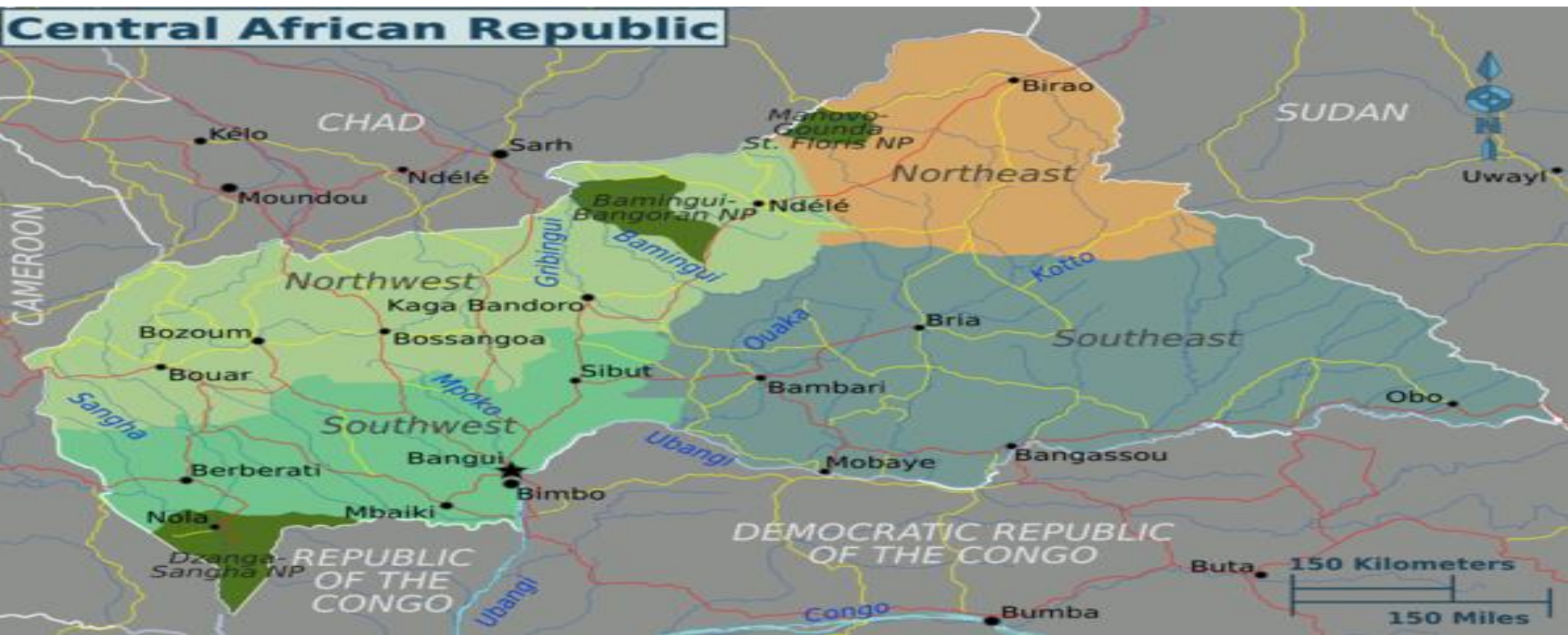


CENTRAL AFRICAN REPUBLIC'S TIMBER TRADE TO EUROPE



Why CAR and how did we investigate?

- Country on the brink, diamond trade suspended: how were logging companies managing to operate in midst of conflict and anarchy?
- One of poorest, most unstable countries in Africa
- Field work and interviews across the sector, undercover work, documentary evidence, photographic and video evidence



SECURITY

“on the brink of genocide”,

Laurent Fabius, French foreign minister, Nov 2013

“the security situation is very bad and there is generalised anarchy”, UNHCR, July 2013

“Seleka kills civilians and torch villages and villagers die in the bush”, Human Rights Watch, June 2013

“Over the past year, there has been consistent deterioration in the security situation”, UN commission of enquiry, Dec 2014

“difficulty getting access to mass graves, especially in the countryside and forests. [...] estimates...from 3,000 to 6,000 killed...estimates fail to capture the full magnitude of the killings” UN Commission of enquiry, Dec 2014

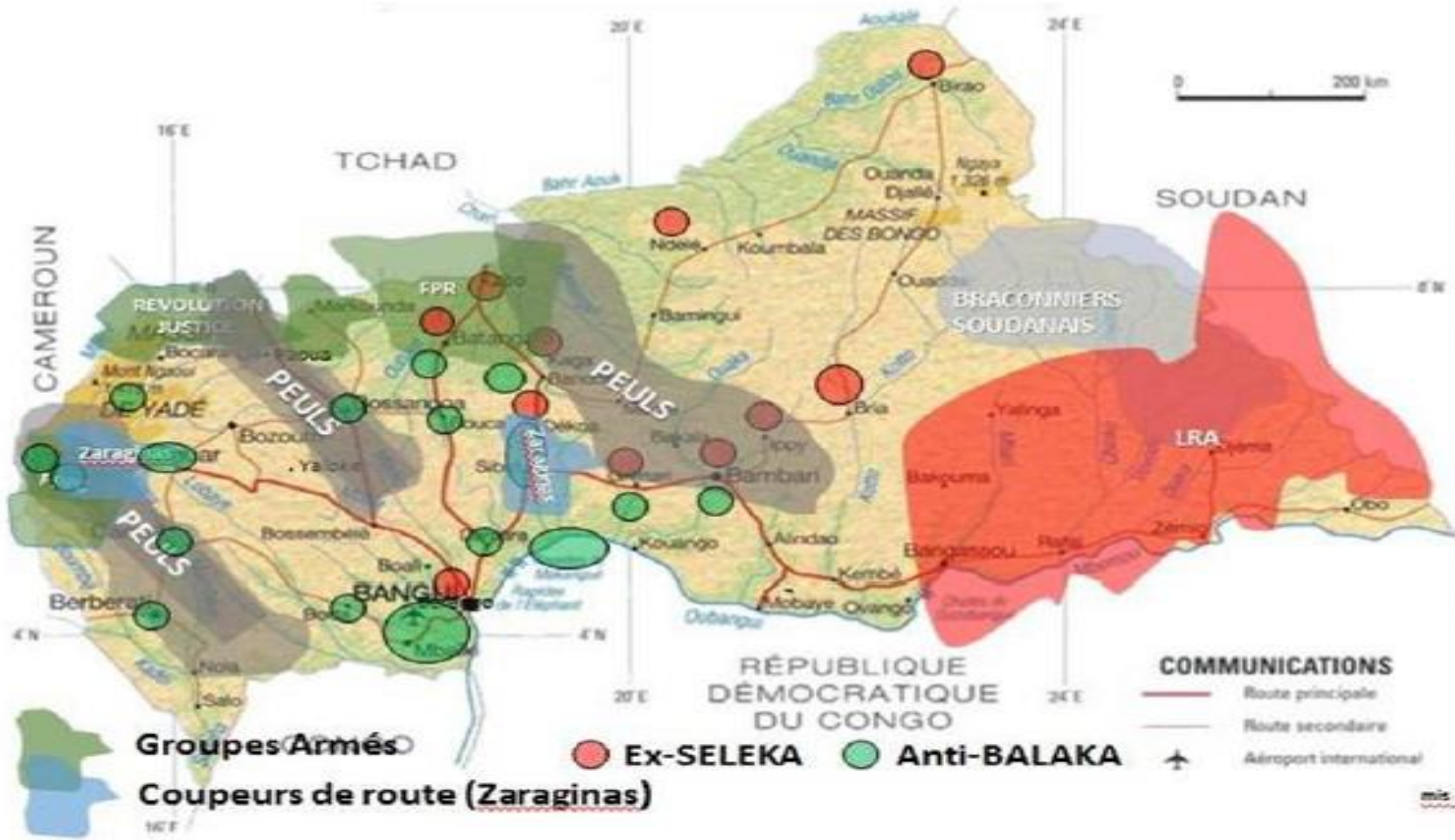
“ This crisis, the most dramatic [so far], will have huge consequences for the future of the Central African Republic and probably for the stability of Central Africa”, former French diplomat, Jan 2014

“a country in the hands of Seleka war criminals”, “state coffers are empty”, FIDH, Oct 2013



global witness

Militia activity, Dec 2014

Annex I: Zones of Influence of Seteka and anti-balaka³⁸¹

Source: Minusca

GOVERNANCE OF CAR

“a failed state”

Laurent

Fabius, French foreign minister, Nov 2013

“ corruption, even by the admission of government officials, affects all sectors”, UN

Economic Commission for Africa, Dec 2013

Lacks “a strong civil society, organized opposition parties, free press and independent judiciary”, Brookings institute,

April 2013

“a phantom state, lacking any meaningful institutional capacity”, ICG,

Dec 2007

“the country has been ruled by military dictators for all but nine years [since independence]. In the wake of these violent changes, corruption, the non-respect of human rights, repression of free political expression and nepotism, became institutionalized and endemic. The only goal of successive corrupt governments was personal enrichment of the political leaders and members of their families through embezzlement of public funds, looting of public corporations, and illegal exploitation of precious minerals and other natural resources while a very large majority of the people lived in abject poverty”, UN Commission of enquiry on CAR



global witness

Logging sector

“Today, there’s nothing [to prove companies respect forest management plans]. We just accept the documents they send us”, Forest Ministry official

“During ministerial councils, the majority of ministers defend [these companies]”, and “[cash] envelopes are given every month by the companies to the people who protect them afterwards”, high-ranking CAR official, 2014

“The Seleka barons in Bangui were reportedly quick to make money from their posts. They controlled the coveted water and forests ministry, in which there were allegations of repeated fraud”, ICG, June 2014

“since independence, logging by generally foreign owned companies, [...] have resulted only in the destruction of the ecosystem and the continued degradation of the living standards of our people”, CAR parliamentarians, 5 March 2015

“there hasn’t been any control for at least 5 years”, Forest Ministry official

“All the [logging] companies are fiscally illegal”, ex-Minister, 2014

“If you pay reasonably well, you have all the official papers, up-to-date, and it’s done”, Logging company director



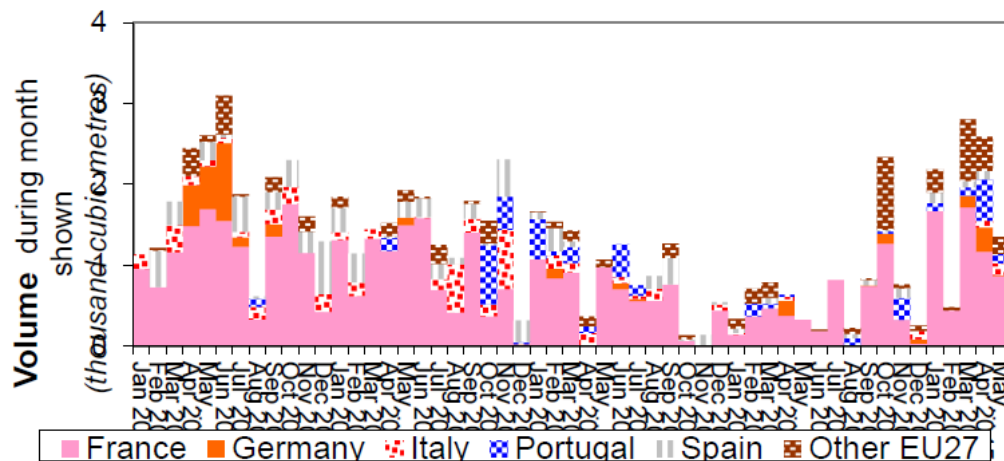
global witness

Illegal logging

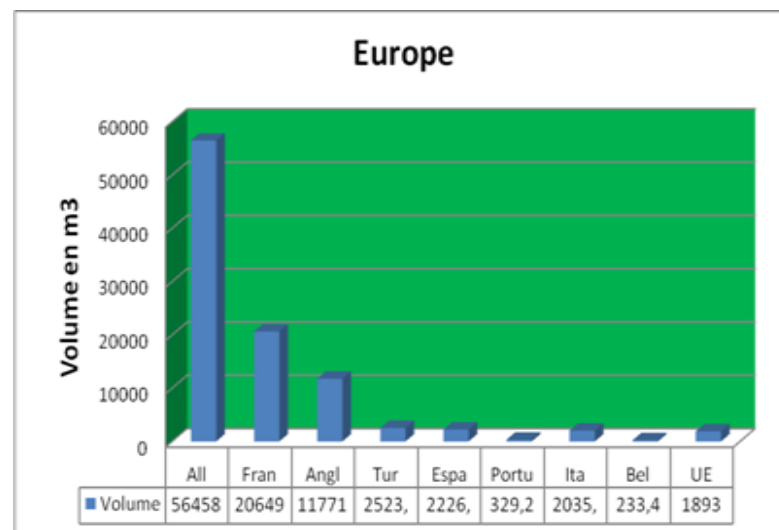
- Questions as to legality of underlying permits
- Legal question as to legality of cutting permits issued by unconstitutional government
- Failure to pay taxes prior to export
- Failure to comply with 70% processing requirement of logs into sawnwood
- VICA's failure to have a processing unit
- Evidence of prior illegalities in IFB and SEFCA's concessions 2012 report, including "weak" implementation of forest management plan, likely continued
- Bribery at all levels of administration and in issuance of documentation, according to officials and logging companies (crime under CAR penal code)
- Illegal payments extended to armed groups – "conflict timber" under customary international law
- Militia activity around concessions almost uninterrupted since April 2013 and no state control of logging activity for at least 5 years = likely that much more illegality present

CAR trade with EU

Sources: Eurostat, CAR Ministry of Forests, BIVAC, GW evidence (photographic, video and documentary), Greenpeace evidence



Source: Eurostat



Source: CAR Ministry of Forests

SEFCA
SOCIÉTÉ D'EXPLOITATION FORESTIÈRE CENTRAFRICAINE
S.A. au capital de 1.000.000.000 F.CFA

BORDEREAU D'EXPÉDITION N° 027/BA/13

Expéditeur: Sté SEFCA MBAERE
Nom du transporteur Sté SOLET
N° d'immatriculation LTTR 684 AA
Résidence: DOUALA

N° du dossier: 30/027/TB
Contrat: 30/2013
A. BERBERATI
Le: 11/12/2013

Nombre de colis	Marque de colis	Espèce de la marchandise dimensions	Volume	Poids brut	N° du tarif	Destinataire
07	TB	RONDINS SAPELLI BRUT CUBANT:	28,426 m³	24,162 T	44034939	TB (France)
TOTAL:			28,426 m³	24,162 T		

eau douane départ: BERBERATI
N°151-1552-1553 Du: 1 / 2013
rmatite s'accommode droits et taxes perçus sur D6

Signature et cachet du bureau
LECHEF DE SECTION
ECONOMIQUE
Signature et cachet du bureau
Vice-Président
Signature et cachet du bureau
Vice-Président

Visa de sortie



Source: Global Witness

Due diligence

What did EU importers contacted/ interviewed say? There's a VPA - we've got some tax, ministry and BIVAC documents - there aren't any sanctions - "It's not a war where they attack white people"

- No evidence of adequate risk assessment
- No evidence of any risk mitigation
- Tropica-Bois' conflict of interest: presumption of knowledge?



"It's not a war where they attack white people. It's not a war we have to avoid",
Tropica-Bois rep



global witness

Reactions to Global Witness report

“Timber in CAR is logged legally and could not be conflict timber or blood timber”, CAR Forest Minister, 22 July 2015

“Global Witness contacted our clients directly to dissuade them from buying from us. These are people we’ve worked with for thirty years, fortunately our relationships took precedence over the report and we haven’t come out too badly”, Laurence Nassif, director general, IFB,

“Today we manage to sell 60% of our production. Since the appearance of the report, we face timid and reticent clients”, Ibrahim Fakhoury, Deputy-Director General, SEFCA



global witness

Next steps

Need for Competent authorities to investigate and enforce the EUTR: first step is to identify operators and traders

Ready to provide documentation, research and advisory support to assist with investigative and enforcement actions of CAs

Monitoring continuing exports into Europe



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