit)</td>
<td>50,000</td>
<td>Undetermined</td>
<td>To be integrated into a CFAD, or Grouping of</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>many PFAs</td>
</tr>
<tr>
<td>CAR</td>
<td>PEA (forest exploitation and management</td>
<td>Undetermined</td>
<td>Undetermined</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td>permit)</td>
<td></td>
<td></td>
<td>Timber processing firm</td>
</tr>
<tr>
<td>The Republic of Congo</td>
<td>Industrial processing convention</td>
<td>Undetermined</td>
<td>15 years</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td>Management and processing convention</td>
<td>Undetermined</td>
<td>25 years</td>
<td>Forest management plan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>renewable</td>
<td></td>
</tr>
<tr>
<td>DRC</td>
<td>Timber concession</td>
<td>-</td>
<td>-</td>
<td>Forest management plan</td>
</tr>
</tbody>
</table>

Timber harvesting for industrial processing and overseas export occurs primarily in non-permanent secondary forests. It is estimated that more than 80% of the timber that supplies the forest industry in Ghana is harvested outside forest reserves.

In Côte d’Ivoire (Annex 1-A), the forest domain is divided into two: the PFE and the rural domain that can be converted to other types of land uses. The PFE consists of 231 classified forests that are under the management of SODEFOR (Société de Développement des Forêts), a parastatal created in 1966. Although classified forests are solely for timber production and, in principle, cannot be converted to other types of land uses, they are impacted by the search for farmland. Estimates of encroachment rates vary from 50% (according to government) to 90% (according to civil society). The rural domain includes secondary forests away from forest galleries, which have been divided into 387 wood lots called périmètres d’exploitation forestière (PEF) that are in the hands of the Central Administration of the Ministry of Waters and Forests (MINEF). PEF are granted to private companies for logging, using a MINEF quota system. It is estimated that these PEF are also severely degraded, and private companies are seeking new sources as the harvestable area is decreasing.
Liberia (Annex 1-B) is the most forested country in West Africa, accounting for about 40% of its dense forests. The Forestry Development Authority (FDA) believes that 50% of the estimated 4 million ha of Liberian forests (of which 1 million are protected) can still be considered as “intact”. Besides community forest management agreements, there are three types of logging titles that can be granted to companies or individuals:

- forest management contracts (FMCs), which should be subject to a forest management plan with a cutting cycle of 25 years minimum;
- timber sale contracts (TSCs) granted for three years for a maximum land area of 5,000 ha (after logging, TSC areas may be converted to other types of land use); and
- private use permits, for which there are still no regulations.

No forest management plan has yet been implemented.

### 3.4 Governance challenges of the forestry sector in Africa

Stakeholders identified a number of forestry-governance issues in their interviews. The following are common to the target countries visited and probably to most of Africa:

**Poor enforcement of forestry laws and regulations.** Obsolete legal and regulatory frameworks govern the forestry sector and, no matter their quality, laws and regulations, are implemented unpredictably. There is a general sense that enforcement is weak due to corrupt practices and influence peddling by political and economic elites;

**Invasive political influence on forestry policy and decision making.** Despite the often-declared political will to fight illegality and promote sustainability in the forestry sector, forest resources attract a great deal of political interest and are the object of political pressure in all countries, especially during the granting of timber-harvesting titles. Political pressure, therefore, is a main cause of the lack of transparency in decision making in Africa’s forestry sector;

**Lack of land use planning.** Pressure on forest resources often come from outside the forestry sector, including from agriculture, mining and infrastructure development. These sectors have a legitimate interest in land use there should be a conscious process of land-use planning to guarantee development in all these sectors. Unfortunately, in most African countries, there are no land-use plans to guarantee the continued existence of a PFE alongside other land uses.

**Lack of coordination between government ministries.** Most countries in Africa have 10- to 20-year national development strategies, generally based
on agricultural development and the use of natural resources. However, coordination of sector policies through ministries remains weak. The minister of agriculture, for example, may allocate forested land to agro-industry without consulting the department of forestry.

A large, poorly monitored informal sector. Traditionally, timber-harvesting and processing systems in African countries have been tailored to supplying overseas markets. National markets have been left to the informal sector where many small chainsaw operators harvest, process and sell timber products without oversight. However, in the last 20 years, growth in domestic and regional markets has outpaced international ones, despite the impact of emerging markets in Asia. Therefore, the impact on forests from informal operations outweighs that of the industrial sector, especially because – precisely because of its informality – there are no control or regulatory mechanisms in place.

3.5 Initiatives to fight illegal logging and promote forest governance

The international community has launched several initiatives to combat illegal logging. These include regional ministerial conferences on FLEG in Africa, Asia and Eastern Europe, the EC’s FLEGT Action Plan and the G8/NGO Illegal Logging Dialogue, among others. Global awareness of the negative impact of weak environmental governance on economic development grew during the 1990s and made illegal logging a major policy issue (Tacconi, 2007), especially as its effect on forest biodiversity, wildlife habitat, soil quality, access to water, poverty and greenhouse gas emissions became better understood (EFI, 2011). Illegal logging also has a high societal cost because of revenues forgone by government in timber-producing countries (Brown et al. 2007), as well as negative effects on the livelihoods of the forest-dependent poor from forest degradation and the resulting environmental damage (SAMFU, 2002).

3.5.1 African Forest Law Enforcement and Governance (AFLEG) initiative

The 2003 AFLEG initiative in Yaoundé with the AFLEG Declaration and Action Plan. Participating governments agreed to:

- mobilize financial resources for FLEG;
- provide economic opportunities for forest-dependent communities to reduce illegal activities;
- promote cooperation between law enforcement agencies within and among countries;
- involve stakeholders in decision making;
- raise awareness of FLEG issues; and
- explore means of demonstrating the legality and sustainability of forest products.
Ndikumangenge et al. (2016) suggest that the AFLEG initiative might have contributed to legal and institutional reforms in the forestry sector in countries of the Congo Basin, implementation of new logging control systems, better monitoring of forestry activities and greater stakeholder participation in forest management. However, AFLEG is moribund as the political will has not translated into the mobilization of financial resources.

3.5.2 The Forest Law Enforcement Governance and Trade (FLEGT) Action Plan

The European Union (EU) policy to address the growing problem of illegal logging and related trade was defined in the 2003 FLEGT Action Plan, which led to two key instruments (EC, 2011):

- The 2005 FLEGT regulation giving control over the entry of timber into the EU from countries engaging in bilateral FLEGT-VPAs to the EU; and
- The 2010 EU timber regulation, which is an overarching measure to prohibit placing illegal timber and timber products in internal markets.

a) Background and rationale of FLEG Action Plan

The FLEGT Action Plan sets out a process and package of measures through which the EC proposes to address illegal logging and related trade (EC 2003). The EC viewed the plan as one of the priorities in the follow up to the 2002 World Summit on Sustainable Development. The Action Plan emphasizes governance reform and capacity building and includes demand-side measures to reduce the consumption of illegally harvested timber in the EU and around the world. It was adopted to deal only with the question of legality, although the EU’s wider objective is to encourage SFM. The assumption is that better law enforcement should generally lead to more SFM, in line with the recommendations of the 1992 Rio Earth Summit.

The Action Plan includes support to timber-producing countries, combating trade in illegal timber, model public procurement policies for EU member states, support for private-sector initiatives based on principles of corporate social responsibility and provisions for financing and investment. The Plan links to existing EU legislative instruments and prohibitions on conflict timber.

A key component for the implementation of the FLEGT Action Plan is a voluntary licensing scheme as part of a bilateral VPA with the EU. Exports of timber from each FLEGT partner country would be accompanied by an export permit specifying that the timber has been harvested in conformity with relevant national legislation allowing it to be released for free circulation in the EU. A 2005 EC regulation established a FLEGT licensing scheme for EU imports of timber (EC, 2005). The regulation defines the products covered, describes the permit/license required to verify that timber has been legally harvested and specifies the nature and mandate of any advisory or management body set up to assist the EC.
b) VPA FLEGT implementation
The VPA FLEGT implementation process consists of four principal phases: pre-negotiation, negotiation, implementation of the VPA FLEGT and the steering, monitoring and evaluation of the issuance of FLEGT permits (COMIFAC, 2016).

Pre-negotiation includes all the informal consultations necessary to launch the negotiations. This phase often includes a number of studies and diagnoses to ascertain the status of forest governance and forest-law enforcement in the potential FLEGT partner country, identify relevant stakeholder groups and inform all interested parties of the FLEGT Action Plan to build national consensus. The main result of pre-negotiation is often a letter of intent sent by the potential FLEGT partner country to the EC and the signing of a common declaration for launching formal negotiations.

Negotiation phase. Negotiations are held at both the political and technical levels. At the political level, the items discussed concern the basic principles of the agreement, the establishment of negotiation institutions within which all stakeholder groups would be represented, internal operating mechanisms and the setting of roadmaps and agendas for negotiations. At the technical level, the main points include the definition of legality through a legality grid and Timber Legality Assurance System (TLAS). The second phase should result in the signing and ratification of the agreement.

The implementation phase begins by establishing the VPA implementation organs and developing the TLAS. Enabling measures are taken for the issuance of FLEGT licenses in a credible environment that encompasses technical, as well as administrative, legal and ethical aspects. The third phase should result in the issuance of FLEGT licenses and related procedures to access EU timber markets.

Monitoring and evaluation includes an independent audit of the system, monitoring of the joint implementation institutions, evaluation of the impacts, lessons and recommendations for improving the system.

c) A global evaluation of the FLEGT Action Plan
Laos and Thailand (since 2013 The FLEGT process has been subject to multiple internal and external evaluations. One of the most recent and comprehensive reports was published by TERREA in April 2016. Since its 2003 launch, six countries have concluded FLEGT VPAs with the EU, including five in Africa (Ghana [2009], Cameroon [2010], Republic of Congo [2010], Liberia [2012], and CAR [2012]) and one Asian country, Indonesia (2013). Despite the fact that African countries were first to conclude VPAs with the EU, Indonesia is on track
to become the first to issue FLEGT licenses (Box 2). In addition to those that have already signed VPAs, nine other countries are currently in negotiations with the EU: Malaysia (since 2006); Gabon, DRC and Vietnam (since 2010); Guyana and Honduras (since 2012); Côte d’Ivoire.

The overall assessment by TERREA (2016) is that, in producer countries, the FLEGT Action Plan has effectively contributed to “improved governance”, although the high variability of countries makes it difficult to generalize. The most important achievements seem to be related to “equity” in the engagement of diverse national stakeholders in the VPA process. However, Eba’a Atyi et al. (2013) noted that small forest managers could be driven out of business if VPAs are strictly implemented without further support to them from government or other partners.

TERREA concludes that, “Transparency has, in many countries, seen good progress, but work on the legality assurance system has been less effective. Capacity building of civil society and government has been relatively effective, but effective engagement of private sector stakeholders has remained weak, despite a number of initiatives led by international NGOs and business associations. In many countries, first steps in policy reforms have been made, but a lot still needs to be done, particularly in terms of implementation of new legislation.”

The environmental NGO FERN conducted a more systematic evaluation of FLEGT (FERN, 2016), using the FAO-PROFOR five pillars of good governance (accountability, transparency, coordination, participation, capacity) (FAO, 2011) for assessing and monitoring forestry governance. That evaluation led to the following results:

- Civil society regards the VPA as integral to forestry governance improvements beyond the VPA process itself (especially legal reform, accountability and coordination);
- Civil society describes the role of the VPA as providing the political space and structures in which CSOs are better able to be agents for change;
- Enhanced capacity and participation of CSOs leads to the most striking improvements; and
- The least dramatic perceived change is in government coordination.

A more critical tone is taken by the French online newspaper Mediapart, which estimates that with FLEGT, “Europe has failed to fight against the traffic of illegal wood” (Pigeaud, 2016). The Mediapart article estimates that the EC and EU member states have spent about EUR 1 billion (EUR 935 million between 2003 and 2014) within the framework of FLEGT but the objectives were not achieved.
The article is largely based on a report (European Court of Auditors, 2015), which concluded that:

- FLEGT support to timber producing countries was not sufficiently well designed;
- EU support to timber producing countries was not sufficiently effective.

The report went on to make four main recommendations about the 2016-2020 work plan:

- it needs to be clearer in terms of objectives, deadlines and budget;
- implementation of the EU timber regulation needs to be more strict in all EU member states;
- private certification schemes can be better used; and
- resource allocation should favor scenarios where there is probability of great impact.

d) Lessons learned from the VPA FLEGT process in Africa

FLEGT was launched almost simultaneously with AFLEG but had better financial perspectives, which may have resulted in the commitment of some African countries to enter VPA negotiations with the EU and five have done so. Currently, however, none of the five has completed the third phase of VPA negotiation, meaning no FLEGT licenses have been issued from any of the FLEGT partner countries in Africa. Nevertheless, from the completion of the first two phases of the process and efforts to complete the third phase, some lessons can be drawn.

For the pre-negotiation phase the main challenges are:

- Ensuring that all stakeholders have accurate information and a good understanding of the objectives and the expected impacts of the VPA FLEGT;
- Ensuring the consent of all stakeholder groups before the country commits to engagement in the VPA FLEGT process;
- Securing agreement of all stakeholder-group representatives on the modalities for fair and equitable negotiations for all parties;
- Producing a clear picture of forest governance and forest law enforcement in the potential FLEGT partner country of interest;
- Setting a methodological approach and timeline for negotiations in consultation with all stakeholder groups.

Based on the experience of African FLEGT partner countries in the light of these challenges, a checklist can be establish. It would need to include the following elements:
1. Mapping all stakeholder groups concerned by the VPA FLEGT process;
2. Capacity building of actors within each stakeholder group;
3. Organizing platforms for each stakeholder group to freely choose their representatives for negotiations, and encourage communication within each group as well as between platforms;
4. Technical animation of the process by resource persons who have good knowledge of the FLEGT Action Plan;
5. A constructive social communication strategy that uses different channels adapted to different stakeholder groups;
6. Transparency and equity among national institutional actors;
7. Establishing consensus as the main decision-making approach;
8. Applying the principle of good governance in decision making.

For the negotiation phase, the main challenges include:

- Maintaining the momentum, interest and participation of all stakeholders groups;
- Building on the strengths and potential of different institutional actors;
- Arriving at a final agreement that takes into account all national legal requirements applicable to the forestry sector and assigns clear responsibilities to other sector public administrations (labor, environment, trade, Industry, transport, law enforcement agencies etc.);
- Guaranteeing ownership of the agreement and its annexes by all stakeholders;
- Answering two questions: 1) What are the benefits of the VPA to the country? and 2) What are the objectives of the EU: development or trade?

To overcome these challenges, the key element has been the maintenance and strengthening of the participatory approach. After a more scientific analysis of the Cameroon case (Box 1) of VPA negotiations, Wodschow et al. (2016) recommend more attention to who should identify the stakeholders, how to identify them and how they should participate. Additionally, the participation process should be adapted to the specific context. For instance, the process should build on existing networks. Leaders of the process should acknowledge that NGOs do not always legitimately represent specific social groups, such as indigenous peoples, nor do they always adopt culturally appropriate methods for engaging and supporting stakeholders. During the negotiation phase, it is important to take costs and time into account, especially as most tropical timber-producing countries have limited human and financial resources. Access to information is essential to enable stakeholders to participate and express their opinions.
The Indonesia-EU VPA FLEGT agreement builds on Indonesia’s existing efforts, including its timber legality assurance system (SVLK), to address illegal logging. The parties negotiated the VPA between 2007 and 2011. In September 2013, Brussels and Jakarta signed a VPA (known as the Timber Act) that was ratified in 2014 and entered into force on 1 May 2014 as a legally binding trade agreement. The goal of the Indonesia-EU VPA process is to provide a legal framework to ensure that all timber products (as covered by the agreement) imported into the EU from Indonesia have been legally produced. In addition to promoting legal trade, the VPA addresses the causes of illegality by improving forestry governance and law enforcement. A major strength of the agreement is that it looks beyond trade to consider development and environmental issues, as well as to examine how policies affect local populations.

The Indonesia-EU VPA describes a timber legality assurance system capable of verifying that timber and timber products produced and processed in Indonesia come from legal sources and are in full compliance with relevant Indonesian legislations, as verified by independent auditing and monitored by civil society. The timber legality assurance system described in the VPA is based on Indonesia’s SVLK.

Indonesia’s authorities have taken a number of important steps to tackle illegal logging and its associated trade, notably by ratifying the VPA. The process of negotiation of the VPA resulted in the introduction of the SVLK, clarification of the relevant legal framework, and significantly improved engagement with stakeholders in the forestry sector. There have also been important developments in recognizing indigenous peoples’ tenure rights to forest land and related resources. However, implementation and enforcement challenges remain. In particular, progress is hampered by a poorly functioning, decentralized governance system, persistent corruption and insufficient transparency of information.

Before FLEGT licensing can begin, a joint assessment must confirm that Indonesia’s timber legality assurance system functions as described in the VPA, since the joint assessment of the system identified issues that still needed to be resolved. On 21 April 2016, the Indonesian President and the European Commission President agreed to move swiftly towards reducing illegal logging and promoting trade in legally produced timber through the first-ever FLEGT licensing scheme. The announcement was based on the joint assessment that Indonesia is fully ready to implement their VPA, based on the inclusion of all relevant products groups in the scope of the agreement. With this breakthrough, the two parties are ready to move swiftly towards a fully operational licensing system, making Indonesia the first country to pass this final stage. The agreement will boost legal trade, modernize and formalize Indonesia’s forest sector, and improve business practices, enabling many thousands of businesses to meet market demand for legal timber and related products.

Although no African country has fully completed an implementation phase by issuing FLEGT licenses, the main challenges to be overcome will be:

- Develop, consolidate and operationalize all tools of the TLAS, including the legality grid, the traceability system, a monitoring system for forest activities based on a computerized data base, a national forest control system with inputs from independent observers, a system for the issuance of FLEGT licenses and the TLAS auditing system;
- Implement enabling measures for the VPA, including financing
mechanisms, policy reforms, monitoring the TLAS’ functioning, publication of information, monitoring VPA impacts and an institutional framework for the implementation of the VPA;
• Allow stakeholders external to the forestry administration to have a say in the policy making processes relevant to legal framework reforms promised in the VPA and the comprehensive timber traceability system that is key to the LAS.

e) Constraints of the VPA process in Africa
VPA implementation has proved more complex than anticipated. African FLEGT partner countries that have signed VPAs have faced technical, structural, institutional and financial constraints (Bigombe, 2016) that have prevented them from completing the third phase and issuing a FLEGT license.

Technical constraints
Technical constraints have been three-fold:

• difficulties establishing national timber traceability systems that are reliable and adapted to the specific national context;
• insufficient and limited testing of legality grids; and
• the absence of systems for information and data compilation, centralization and archiving.

Failure to develop national timber traceability systems. In all cases, international consultancies from Europe, such as the Société Générale de Surveillance (SGS) or Helvetas, have been contracted to develop timber traceability systems that, with the exception of CAR, have proven difficult to operate.

Consultants have developed complicated systems that are neither adapted to local needs and realities nor meet all the requirements of the VPAs. The systems developed in the Republic of Congo and Cameroon did not make full use of existing systems, and treated legality components (e.g. management of logging titles not linked to forest taxes) in isolation from the entire system. The international consultants engaged themselves in the development of all-electronic systems without taking into account the technological and power-supply environment of the country. Local operators were frustrated because they never saw the systems for which they were trained actually working in the field.

Insufficient testing of legality grids. Blank tests of the legality grids were conducted in many countries, including those of the Congo Basin. The testing allowed the adjustment of the legality grids and the identification of indicators that had no meaning in the field. The testing led to insights on the legality of
logging enterprises that are active in FLEGT partner countries as well as on the capacity of the forestry administration to ensure legality verification in the field. However, in all cases, testing did not cover all logging titles concerned by the VPA. In the case of Gabon, during VPA negotiations, the legality grid was not field-tested due to budget constraints.

**Absence of information and data-management systems.** Implementation of the VPA will generate a large amount of data and information to be shared between many public administrations, stakeholders and interested parties. The availability of this data and access to this information are central to achieving transparency. VPAs have provisions for establishing and managing of databases, but no country currently boasts a centralized database on forest activities, although all are working with international firms to build them.

**Structural constraints**

Structural constraints on VPAs include the functioning of the national legality verification systems and the weak organization of the domestic timber markets.

**The functioning of the national legality verification systems.** TLAS is the main pillar of VPA implementation. Its function is to identify, monitor and license legally-produced timber, and ensure that only legal timber is exported to, and imported by, the EU. However, all VPAs developed to date go beyond this requirement, covering all timber destined for export (regardless of destination) and some VPAs cover all timber, including that for domestic use (Cooney et al., 2012). TLAS is the tool that makes the distinction between legal and illegal timber. Its five main elements are the definition of legally produced timber, chain of custody control, a verification tool, issuance of FLEGT licenses and the independent audit of the system.

Good TLAS implementation would require the participation of public authorities other than the forestry administration. However, if most of the time, the forestry administration has enough experience with the legality verification system on which the TLAS requirements of the VPA will be based, this is less so for other public bodies involved. In many cases, manuals on TLAS implementation are developed and tested without inputs from other administrations and coordination between them and the forestry administration remains limited. This is a matter of mentality changes, rather than a limitation of information or communication technologies, requiring new approaches to the functioning of public administrations.

**Weak organization of domestic timber markets.** Domestic timber markets are mostly supplied by artisanal sawmilling but represent an important share of the timber sector. This is not only because of the quantities of timber products
concerned, but also the number of actors involved, the geographic coverage of the activity and the complexity of the value-chain structure. In some countries, there are links between the artisanal sub-sector and the formal industrial timber sub-sector. Indeed, timber products from the artisanal sub-sector are often exported overland to neighboring countries (Eba’a Atyi et al. 2016).

Of the five African VPA countries, only CAR has not included the domestic market in its VPA (in order to simplify implementation. However, this may be a missed opportunity to address governance problems. Further, it may not actually be simpler to make a distinction between timber products originating from the artisanal sub-sector and those from the industrial sub-sector at the entrance and exit of each timber-processing firm.

For the other four countries that chose to include the domestic market in the VPA, illegal timber traffic continues. Formalizing the activities of the domestic timber markets thus remains a challenge.

Institutional constraints

Institutional constraints are related to the political and strategic steering of the VPA process and delays in forestry-sector reforms including revision of the legal framework.

Political and strategic steering of the VPA process. VPAs are bilateral agreements between two parties, the EU on one side and the FLEGT partner country on the other. The specific commitments included are the responsibility of signatory states and their governments, not of the forestry administration alone. All government administrations involved in harvesting, transporting, trading and processing timber products should bear some responsibility for VPA implementation.

In signatory countries as well as in countries where negotiations are ongoing, higher government authorities, such as the office of the prime minister, have been leading negotiations. However, once agreement is reached, leadership on implementation is transferred to the forestry administration, which has no power over other public administrations and no say in their priority setting. Misunderstandings, power disputes and lack of coordination between government administrations make it more difficult to implement VPAs. The political and strategic steering of the process should be placed under a higher government authority such as the head of government. Such political and strategic positioning would facilitate decision making for VPA implementation.

Delays in forestry sector reforms and in the revision of the forestry legal framework. VPA negotiations in FLEGT partner countries have helped identify the need for reforms in the forestry sector and to revise forestry-related laws and regulations. In fact, in most VPA countries there is even a need to revise the
### BOX 02

**CAMEROON VPA FLEGT CASE SUMMARY**

VPA negotiations between Cameroon and the EU started in November 2007 and continued for more than 2 years. On 6 October 2010, Cameroon and the EU signed the VPA FLEGT Agreement. The aim of this agreement is to strengthen forestry governance and promote trade in verified legal timber between both parties. The agreement introduces a FLEGT licensing scheme that is based on a series of requirements laid out in Cameroonian legislation and applicable to the forestry sector, with reinforced control and verification processes, in addition to an independent auditing mechanism aimed at guaranteeing the legality of timber and derived products exported to the EU. The agreement came into force on 01 December 2011.

The agreement also establishes measures to ensure the participation of key stakeholders in its implementation and involves commitments aimed at increasing transparency and ensuring the public is better informed. The VPA is a legally binding trade agreement that sets out the commitments and actions that Cameroonian authorities will take to eradicate illegal logging and associated illegal trade, to improve forest governance and to promote SFM. However, implementation of the VPA in Cameroon has faced a number of challenges that should be resolved before implementing the validation system of legality. The entry into force of the European Union Wood Regulation makes such a reflection even more urgent, given:

- **Legality verification procedures.** The guarantee of the legal conformity of timber exported within the EU from the effective start of the FLEGT licensing scheme constitutes one of the major challenges that the stakeholders of the agreement must face. Thus, the agreement provides for the introduction of a legality assurance system (LAS), described in Appendix 2-A of the agreement. Its aim is to ensure the credibility of the FLEGT license. Furthermore, the traceability system, which is the backbone of the LAS for timber and derived products, is still under development.
- **Legality definition and regulatory changes.** The aim of the VPA is to provide a legal framework ensuring that only legally produced timber and derived products are imported into the EU from Cameroon. The agreement stipulates that short- and medium-term legal and regulatory reforms should be carried out to ensure greater coherence of the legal framework applicable to the forest. Those reforms are still in the pipeline.

- **Domestic timber market.** The domestic timber market was created to improve the organization and channeling of the local market supply chain through a formal framework. In 2014, the Ministry of Forest and Wildlife made a great effort to bring the domestic timber market closer to supply chain operators in the local market.
- **Trade in FLEGT-Licensed Timber.** The VPA aims to establish an exclusively legal trade in timber and derived products between Cameroon and EU. This point is connected to FLEGT licenses, the issuing of which is still not effective in Cameroon due to the lack of development and establishment of the components of the FLEGT licensing scheme.
- **Institutional strengthening.** The VPA FLEGT between Cameroon and the EU introduces an LAS, the effectiveness of which is dependent not only on the establishment of the appropriate structures but also on human, material and financial means for implementation.
- **Stakeholder involvement and communication.** VPA FLEGT is multi-stakeholder process. Therefore, implementation needed to be participatory and transparent through ongoing, easy information availability and access.

Cameroon’s VPA is officially in implementation, but the country still faces many hurdles and challenges. Thus it is fair to conclude that Cameroon is still in the preparatory phase.
forest policy statement, if it exists, or to write one, where it does not. In many cases, forestry-sector stakeholders, led by the forestry administration, have drafted revised versions of forestry laws and regulations but found it difficult for them to be enacted by relevant government and legislative authorities. As a result, there are multiple low-level administrative decisions required to move forward.

**Financial constraints**

There is often insufficient funding to implement the VPA process and no sustainable mechanism for joint financing of the VPA.

**Insufficient funding to implement the VPA.** The Agreement generally includes financing measures and mechanisms for implementation of the VPA. The parties will have identified areas where technical and financial resources are most needed. The additional financial resources are subject to the classic development-aid mechanisms of the EU, on one hand, and the budget mechanisms of FLEGT partner countries, on the other, although international NGOs have also contributed to fundraising in support of the VPA process. However, all financial resources allocated to the VPA process have proven insufficient. In Gabon, for instance, negotiations were stopped because there was insufficient funding for field tests of the legality grids.

**Absence of sustainable mechanism for joint financing of VPA.** In most cases, the question of a sustainable financing mechanism for VPA in the short, mid and long term have not been examined thoroughly and there is no quantified estimation of future financial resources. In the field, the large number activities that needed to be financed have been discovered on a step-by-step basis. No FLEGT partner country has figures on financial needs for the subsequent five to ten years.

3.5.3 **Sub-regional initiatives to promote forestry law enforcement and governance in Africa**

Groups of countries or sub-regions in Africa have initiated many projects and programs to promote forestry-law enforcement and good governance. Two sub-regions – Southern Africa, with SADC, and Central Africa, with COMIFAC – have gone furthest.

**SADC Regional Law Enforcement, Governance And Trade (SADC-FLEGT) initiative**

SADC groups 15 countries in the southern cone of Africa, as well as Madagascar, Mauritius and the Seychelles. It is an international organization whose goal is to promote sustainable and equitable economic growth and socio-economic development through efficient productive systems, deeper co-operation and
integration, good governance and durable peace and security among its member states.

SADC launched the SADC-FLEGT initiative in 2013 with a view to strengthening the implementation of FLEGT activities at national and regional levels by raising awareness and resources as well as by improving coordination (SADC, 2013). In addition to fighting illegal logging and the trade in illegal timber products, SADC-FLEGT is committed to addressing the “formalization” of the informal trade in forest products.

The formal goal of SADC-FLEGT is “to ensure that forest products are harvested and traded with and within the SADC region and other countries based on a jointly agreed legal framework in line with the principles of sustainable forest management with the participation of all stakeholders including communities and with strong independent and transparent law enforcement agencies.” More specifically, SADC-FLEGT aims “to harmonize FLEGT policy and the regulatory framework within five years in order to enhance legal harvesting and trade in forest products for the sustained benefit of SADC Member States”.

Hence, compared to EU FLEG, SADC-FLEG goes beyond the promotion of legality in timber harvesting and trade to embrace the wider area of SFM. SADC-FLEG does not specifically privilege timber trade with the EU, although it has received some financial support from EU member states and the FAO ACP-FLEG Program (also financed by the EU). The SADC–FLEG Initiative, instead, puts more emphasis on trade within the SADC sub-region and subsequently within Africa.

The Central Africa Forest Commission (COMIFAC)
COMIFAC was created in 2000 following the 1999 Yaoundé Summit of Central African Heads of State on the Conservation and Sustainable Management of Tropical Forests and the signing of the Yaoundé Declaration. COMIFAC was initially the Conference of Ministers of Central Africa before becoming a sub-regional intergovernmental institution with the signing of the COMIFAC Treaty in 2005. COMIFAC consists of 10 member states: Burundi, Cameroon, CAR, Chad, Republic of Congo, DRC, Equatorial Guinea, Gabon, Rwanda and Sao Tome and Principe.

Headed by the Council of Ministers, COMIFAC is the political and technical body for orientation, coordination and decision making with respect to conservation and sustainable management of forest ecosystems in Central Africa. It harmonizes and coordinates the forestry and environmental policies of its member states. The COMIFAC Convergence Plan defines common intervention strategies for the conservation and sustainable management of forest ecosystems and savannas for the development of Central Africa.
The first Convergence Plan was adopted in 2005 and a revised version was published in 2015. It includes the harmonization of forest and environment policies, the sustainable management and valorization of forest resources, the conservation and sustainable use of biological diversity, the fight against climate change and desertification, economic development and multi-stakeholder participation and sustainable financing as its six priority areas. In addition, three cross-cutting priorities are training and capacity building, research for development and communication, sensitization, information and education.

One of the most noticeable achievements of COMIFAC in the area of forest law enforcement is the sub-regional agreement on forest control in Central Africa¹, which was signed by eight out of ten member countries (Rwanda and Sao Tome did not sign) in 2008. The agreement is applicable to activities related to logging, processing, monitoring and evaluation and the transport of forest products from the sub-region, both at the national and sub-regional levels. One provision of the agreement allows cooperation and joint activities between law enforcement officers of neighboring countries.

Another initiative is the management of transboundary protected areas and landscapes such as the Dja-Odzala-Minkebe landscape between Cameroon, Gabon and the Republic of Congo. Similarly, there is a commonly managed landscape of protected areas between Cameroon, Republic of Congo and the CAR called the Tri-national de la Sangha. Experts agree that COMIFAC has been integral to the facilitation, management and coordination of these transboundary landscapes (Grant et al. 2013).

COMIFAC has been able to enhance its authority and legitimacy by developing a reputation among network partners as a reliable organization that represents regional interests and takes its forestry governance work seriously. Its positive internal and organizational traits have resulted in informed decision-making and positive interactions with state and non-state actors in relevant forums (Grant et al. 2013). COMIFAC member stakeholders pledged to adopt an autonomous funding mechanism to ensure sustainable operations without external funding. However, unpaid or late pledges have limited COMIFAC effectiveness.

### 3.5.4 Others forestry governance initiatives

Other initiatives promoting legality and sustainability in the forestry sector in Africa include forest certification (the main initiative from the private sector), independent-observer projects, membership of EITI and capacity-building efforts oriented towards local community and civil-society organizations. Two of these — forest certification and independent-observer schemes — are implemented in most timber-producing countries of Africa and their impact on forest governance is recognized internationally.
**Forest certification**

Forest certification was initially developed as a response to deforestation and the social, economic and environmental consequences of forestry (Rametsteiner and Simula, 2003). It was designed to address environmental and social externalities related to unsustainable forest management practices through private regulation enforced by the market, either through incentives provided by market premiums or the threat of boycotts by buyer groups and consumers (Cornelis van Kooten et al. 2005). Certification is used to ensure that forest management complies with socio-economic and environmental principles that are reinforced through third-party audits. The use of a label or logo provides consumers with credible guaranties that products come from environmentally responsible, socially beneficial and economically viable forest management (Araujo et al. 2009; Cashore et al. 2004). Many NGOs, most notably the Worldwide Fund for Nature (WWF), have championed certification as one solution to the limited, often ineffective governance of forest and fishery resources in developing countries (Cashore et al. 2006).

Forest certification has three components: forest management standards, certification and accreditation. All forest management standards include compliance with national, sub-national and local laws, and the regulations of countries in which forest management takes place. Therefore, forest certification underpins legality and forestry-law enforcement, which are also among the core issues addressed by the FLEGT Action Plan. The three types of certification are:

- **Legality**, which ensures that forest management is conducted in full respect of all relevant forestry laws and regulations in force in the country of operation. In this case, the certification standards consist solely of legal requirements covering different aspects of the forest-management business.
- **Forest management**, which requires that forest management meets the requirements of "good forest management" in addition to legal requirements. This type of certification in some cases promotes SFM practices.
- **Chain-of-custody**, which ensures traceability and enables environmentally sensitive consumers to choose products from certified forests.

The main focus of governance is on the first two types of forest certification. In Africa, legality certification has mainly been implemented by two certification bodies: SGS, with its Timber Legality and Traceability (TLTV) Program, and Veritas, with its program on Legal Origin of Timber (OLB). There are two main forest-management certification systems at the international level, the Forest Stewardship Council (FSC) and the Program for the Endorsement of Forest Certification (PEFC) initiatives. Although PEFC claims to be the world’s largest forest certification system (PEFC, 2016), FSC certification is the most widely...
implemented in Africa. In total, there are more than 7.5 million ha of FSC certified forest in Africa, most of which are in Central Africa (Table 3).

**TABLE 03**
AREAS OF CERTIFIED FOREST UNDER THE FSC SYSTEM IN AFRICA

<table>
<thead>
<tr>
<th>Country</th>
<th>Area certified (ha)</th>
<th>Number of certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Africa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cameroon</td>
<td>940,945</td>
<td>4</td>
</tr>
<tr>
<td>Congo, Republic of</td>
<td>2,625,003</td>
<td>4</td>
</tr>
<tr>
<td>Gabon</td>
<td>2,033,627</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total: Central Africa</strong></td>
<td>5,559,575</td>
<td><strong>11</strong></td>
</tr>
<tr>
<td><strong>West Africa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ghana</td>
<td>3,367</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total: West Africa</strong></td>
<td>3,367</td>
<td><strong>1</strong></td>
</tr>
<tr>
<td><strong>Southern Africa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Madagascar</td>
<td>1,298</td>
<td>1</td>
</tr>
<tr>
<td>Mozambique</td>
<td>49,132</td>
<td>2</td>
</tr>
<tr>
<td>Namibia</td>
<td>147,851</td>
<td>4</td>
</tr>
<tr>
<td>South Africa</td>
<td>1,477,119</td>
<td>23</td>
</tr>
<tr>
<td>Swaziland</td>
<td>56,556</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total: Southern Africa</strong></td>
<td>1,731,956</td>
<td><strong>33</strong></td>
</tr>
<tr>
<td><strong>Eastern Africa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tanzania</td>
<td>172,052</td>
<td>3</td>
</tr>
<tr>
<td>Uganda</td>
<td>38,975</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total: Eastern Africa</strong></td>
<td>211,027</td>
<td><strong>6</strong></td>
</tr>
<tr>
<td><strong>Total: Africa</strong></td>
<td>7,545,925</td>
<td><strong>51</strong></td>
</tr>
</tbody>
</table>
A scientific assessment of the social impacts of FSC certification in the Congo Basin (Cerutti et al. 2016a) found that certified forest management enterprises:

- Provide better working and living conditions for timber company workers and their families;
- Have more inclusive and better governed structures for negotiations between local populations and logging companies;
- Have better managed and more effective conflict resolution mechanisms; and
- Adopt more innovative ways of dealing with the infringement of customary uses.

Forest-management companies that export a high proportion of their timber products are more likely to seek certification (van Kooten, 2004). However, their potential to improve governance in the forestry sector, as a whole, or even merely the timber sector, is rather limited. Forest certification in Africa tends to encourage the creation of small, virtuous elite groups of logging companies that export timber products to environmentally sensitive markets in Europe, North America and Japan, while the majority of companies are left to do business as usual. Moreover, as forest certification is a market instrument, private companies would be more encouraged to join if there were clear financial benefits but, on the contrary, certification can be a costly exercise whose economic benefits may not be immediately clear. The three most important benefits claimed for forest certification are market access, improved public image and price premiums. However, price premiums have proved difficult to realize (Chen et al. 2010).

Independent observation

Independent-observation (IO) initiatives have been implemented in Africa since the early 2000s. The basic principle is that a non-state organization (an independent observer) works jointly with the government services in charge of forest-operation monitoring and law enforcement. The aim is to improve the credibility of forest-law enforcement through the systematic, transparent and independent identification of failures in the governance system. One of the first countries to launch an IO initiative was Cameroon, learning from its success in Cambodia. The Republic of Congo, DRC, and Côte d’Ivoire subsequently followed.

In most cases in Africa, independent observers are chosen from among international environmental NGOs. Based on their analysis of the Cameroon case, Fomete and Cerutti (2008) provide the rationale for the involvement of IOs in the quest for improved forest governance and lessons to apply. The choice of international NGOs is based on claims that they, unlike the public and private sectors, would have no direct interest in the outcomes and would have good-
governance ideals to defend. They also have a reputation to maintain and are usually considered by the international community to be more credible. However, the need to select from a very limited number of NGOs who can deliver this type of service is one limitation on the market.

Moreover, there have been several allegations – especially from government ministries and logging companies – that the choice of particular NGOs leads to the misuse of information and violation of contractual terms. However, it is difficult to assess such charges since there is neither a system of professional accreditation of IOs nor an institutional mechanism in which such an assessment could take place.

A lesson from the Cameroonian experience is that control and verification systems must rely on objective procedures with clear legal prescriptions for decisions to be taken at key nodes in the system. Where objective criteria do not exist, there are recurrent causes of frustration, even for civil servants in the ministry, that may undermine the effectiveness of the whole verification system. Subjectivity on such important matters might foster inequitable treatment among logging companies and, indeed, foster corruption.

Another important lesson is that, if the ministry does not buy into the reform process or if the reforms are pushed through as conditionalities, even the application of objective criteria does not guarantee real governance improvements.

3.6 Assessing the impact of initiatives promoting forest law enforcement and governance

Although there are still no FLEGT licenses issued from African countries, the FLEGT process and other initiatives to promote forest law enforcement and governance have impacted the forestry sector in Africa. The most significant are considered in the following paragraphs.

Increased participation of all stakeholder groups in forestry-sector decision making and dialogue between forestry actors. The involvement of the private sector and CSOs in FLEGT negotiations can be seen as the start of a new approach in which stakeholders groups participate in decision and policy making around the forestry sector. In all three target countries, representatives of the private sector and CSOs are invited to sit alongside government officers to revise forestry laws and regulations. The dialogue has reduced conflict between stakeholder groups but it seldom includes actors formally outside the sector who can have a huge impact on forest resources and land.

The political profile of the forestry sector has increased. In many African countries (Liberia is an exception), the contribution of (usually industrial) forestry
Financial support to the forestry sector. Implementation of the FLEGT Action Plan has helped secure financing from the EU to support reforms in the forestry sector. Each African country that has concluded a VPA with the EU has received tens of millions of Euros to support the process. Additionally, in all cases, there has been bilateral support from countries like the UK, France and Germany (which provided more than EUR 10 million to support forest certification in Central Africa) to strengthen forestry initiatives.

Identification of weaknesses in the technical and legal frameworks of the forestry sector. The analyses for the VPA negotiation phase have often helped African countries partners, to identify weaknesses in their technical and legal frameworks. This, in turn, has led to revisions to laws and regulations and in the design of new technical systems, for example to meet the requirements of TLAS.

Better forest management practices in the field and improved social impact of logging. Forest certification has promoted better and more sustainable field logging practices and has improved their social impact through improved benefit-sharing systems around forest concessions. The impact, however, is limited, as FSC certification covers only about 10% of concessions in Central and West Africa.

Capacity building of forestry actors. All forestry governance initiatives have included a capacity-building component, not only for government officials, but also for local CSOs and communities. It has typically targeted forest operation, monitoring and legality.

4. CONCLUSIONS

The forestry sector plays an important role in African economies, especially for some countries and sub-regions. Intra-African trade in timber products, however, remains weak, compared to the value of exports of timber products to international markets and imports of timber products (mainly from Europe). If the demand-and-supply potential of timber and timber products within Africa could be realized, the forestry sector would not only increase its contribution to improving the quality of life for Africans, but will also contribute to African political integration through intra-African trade in timber products.

The demand for timber products from African markets is increasing, while the demand for tropical timber products from the developed economies of Europe, North America and Japan is on the decline. Unfortunately, the intra-African
market in timber products is largely dominated by informal value chains through insufficiently monitored overland trade. The impact of timber harvesting to supply domestic markets in African countries and regional markets is difficult to estimate, especially in terms of forest degradation and future timber-production capacity.

The concession model, mainly in the Congo Basin, characterizes industrial timber production. Most concessions are granted to foreign-owned companies but the concession model, nonetheless, has the potential to secure the PFE and deliver a sustainable forest industry.

Governance challenges continue to hinder the forestry sector’s capacity to contribute significantly to the industrialization of Africa and improved well-being of its people. Within the sector, enforcement of forestry laws and regulations tends to be poor, while the informal sector remains uncontrolled and poorly monitored. The forestry sector also has to contend with invasive political influence on forest policy and decision making, the absence of land-use planning and lack of coordination between government ministries.

There are several initiatives aim to improve forestry governance, both from within Africa and in cooperation with international partners. One of the most important of these is the EU FLEGT. The FLEGT Action Plan provides a framework for timber-producing countries to combat illegal logging and the trade in illegally harvested timber products in partnership with the EU through the signing and implementation of VPAs. Of the six VPAs that have been signed, five are with African countries but none has arrived at the implementation phase due to technical, structural and institutional constraints. However, although the Action Plan has failed after ten years of existence to reach the licensing stage, it has mobilized about EUR 1 billion to combat illegal logging in tropical timber-producing countries through capacity building, the technical improvement of legality verification systems, improved equity among stakeholders and improved transparency in forest operations.

African countries have launched their own initiatives, such COMIFAC in Central Africa and SADC-FLEGT in Southern Africa. The private sector has also been active with voluntary forest certification. There is a general sense that forestry governance in Africa is improving.
FLEG regulation through the VPA process and other forest governance initiatives, including forest certification, have allowed for improvements in establishing forestry law enforcement and governance in Africa. However, the FLEG Action Plan uses the demand for tropical timber products by European markets as its main leverage and it is unclear how licensing will be implemented for national markets. All systems currently under development are oriented towards monitoring overseas timber exports, while forest certification would be a market instrument used for environmentally sensitive markets in Europe, the United States and Japan.

The link between national timber markets and intra-African supply, is poorly understood, despite the evidence that exploitation is growing sharply with more impact on forest resources and forest biodiversity as well as on the livelihoods of people living in forested areas. There is a need for research on in-country and cross-border timber flows.

To have a decisive impact on forest governance and the wellbeing of African people, AfDB should implement a regional program to promote legality in both national and intra-African timber markets. The regional program for the promotion of legality in African timber trade (PROLIGATT) would aim at improving the contribution of the forestry sector to Africa’s economies through the formalized trade of legal timber products between African sub-regional markets. Figure 4 presents the theory of change through which PROLIGATT would produce outcomes and impacts.

The overall objective of the program would be to contribute to African integration. The program would promote the supply of domestic timber markets in legal products, establish conditions that facilitate the trade of legal timber products between African countries and sub-regions and facilitate high-level political dialogue on intra-African forestry trade.

PROLIGATT would focus on the development of reliable monitoring systems for domestic timber markets and evaluate the impact on both stocks and the environment. The program would assist in the development of public procurement policies for timber and timber products within participating countries. It would focus on strengthening regional organizations and African regional economic communities and it would promote high-level dialogue on the forestry sector through regional ministerial conferences aiming to commit governments to harmonizing timber trade policies and eliminating timber trader barriers.

A progressive approach to implementing such a program could be adopted, starting, for example, with two sub-regions that could be Central and West
Africa. PROLIGATT would first be implemented with the two respective economic communities, ECCAS and ECOWAS. However, the program would be coordinated with the African Union framework for the sustainable management of African forests. A first step would be to review the legal frameworks in participating countries in order to achieve some level of harmonization. The added value of PROLIGATT would come from the inclusion of small and medium timber trading enterprises in the process.
Study report
Assessing progress in the implementation of forest law enforcement and governance (FLEG) action plan in Africa

FIGURE 04
THEORY OF CHANGE AND IMPACT PATHWAY FOR PROLIGATT

<table>
<thead>
<tr>
<th>Rationales</th>
<th>Stakeholder groups involved</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good governance and law enforcement reduces illegal logging.</td>
<td>Governments</td>
<td>Knowledge Co-production activities:</td>
</tr>
<tr>
<td>Clear licensing processes facilitates/strengthens intra-African timber markets, and improves the forest biodiversity and livelihood of local communities.</td>
<td>Civil society organizations</td>
<td>• Forest management practices</td>
</tr>
<tr>
<td></td>
<td>Private sector</td>
<td>• Conflict resolution mechanism</td>
</tr>
<tr>
<td></td>
<td>Community forests</td>
<td>• Timber traceability system</td>
</tr>
<tr>
<td></td>
<td>Regional / international organizations</td>
<td>• Monitoring systems</td>
</tr>
<tr>
<td></td>
<td>Donors</td>
<td>• Development of public timber procurement policies</td>
</tr>
<tr>
<td>Assumptions</td>
<td></td>
<td>Capacity building of local NGOs, CSO and regional organizations</td>
</tr>
<tr>
<td>Poor enforcement of forest laws and regulations</td>
<td></td>
<td>Facilitation of multi-stakeholder fora</td>
</tr>
<tr>
<td>Invasive political influences on forest policy and decision making</td>
<td></td>
<td>• political platform to ensure an inclusive decision making with CSOs and governments</td>
</tr>
<tr>
<td>Lack of land use planning</td>
<td></td>
<td>Facilitation of regional economic communities meetings:</td>
</tr>
<tr>
<td>Prominent and poorly monitored informal sector</td>
<td></td>
<td>• Awareness of the role of trade of forest products/timber</td>
</tr>
<tr>
<td>VPA constraints: (a) technical: no timber traceability systems, limited testing of legality grids; (b) structural: verification system, weak domestic timber markets; (c) institutional: strategic steering of VPA, delayed reforms (d) insufficient financials for VPA, no sustainable joint-venture structure</td>
<td></td>
<td>• Awareness of the role of ‘regional’ trade</td>
</tr>
</tbody>
</table>

PROBLEM STATEMENT
WEAK GOVERNANCE CONTRIBUTES TO THE RISE OF ILLEGAL LOGGING AS A MAJOR POLICY ISSUES, WHICH HAS AN IMPACT ON FOREST BIODIVERSITY, WILDLIFE HABITAT, SOIL QUALITY, ACCESS TO WATER AND POVERTY/LIVELIHOOD OF COMMUNITIES. FLEGT AND OTHER INITIATIVES (FOREST CERTIFICATION) SUPPORT WAS INSUFFICIENTLY DESIGNED AND EU SUPPORT WAS INSUFFICIENTLY EFFECTIVE

GOALS
INITIATE THE PROCESS OF SUPPORTING TIMBER EXPORTING AFRICAN COUNTRIES IN COMBATING ILLEGALITY IN TIMBER HARVESTING AND TRADE, THROUGH PREPARATION OF FLEG NATIONAL STRATEGIES AND IMPLEMENTATION OF EU-FLEGT VPA
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Intermediate outcomes
KNOWLEDGE Co-production and multi-stakeholder fora Outcomes:

Engaged actors
- Learn skills, methods and tools
- Internalise the value of timber and the role of regional timber trade
- Understand how evidence can support decision making

Long-term outcomes
Actors use information, tools and analysis to:

1. Create enabling conditions for
2. Design and implement
3. Monitor and reinforce FLEGT, forest certification and other initiatives.

Impact level
Program outcomes contribute to global efforts to:

- Forest biodiversity
- Wildlife habitat
- Soil and water quality
- Access to water and labor market activities
- Livelihood of forest/rural communities
- Avoid greenhouse gas emissions
- Reduce deforestation
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Annex 1. INDIVIDUAL REPORTS FOR VISITED COUNTRIES

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ANNEX 1  INDIVIDUAL REPORTS FOR VISITED COUNTRIES

1a. Country report: Côte d’Ivoire

Interviews

Discussions were held with 41 key actors from government (20), national CSOs (9), the private sector (5), traditional rulers (5) and international organizations (2). Most conversations were done with groups of two to nine people.

Perception of the state of forests in Côte d’Ivoire

The unanimous view of all stakeholder groups is that forest cover in Côte d’Ivoire has drastically decreased from about 16 million ha during the colonial era to the current estimation of less than 2 million ha. Furthermore, the remaining patches of forests are severely degraded. The situation is often described as catastrophic. In fact, in the early years after independence, the forestry sector was one of the main pillars of economic development in the country and the main engine of its industrialization. There are about 100 operational timber processing firms, and the industry is active in many regions of the country.

The two categories of forest are the PFE and the forests of the rural domain that can be converted to other types of land use. The PFE consists of 231 classified forests (Fig. A1) under the management of SODEFOR, a parastatal created in 1966. Classified forests are supposed to be allocated solely to timber production but they are severely affected by the search for farmland; estimates of encroachment rates vary from 50% (according to government) to 90% (according to civil society). There is general agreement that no more than 10 classified forests could be restored and saved as natural forest, even if the state allocates the necessary resources.

The rural domain includes secondary forests away from forest galleries that have been divided into 387 woodlots (also called PEF) and that are in the hands of the MINEF Central Administration. PEF are granted by the Minister of Waters and Forest to private companies for logging under a quota system. For each PEF granted, a specific harvest “quota” is allowed.

The PEF are also severely degraded and private companies are looking to expand into other areas needs the harvestable timber per unit decreasing. The degradation is so severe that some traditionally high-value timber species, such as Iroko (Milecia Excelsa), are disappearing and logging is now done on very light-weight species such as Fromager (Bombax spp.) that grow in fallow areas.

Animal populations have decreased significantly as their forest habitats recede, especially outside the national parks. The parks are managed by a special government agency while the fauna resources outside are the responsibility of MINEF through its Wildlife Directorate. Ironically, it is estimated that poaching and wildlife abuses have increased steadily since 1974, though hunting is forbidden in Côte d’Ivoire. Since the advent of Ebola in 2014, poaching has decreased not only due to government efforts but also because of the awareness of the Ivorian people.

Main governance issues

Numerous forest governance issues are evoked by representatives of stakeholder groups in Côte d’Ivoire.

The legal and regulatory framework of the forest and wildlife sector is obsolete, ill-adapted and weak. In contrast with most African countries that revised their forestry codes following the 1992 Rio Earth Summit, Côte d’Ivoire maintained its 1965 forest law until 2014. Furthermore, the accompanying application regulations (decrees and lower level regulations) are still not signed and the new law cannot yet be implemented, so the 1965 legislation is still in force. Given the worsening state of the national forest domain and the evolving governance reforms in the international forestry/environmental sector, there is an unofficial consensus on applying the law flexibly. The management of forest resources has long been considered a matter for arrangements between interested actors within and outside government, instead of subject to a mandatory application of laws and regulations. A significant example is the wildlife sub-sector to which hunting was closed in 1974. To date,
no regulation has been enacted for the management of fauna resources outside national parks, and everybody has a personal interpretation of government’s intent.

Flexibility in applying forestry laws and regulations has led to widespread corruption in the sector. All stakeholder groups interviewed identified corruption as one of the main governance issues in Côte d’Ivoire’s forestry sector. Even the minister in charge of forests in a television interview on 16 June 2016 raised the issue of corruption within his administration.

The absence of an official national land-use or zoning plan that would limit the extension of agricultural activities and protect the intended 20% of the national territory under forest cover. Côte d’Ivoire has based its economic development on agriculture, both for cash crops (cocoa, coffee, oil palm, rubber) and food. Agricultural activities are still extensive and the required increase in production often means an increase in the cultivated area. Hence, farmers are seeking new areas to cultivate, which can only be found in forested land, whether they be classified as forest or PEF.

The lack of transparency on forest management decisions by government officials. This is especially true at the local, decentralized level where timber harvesting is carried out. Local representatives of the forestry administration are reluctant to divulgate official information, responding to demands for information by orientating people to the central government in Abidjan. Therefore, at the local level, where timber is harvested, it is difficult to distinguish between operations that are legally authorized and ones that are not. To illustrate the importance of the issue, representatives of one stakeholder group pointed out that, the former World Bank (WB) representative, during his farewell ceremony held in the presence of the prime minister, said the WB has not been encouraged to support forestry because of the lack of transparency in the sector.

Politicians at all levels seek to influence or prevent the application of the forestry laws and regulations to protect or favor specific actors in the business. Despite the fact that forestry is not a key sector in the national economy (its contribution to the GDP is less than 1%), it is seen as strategic because it supports growth, especially in housing, and has also been a traditional source of easy money.

Lack of political will to reform the forestry sector and promote good governance. There is a general sense from all forestry-sector groups that there is no genuine political will to reform the sector and promote governance, despite public declarations. For this reason, the “États Généraux” (General Forum) of the sector, held from 16-19 November 2015, called on the government to declare forestry a priority sector. The issue is sensitive, for forestry is widely perceived as competing with agriculture for land. Furthermore, reforms in the forestry sector would certainly affect the whole land-tenure system. One of the traditional rulers said that “The most important threat to peace and stability in Côte d’Ivoire is linked to the rural land-tenure system. Everybody in our country (including foreigners) fights to have a piece of land within a forest, the only place where one can still find fertile soil.”

Weak institutional capacity of the forestry administration, which is short of qualified human and logistics resources. The Central Directorate of Wildlife, for example, in contrast to the Directorate of Forest Exploitation and Industries, is represented in none of the country’s 31 regions.

Political instability. Political instability starting in 2003 lasted for more than ten years. During this difficult period, state institutions were weakened as was the capacity of the government to enforce forestry laws and regulations. Classified forests became priority targets for armed conflicting parties that established themselves in forests and used their resources to raise funds. The situation is slowly improving but the government remains somewhat reluctant to undertake military action to dislodge settlers living and abusing classified forests.

Poor knowledge of existing forestry and wildlife resources. There has been no forest inventory for more than 45 years. Thus, when
allocating resources as PEF to private operators, the forestry administration does not know the extent of national resources, and may unknowingly be contributing to their exhaustion.

Initiatives taken to address governance issues to address forestry governance issues, Côte d’Ivoire has chosen to adhere to the EU-initiated FLEGT process and the associated IO project, which has been promoting transparency in the sector. In the private sector, a few companies have adopted forest certification to show their willingness to implement forest laws and regulation.

a) FLEGT in Côte d’Ivoire
FLEGT negotiations between Côte d’Ivoire and the EU began in June 2013. An initial roadmap, agreed during the first session, was revised in Brussels a year later when the parties decided to set up three thematic groups (definition of legality and the system for the verification of legality (SVL), domestic market enabling conditions and communication and information to the public) and extended the scope from covering only European and international exports to include the domestic market. The FLEGT process has continued with the adoption of a new forestry code in 2014 but signature of the VPA, originally planned for 2017, will be delayed awaiting completion of the implementing legislation whose drafting had still not completed in mid-2017. The development of a legality grid is, thus, not yet possible. Additional constraints include: weak capacity of some actors involved in the process, difficulties maintaining momentum and interest in the process from all stakeholder groups and difficulties related to the circulation of information among actors.

b) The independent observer project
The IO project was financed by the FAO-FLEGT Facility with the aim of improving the credibility of forestry law-enforcement operations through increased transparency and an independent identification of failures in the forestry-governance system. The Wild Chimpanzee Foundation (WFC) was chosen to implement the IO project. To date, independent observers have conducted six missions in the classified forest of Cavally, with teams of trained local community representatives in the presence of SODEFOR officers. IO missions have identified a number of problems with the current implementation of legal procedures and guidelines by both SODEFOR and private operators. Some problems are important enough to threaten the sustainability of forest resources in Cavally. Subsequently, the IO has made recommendations to improve the application of legal procedures in the field.

Impact of forestry governance initiatives
Côte d’Ivoire and the EU have not signed the VPA and, in common with the other VPA countries in Africa are far from issuing FLEGT licenses. However, all stakeholder groups recognize that entering the VPA process has had positive impacts on governance for the forestry sector. The most frequently cited are:

The participation of all stakeholder groups in VPA negotiations and, potentially, in decision making around forestry-sector policies. An example is the current drafting of the texts to apply the 2014 forestry code. In past decrees, called arrêtés, ministerial decisions and official guidelines were unilaterally designed and adopted by government services. Now, although these texts are still drafted by government, CSOs, private sector representatives and customary rulers are invited to comment and propose amendments. During the field visit, for example, a workshop organized by the forestry administration to examine drafts related to the application of the code was postponed because the private sector representatives asked for more time to analyze the proposals.

The FLEGT process has made it possible to have political dialogue on the future of forests in Côte d’Ivoire. Dialogue is possible not only between government and other stakeholders, but between stakeholders, themselves, who may have conflicting interests. In addition, forestry is being reorganized to permit dialogue with other, more powerful, sectors such as agriculture, mining and infrastructure.

The FLEGT process has revealed the weaknesses of the legal framework. The requirement to define legality and develop a legality grid has made it clear to all forestry stakeholders that the current legal framework needs to be revised.

FLEGT has helped identify technical problems and engage the forestry administration to search for solutions to them. These include the maintaining of a statistical database and the need to develop an SVL and a tracing system for timber products.

The FLEGT process has helped raise funds from international donors to support the forestry sector. In addition to the main funding from the EC, five new projects have been financed related to capacity building, promotion of legality, domestic
timber market, community involvement in forest law enforcement monitoring and forest sector statistics.

The FLEGT process has helped raise the political profile of the forestry sector within the country, with the support of the international community.

The FLEGT process has contributed to capacity building. This seems to be specifically true for CSOs and local community members who were members of the IO mission. They were trained on the detection of fraudulent activities by timber harvesting actors and SODEFOR, using documentary analyses and field observations.

Forest certification has already had some impact on the three certified companies. Their timber products have had easier access to European markets and all forestry stakeholders groups recognize that they have set an example to be followed. However, it seems obvious that the three companies represent only a small minority of the private sector. It would be good for private companies to develop a code of conduct to frame their operational practices.

Priority forestry value chains for interventions
The timber business in Côte d’Ivoire presents three main value chains according to destination markets: the industrial value chain for external markets, domestic markets and regional markets. Stakeholder representatives agreed on a set of priorities for potential intervention to improve forestry governance in Côte d’Ivoire. They are:

The domestic timber market, which is supplied by low-quality products from industrial firms, industrial wood waste reshaped by local owners of workshops and illegal sawnwood from chainsaw operators. According to Eba’a Atyi et al. (2016), domestic market consumption in Côte d’Ivoire is estimated at about 1.5 million m³ annually, four times the volume of timber exports (350,000m³). Of the domestic total, 27% (515,000m³) comes from illegal artisanal millers, although most actors believe this is an underestimate. Domestic markets are to be included in the EU VPA but there is currently no monitoring system for the national market. National consumption can be roughly divided into the public-procurement sub-chain and the private-consumption sub-chain. If legality is to be promoted by the market, it should start by the design of an adequate public-procurement policy that allows only legal timber products to be used in public works and in the acquisition of wooden items for use in government services.

The regional market supplied by land export from Côte d’Ivoire to neighboring countries. Eba’a Atyi et al. (2016) estimate the annual land timber flows from Côte d’Ivoire to neighboring countries to be about 113,000 m³, of which some 70% originate from illegal artisanal sawmilling. Timber imports from Liberia to Côte d’Ivoire are thought to be usually substantial, but cannot be evaluated because the border was closed in 2015 due to the outbreak of Ebola. Thus, timber flows between neighboring countries are important and dominated by illegality; they are also expected to increase with demographic and economic growth.

The value chain of overseas timber exports. Côte d’Ivoire still exports about 350,000m³ of timber annually (DEIF, 2014), a sharp decrease from the 960,000m³ a decade earlier. Government services seem to have established a reliable system for monitoring timber exports from seaports, in contrast to the absence of such systems for domestic and regional markets. The due diligence timber regulation of the EU ensures that timber products entering EU markets are of legal origin, emphasizing that the whole FLEGT process is designed first and foremost for the EU market, from the supply to the demand side.

Interim conclusion on Côte d’Ivoire
Côte d’Ivoire’s forests have been used in the past to promote industrialization but several factors, including the development of agriculture and poor governance of the forestry sector, have led their decline through widespread deforestation and degradation.

There is now a trend towards the improvement of forest governance, most importantly through the FLEGT process that most actors agree has already been positive, even if the VPA has not yet been signed. All stakeholders are now involved in the decision-making process, a political-dialogue platform on the future of the forest has been established, the current obsolete legal framework is being revised and the technical tools used in forest sector monitoring and management are being improved. However, despite the positive impact of FLEGT, which is oriented towards timber exports overseas, there are currently no clearly identified initiatives to address governance issues related to the increasing domestic and regional demand for timber, which are the most affected by illegality. Any new forestry governance initiatives in Côte d’Ivoire should target national and regional markets.
FIGURE 05
CLASSIFIED FORESTS OF CÔTE D’IVOIRE
1b. Country report: Liberia

Interviews

Discussions were held for the field study with 17 key actors representing government (Forestry Development Authority - FDA) (3), donors (1), the private sector (2), community forestry representatives (5), CSOs (1), and donor projects (5). Most exchanges took place in groups of two-to-three people, but also individually in the case of two actors.

Perception of the state of forests in Liberia

Liberia still has important forest resources, compared to other countries in West Africa, and is the most forested country in the sub-region with about 40% of its dense forest. The FDA estimates that about 50% of Liberian forests can still be considered “intact”. Although there has been no comprehensive forest inventory, forest cover in Liberia is estimated to be 4 million ha of which 1 million ha are set aside as protected areas. In all, there are currently 10 community forest management agreements, half of which are designated for conservation and the other half for timber production. Some 125 applications have been made for the management of community forests; 86 have successfully passed the first two selection steps (out of nine). The financial returns obtained from the management of community forests are entirely for the benefit of the concerned communities, except for some taxes paid to government. Communities affected by industrial logging should receive part of the forest rental fee collected by the government. For example, the land rental fee for FMCs is USD 1.5/ha/year, 30% should go to communities through a trust fund. However operationalization has taken time, and the fund is only now being set up. The financial returns obtained from the management of community forests are entirely for the benefit of the concerned communities, except for some taxes paid to government. Communities affected by industrial logging should receive part of the forest rental fee collected by the government. For example, the land rental fee for FMCs is USD 1.5/ha/year, 30% should go to communities through a trust fund. However operationalization has taken time, and the fund is only now being set up.

Liberia’s forests produce 200,000m³ to 250,000m³ of timber annually, most of which is exported to China and Europe (mainly France) as raw logs in the absence of a developed timber-processing industry. Log exports represent about 95% of total round wood production from the formal industrial sector, without any added value from transformation. There are no plywood factories. About one million ha of forests are currently allocated for 25 years (starting from 2007-2008) to private companies as forest concessions divided into seven contracts (there are 13 registered companies but only 4 of them are active). Besides the, There are four types of logging that can be granted to companies or individuals:

- community forest management agreements;
- forest management contracts (FMCs) subject to a forest management plan with a cutting cycle of 25 years minimum;
- timber sale contracts (TSC) granted for three years for a maximum land area of 5,000ha after logging (TSC areas may be converted to other types of land use); and
- private-use permits for which there are currently no regulations.

There is no forest-management plan in force.

The domestic market is almost entirely supplied by informal operators who the FDA controls through a network of tax-collecting checkpoints that cover almost the entire forested zone. The official tax is USD 0.60/piece without distinction on the size or the nature of the piece. However, there has been no attempt systematically to quantify the volume involved, although all forestry actors interviewed believe that the informal sector harvests about double of what is produced by the formal logging industry.

Main governance issues

Liberia faces a number of issues related to the governance of its forestry sector. The most often identified include:

a) Weak capacity of forestry actors

The human and logistical capacity of the FDA remains weak. Protected areas are invaded by mining operators and communities, who have a great deal of current and potential responsibility in the management and protection of Liberian forests, do not have the ability to monitor the forest sufficiently. For example, a community can subcontract timber-harvesting but a logging company may encourage communities to group artificially, thus obtaining rights to a vast area of forests beyond the capacity of most communities to monitor the company’s activities.

b) Poor law enforcement in the field

With the support of the donor community, Liberia has been able to assemble a good legal and regulatory framework that now needs to be implemented. Some private-sector actors even think the sector is being “overregulated”. However, practice still contradicts existing laws and regulations. One of the interviewees remarked that “people do not realize that laws that are adopted have to be implemented…laws are rather seen as a set of cosmetics, but this is not specific to the forestry sector.”
For example, by law affected communities should receive benefits from logging activities but they are not forthcoming and communities around forest concessions sometimes resort to violence because social-responsibility agreements are not enforced.

c) Lack of coordination between forestry and agriculture policies
An important issue is the development of agricultural concessions granted in forested areas. Although slash and burn remains the main agricultural practice and the most important driver of deforestation palm-oil companies are also granted concessions in the forest, although they are only supposed to develop a fraction of each area granted and are obligated to identify high conservation value forests (HCVF) that will escape conversion to plantations. Agro-industry developers are supposed to leave community areas untouched, though they might be authorized to use wood from degraded forests. The coordination between the FDA and the Ministry of Agriculture needed to implement these policies is lacking, however.

d) Land use rights
There is no proper system of land titling in Liberia. Most land is exploited by communities who would like to become owners of the forests empowered to grant logging permits but the few existing titles belong to people outside the communities. The proposed land-reform act would give communities (tribes) land right but might result in the withdrawal of concessions, which makes it a highly politically sensitive issue.

e) A prominent and poorly controlled informal sector
The formal timber sector produces about 200,000 m³ -250,000m³ of logs annually but the informal sector harvests at least double that. The unregulated artisanal sawmilling sub-sector may be the biggest cause of forest degradation, but it is also the unique supplier of timber products to the domestic market. Chainsaw milling is not forbidden and the FDA efficiently collects taxes on timber products from the artisanal sector through checkpoints scattered throughout the country. It does not however gather information on the quantities involved.

f) Political pressure on decision making in the sector
Forestry is a politically sensitive sector. Maintaining forests does not seem to be a priority for politicians and the FDA is always under pressure from political elites to grant more forest for logging in the absence of a national forestry-management plan. Similarly, there is huge political pressure around community forests.

g) Lack of public-procurement policy of timber products
The entire national timber-product market is supplied from known informal sources but there is no policy to promote legality in the public procurement of timber products. Public buildings, infrastructure and government furniture largely use illegal timber products.

Initiatives taken to address forest governance issues
The forestry sector in Liberia has been the subject of a number of important governance improvement initiatives, the most noticeable of which are:

1. Liberian Extractive Industries Transparency Initiative (LEITI). EITI is a global initiative whose objective is to bring transparency in extractive-industries management. It is a voluntary membership association based in Oslo, Norway. EITI usually focuses on the mining and oil sectors. Liberia entered EITI in 2007 and created LEITI as an autonomous government agency in 2009. LEITI groups representatives from government, CSOs and the private sector, while international organizations and representations of communities serve as observers and advisors. The specificity of LEITI is that it includes forestry and agriculture (especially agricultural concessions) in addition to oil and minerals. Liberia added forestry because of allegations of illicit activities in the sector and leakages in revenue generation. In the forestry sector, LEITI reports on the process of granting contracts and all access rights to forest resources, revenue information by publishing reconciliation reports using government data services against those of private companies, allocation of revenues collected and the management of resources and public awareness on contracts.

2. The VPA FLEGT process. FLEGT negotiations began in 2009 and the VPA was signed with the EU in 2011, with plans to issue the first licenses in 2014. Liberia has received substantial funding to support governance improvements leading to the issuing of FLEGT licenses. An example of initiatives in relation with the FLEGT-VPA is the development of a Chain of Custody Traceability System (CCTS) implemented by the Société Générale de Surveillance (SGS). SGS has established a timber-exploitation monitoring system that goes from the forest
inventory, where standing trees are tagged, to the export of logs. This helps revenue collection, as SGS issues invoices to logging companies on the government’s behalf based on data collected through the CCTS. The arrangement with SGS is due to end in 2018, but there is a capacity-building component within it that should allow the FDA to take over the system.

3. The Forest Sector Program has recently been signed with Norway for more than USD 120 million with the aim of eradicating deforestation in Liberia. The Norwegian funds will be managed by the World Bank and will be used for budget support to the government, institution building (the main governance component) and support to compensation benefits following a scheme similar to REDD+. The two triggers attached to the package are a moratorium on the allocation of new oil-palm concessions and the implementation of a forest-management plan.

4. Additional initiatives to support the forestry sector. There are many other donor supported initiatives aiming at improving the governance of the forestry sector, including the GIS project on trans border conservation, USAID’s GEMS project providing institutional support and the Forest Incomes For Environmental Sustainability project to support conservation in community forests.

Impact of forest governance initiatives
The numerous initiatives taken in Liberia to improve the governance of the forestry sector seem to have had a noticeable impact, going beyond the sector itself and contributing to the improvement of the country’s governance, as a whole. The main benefits identified by most stakeholders are:

- **Stakeholder participation/consultation** Through the VPA-FLEGT process, a forestry governance dialogue has been launched. Sector actors interact more frequently and conflicts have been reduced.

- **Capacity building**. Several forestry-governance initiatives by NGOs (Client Earth, Fern, Global Witness …) have contributed to community capacity building in legal matters. Similarly, the technical capacity of FDA is being improved through the establishment of the Liberia TLAS.

- **Revenue collection by government**. Due to both LEITI and FLEGT, revenues collected by the government from forestry have increased substantially.

- **Transparency**. Some actors think that the forestry sector has become the most transparent sector in Liberia. An example often cited is the suspension of some timber-harvesting contracts (especially private-use permits) issued improperly.

- **Increased attractiveness for Liberia**. More investors have become confident about Liberia and that is improving the economic growth of the country. More donors are also ready to support the forestry sector and economic development of the country as a whole.

Priorit forestry value chains for interventions
Of the three timber value chains (export markets, regional markets, domestic markets), exports to Asia and Europe by the formal industrial timber sector have provided the major impetus for Liberian forestry-governance initiatives over the last 10 years. Further development in the industrial sector would be in line with the need to develop the economic and industrial infrastructure, in general.

The informal sector that supplies timber products to national markets has more impact on forest resources but it remains unstructured and unmonitored. The sustainability of the forest sector may be at risk because of the informal/artisanal sub-sector, hence more attention needs to be focused on the informal sub-sector.

Regional overland timber exports by land are unquantified but may provide an opportunity. Their development, however, depends on regional dialogue and improved governance issues in West African countries, generally.

Interim conclusion on Liberia
Liberia is said to be the most forested country in West Africa and the sector contributes more than 10% of GDP. It was historically renowned for illicit activities and an important source of revenue leakage for the government. From 2007, efforts have been made to improve the forestry sector and some encouraging results have been obtained, mainly related to capacity building, transparency and sector dialogue.

Nevertheless, obstacles remain. The most important are related to the informal sector that supplies national markets, the forest/agriculture interface, overall land use and the land-tenure system and political interests that put increased pressure on the sector. These obstacles need to be addressed for forestry to contribute
more effectively to the national economy and to the sustainable use of Liberia’s forests.

1c. Country report: Gabon

Interviews

Discussions were held with 19 key actors representing government (ministries in charge of forests and economic planning) (7), donors (1), the private sector (3), community forestry representatives (1), CSOs (2), and regional/international organizations (5). Most exchanges were with groups of two to three people, though there were individual discussions with two actors.

Perception of the state of forestry in Gabon

Gabon has dense forest covering more than 80% of the national territory. Due to a very low population density, it has the highest forest cover per capita in Central Africa, and the rate of deforestation is nearly the lowest in Africa. About 13% of the national territory is allocated to protected areas outside the 11% allocated to national parks. Although the national economy is heavily based on the exploitation and export of crude oil, the timber sector also plays an important role. Currently, the forest sector ranks second in export earnings and remains the primary employer in the private sector. The industrialization policy of the government of Gabon is 90% based on timber processing.

In 2001, with the adoption of a new forestry law, Gabon adopted the principle of SFM through forest concession. The four different logging permits defined in the forestry law are PFA (up to 15,000 ha), CFAD (up to 200,000 ha), community forests for a maximum of 5,000 ha and PGG granted in terms of the number of trees to be cut. CFAD are generally granted to big companies with foreign capital from Asia or Europe, while PFA go to smaller local businesses (possibly managed jointly with CFADs). PGG are usually allocated to local elites selling standing trees to logging companies or to chainsaw millers. Community forestry is slow in development and remains rather embryonic.

The 2001 forestry code emphasized the allocation of logging permits but it has been difficult to implement. New forestry legislation is under preparation that is expected to prioritize concession management and timber processing. The new code should also better integrate international conventions with existing Gabonese laws.

In 2009, the government decided to ban raw log exports beginning the next year. The ban has had major impacts both within and outside the forestry sector. Timber processing capacity has increased, but the contribution of the sector to GDP has decreased from 1.4% in 2009 to an estimated 1% in 2015. The time interval needed for the industry to adjust has proved longer than expected. Coincidently, the enforcement of the log export ban has been accompanied by increased interest from Chinese investors in the timber industry. They now manage about 50% of forests allocated to timber production. New investors from China are believed to have more difficulties implementing SFM regulations. The World Bank has studies the weaknesses and strengths of the log export ban in Gabon; it suggests implementing a six-part support program to boost the contribution of the forestry sector to the national economy.

Main governance issues

The absence of a forest policy declaration. A forest policy declaration developed in a participatory fashion with a national vision for the management of forest resources to guide consideration of the sector should ease acceptance and enforcement of laws that result from the policy. Currently, laws and regulations are often developed to satisfy and ease pressure from the international community to meet short-term objectives.

Allocation of logging titles. Gabon officially allocates 11 million ha to sustainable timber production. However, current estimates are that 15 million ha are under timber concessions, which raises concerns about the overexploitation of forest resources. The excess is due to lack of coordination between the forestry and tax administrations. The forestry administration is supposed to grant and regulate logging concessions but the fiscal authorities have been de facto allocating logging rights by offering a tax moratorium to companies that declare a logging interest and can identify a parcel on which they are operating, whether logging is their principal activity or not.

The forest agriculture interface. To spur economic development, Gabon has promoted large-scale industrial agricultural plantations (agro-industries) of oil palm and rubber. The current government is committed to convert 4 million ha of forest into industrial agriculture. The Singapore-based multinational group OLAM, for example, has been granted 100,000 ha for oil palm and rubber plantations, while 200,000 ha have been set aside for small-scale oil palm plantations in the form of joint ventures with OLAM or other foreign investors. The granting of agricultural
concession is under the Ministry of Agriculture, which does not coordinate with the ministry in charge of forests. This has resulted in millions of hectares’ being granted to multinationals at the expense of the forest cover and without sound land-use planning. There are neither technical nor legal norms to guide the operations of agro-industries.

The enforcement of laws and regulations within and outside the forestry sector is very flexible and heavily influenced by interests from political and economic elites. An anecdotal case concerns the Kevazengo (Guibourtia spp.) scandal that occurred in 2016. Kevazengo (also called Bubinga) is a tree species with a very high timber value. It is much appreciated by Chinese markets, but its regeneration is problematic. Its harvesting is, therefore, very restricted in most countries of Central Africa. In Gabon, the exploitation of Kevazengo has been prohibited, but the export of Kevazengo timber products continued nonetheless. The network of people involved was discovered, and a few executive officers in the ministry in charge of forests were jailed for a few weeks. Eventually, however, they came back to their offices and some were even promoted.

The supply of the domestic timber market. The domestic market in Gabon is small. However, most of the market (including government procurement) is supplied by chainsaw millers whose operations are not controlled.

Insufficient legal and technical framework for the management of wildlife resources. Gabon has 13 national parks that are well protected against poaching and wildlife exploitation. Nevertheless, in all other land areas hunting for bush meat uncontrolled. Officials from the Gabonese forestry administration believe that wildlife management cannot be reduced to protected areas and anti-poaching measures. They argue that traditionally animal husbandry is weak and the population has had to rely on game meat as a source of animal protein.

The imbalance between the mission assigned to public services and the means allocated to them. This includes human resources, logistics equipment and financial means.

Initiatives taken to address forestry governance issues

VPA-FLEGT. Gabon entered into VPA-FLEGT negotiations with the EU in 2010, which led to the creation of a committee for technical coordination (CTC). The initial target was to sign the VPA by December 2012, but negotiations were suspended in 2012 without their having been much progress. The official reason for this was that the government failed to allocate enough financial resources. For example, the CTC had developed a legality grid, which was to be tested in the field, but there were no funds for field tests. The negotiations were relaunched in 2015 when Gabon received financial support from the EU to implement the Programme d’Appui à la Gouvernance Sectorielle (PAGOS), which makes it possible to work on a legality verification system. Currently, there is no predetermined time frame for VPA signature, though the process functions on the basis of six-month roadmaps.

Forest certification. Forest certification is a private-sector initiative to improve forest governance and contribute to sustainable management in forest concessions. In 1996, Gabon was the first country to host a certified logging company but the certificate was withdrawn weeks later. Currently, Gabon has about 1.9 million ha of FSC certified forests for sustainable management (Cerutti et al., 2014), managed by three logging companies. Additionally, there are about 600,000 ha certified under legality certification schemes such as OLB or TLTV. FSC certification has been largely promoted in Gabon by international NGOs, particularly WWF.

The African Timber Organization (ATO)/International Tropical Timber Organization (ITTO) project on principles, criteria and indicators (PCI) of SFM. Since 2003, ATO and ITTO have been implementing a project to promote SFM in their joint member countries in Africa through the use of PCI. PCIs provide a framework for assessing management practices in forest concessions (also at national level) against sustainable management standards. The ATO/ITTO project has developed an auditing manual. In Gabon, 16 forest concessions have been audited voluntarily against ATO/ITTO standards to obtain insight into the gaps between their management practices and SFM standards.

Capacity building within civil society and local communities. At the initiative of international NGOs such as WWF, there have been a number of projects and activities to strengthen the capacity of local organizations to deal with legal issues and monitoring of forest operations.

Impact of forestry governance initiatives

Improvement in sustainable management practices. Perhaps the most significant impact on the forestry sector in Gabon
during the last 15 years has been the shift in timber concession management towards more sustainable practices (as an impact of forest certification and other forestry-governance initiatives). The improvements specifically concern the CFAD and a number of PFAs. All stakeholders agree that certified forest concessions are more inclined to apply laws and regulations in Gabon and have fewer disputes with local communities. It should be underscored that improvements in forest-management practices and in the governance of forest concessions are not linked to the FLEGT process but rather to forest certification, which was promoted by ITTO and international NGOs. Nevertheless, forest certification seems to have lost momentum as new companies are not eager to enter the process. These companies supply emerging markets in Asia that are less sensitive to environmental concerns. WWF China and WWF Gabon have begun to work with key importers of tropical timber in China to promote the demand for certified products from Central Africa. An important limitation of forest certification is that it seems to promote a group of virtuous companies while the bulk of the private sector remains below the required level of governance. In contrast, the VPA-FLEGT process is designed to change the way of doing business with the timber-exporting companies of Gabon.

Dialogue between forestry actors. During the last five years, decision making in forestry has changed significantly. The government now calls on representatives of the private sector and civil society to contribute to the preparation of public policies designed to shape the sector. Dialogue between forest-sector actors has been particularly strengthened since Gabon started its VPA negotiations. The clearest example of this is that representatives of private companies and CSOs now work alongside government officials to prepare revisions to standing forestry law. Unfortunately dialogue between forestry sector actors is not sufficient to tackle extra-sector factors (pressure for mining or agro-industries) that could negatively impact forestry activities and resources. Dialogue should also be established between other rural development sectors to obtain a common understanding of and agreement on the main land-use issues.

Improved capacity of local CSOs and communities. A number of new local organizations have emerged in the last two decades, establishing partnerships with international organizations to build capacity in defense of the environment, conservation activities and support for rural people whose livelihoods depend on forests. As a result, problems related to benefit sharing from the management of forest concessions have been revealed. Agreements have been reached with government to consider the needs of local communities better when revenues from the timber sector are shared.

Priority forestry value chains for intervention
Exports of timber products have always been more important than the national market because of the country’s low population and this is unlikely to change in the near future. Prior to 1992, Gabon was the only country in Central Africa to have a full government ministry in charge of forest economy and improvements to the governance of the sector were aimed at improving government revenues. However, the national demand for timber products, at least for main towns, needs to be addressed because of the prevalence of illegality and the unknown impact of illegal timber harvesting on the resource.

Gabon has the potential to play an important role in intra-African timber trade because of its abundant forest resources but the extent of that role will remain unclear as long as all evidence of timber exports from Gabon to other African countries remains anecdotal.

Interim conclusion on Gabon
The combination of considerable natural resources (including timber) and low population (1.6 million endow Gabon with one of the highest per capita incomes in Africa. The economy is largely based on its oil resources, although production has been declining in recent years. In recent years, there has been an effort to diversify economy, in part because its income makes Gabon ineligible for ODA. The timber sector plays an important role in the national economy as one of the largest providers of employment and as an important pillar of industrialization policy.

The sector is sensitive to the requirements of international markets, such as the EU, because of the dominance of industrial timber concessions designed to supply international markets. To meet these requirements, a number of logging companies have adopted forest certification, which has had a positive effect on governance. The 2010 log-export ban has had a mixed impact and the VPA-FLEGT process launched in the same year was suspended two years later because of financial constraints. Meanwhile, the forestry sector continues to suffer from the poor enforcement of laws and regulations, the poor capacity of the forestry administration to monitor and carry out their functions, lack of coordination between the forestry sector and other rural development sectors and the omnipresence of political elite.
Gabon needs reforms in the forestry sector to enable it to contribute fully to the national economy. One such reform is completion of the VPA-FLEGT process in order for all companies in the timber sector to continue to supply international markets. The reform should also embrace national markets, which are characterized by illegality and lack of regulation. The potential of Gabon to be a key player in intra-African timber trade needs to be properly evaluated.
### List of acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACP-FLEGT</td>
<td>Programme d’application des réglementations forestières et de la gouvernance dans les pays d’Afrique, des Caraïbes et du Pacifique</td>
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<tr>
<td>AFLEGT</td>
<td>Application des réglementations et gouvernance forestières en Afrique</td>
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<tr>
<td>ANRC</td>
<td>Centre africain des ressources naturelles</td>
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<td>APV</td>
<td>Accords de partenariat volontaire</td>
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<tr>
<td>BAD</td>
<td>Banque africaine de développement</td>
</tr>
<tr>
<td>CAF</td>
<td>Contrôle de l’aménagement forestier</td>
</tr>
<tr>
<td>CCTS</td>
<td>Système de traçabilité de la chaîne de contrôle</td>
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<tr>
<td>CE</td>
<td>Commission européenne</td>
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<tr>
<td>CEDEAO</td>
<td>Communauté économique des États de l’Afrique de l’Ouest</td>
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<tr>
<td>CEEAC</td>
<td>Communauté économique des États de l’Afrique centrale</td>
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<tr>
<td>CFAD</td>
<td>Concession forestière d’aménagement durable</td>
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<tr>
<td>CGF</td>
<td>Contrat d’aménagement forestier</td>
</tr>
<tr>
<td>COMIFAC</td>
<td>Commission interministérielle des forêts d’Afrique centrale</td>
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<td>CTC</td>
<td>Comité technique de coordination</td>
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<td>EBR</td>
<td>Équivalent bois rond</td>
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<tr>
<td>ECEAS</td>
<td>Communauté économique des États de l’Afrique de l’Est</td>
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<tr>
<td>FAO</td>
<td>Organisation des Nations Unies pour l’alimentation et l’agriculture</td>
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<tr>
<td>FDA</td>
<td>Autorité de développement forestier</td>
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<tr>
<td>FLEG</td>
<td>Application des réglementations forestières et gouvernance</td>
</tr>
<tr>
<td>FLEGT</td>
<td>Application des réglementations forestières, gouvernance et échanges commerciaux</td>
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<tr>
<td>FNUF</td>
<td>Forum des Nations Unies sur les forêts</td>
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<td>FSC</td>
<td>Forest Stewardship Council</td>
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<td>GDF</td>
<td>Gestion durable des forêts</td>
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<tr>
<td>GEMS</td>
<td>Projet d’appui à la gestion environnementale mondiale</td>
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<tr>
<td>HCVF</td>
<td>Forêt à haute valeur de conservation</td>
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<tr>
<td>ITIE</td>
<td>Initiative pour la transparence dans les industries extractives</td>
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<tr>
<td>LEITI</td>
<td>Initiative libérienne pour la transparence dans les industries extractives</td>
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<tr>
<td>OAB</td>
<td>Organisation africaine du bois</td>
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<tr>
<td>OIBT</td>
<td>Organisation internationale des bois tropicaux</td>
</tr>
<tr>
<td>ONG</td>
<td>Organisation non gouvernementenne</td>
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<tr>
<td>OSC</td>
<td>Organisation de la société civile</td>
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<tr>
<td>PAGOS</td>
<td>Programme d’appui à la gouvernance sectorielle</td>
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<tr>
<td>PAPPFG</td>
<td>Projet aménagement des petits permis forestiers gabonais</td>
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<tr>
<td>PCI</td>
<td>Principes, critères et indicateurs</td>
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<td>PEF</td>
<td>Permis d’exploitation forestière</td>
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<td>PEFC</td>
<td>Programme de reconnaissance des certifications forestières</td>
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<td>PFA</td>
<td>Permis forestier associé</td>
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<tr>
<td>PFE</td>
<td>Domaine forestier permanent</td>
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<tr>
<td>PGG</td>
<td>Permis de gré à gré</td>
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Study report
Assessing progress in the implementation of forest law enforcement and governance (FLEG) action plan in Africa

PIB Produit intérieur brut
RCA République centrafricaine
RDC République démocratique du Congo
REDD Réduction des émissions issues de la déforestation et de la dégradation des forêts
RU Royaume-Uni
SADC Communauté de développement de l’Afrique australe
SGS Société générale de surveillance
SVL Système de vérification de l’origine légale du bois
UE Union européenne
USA États-Unis d’Amérique
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