



Date: 7 April 2022

To: The Secretariat and Board Members of the Central African Forest Initiative (CAFI) and members of the Inter-donor Group for the Environment in DRC (GIBE)

Re: Publication of IGF audit, green land speculation and implications for the CAFI Letter of Intent

We are writing in response to the General Inspectorate of Finance's (IGF) audit of industrial logging concessions in DRC published by the Environment Ministry on April 1, and to ask that you take swift and appropriate measures to address its damning findings, including that the national logging moratorium be extended indefinitely. Failure to act would seriously undermine efforts to improve forest governance in the country, including the USD500 million CAFI forest protection agreement signed only months ago by President Tshisekedi and Prime Minister Johnson at COP26.

The delay in the audit's release, two years after its commissioning in June 2020 and three months after the specified milestone in the new CAFI Letter of Intent (LoI), is itself a huge cause of concern, raising the question why had it not been made public earlier.

Now that it is finally in the public domain, the report lays bare the lawlessness of industrial logging in the country and the "culpable laxity" of the Environment Ministry that has benefited its successive Ministers. Among its many findings are that no less than 18 concessions were awarded in violation of the moratorium, including to a high-level military figure. These concessions alone account for USD3.1 million in unpaid surface royalties, while only four operators out of the 45 listed were found to have paid the area fee.

However, the IGF audit, which calls for a continuing ban on new concessions, represents only a snapshot of the anarchy in the industry. For instance, the auditors could only locate a "very limited" number of companies, the majority of addresses being "inaccurate or simply non-existent." Moreover, the scope of the audit did not include several violations that occurred after May 2020. These include Claude Nyamugabo's handing out of so-called "conservation" concessions half the size of Belgium to an obscure trading company [Tradelink](#), and the alleged illegal conversion of logging concessions by the Portuguese-owned timber giant and one of DRC's largest private landholders, [Norsudtimber](#).

Only yesterday, a coalition of Congolese NGOs and RFUK wrote to the current Minister Eve Bazaiba regarding [Kanaka Management Services Private Limited \(KMS\)](#), an Indian company that is coercing dozens of communities in Equateur province into handing over one-hundred-year carbon rights for their community forests, while threatening to penalise them for their subsistence activities. In 2018, the company obtained from the Environment Ministry approval certificates for 218 sectors in Equateur, Tshuapa, Tshopo, Maniema, Sankuru and Bas-Uélé provinces - covering a third of the Congolese territory - and is likely trying to sign fraudulent contracts in these areas as well. As far as we know, the above illegal titles and certificates have yet to be revoked despite President Tshisekedi's October 2021 order to suspend immediately all "dubious" forest concessions.

Allowing this continued fire sale of Congolese forests and patrimony, whether it be for illicit access to timber, carbon or any other natural resource, would be wholly out of step with the purported climate ambitions of the DRC government and its international partners. In line with previous recommendations, we call on CAFI and other donors to condition further support on the following:

1. The CAFI Lol milestone pertaining to the publication and cancellation of illegal titles is based on a fully transparent, participatory and comprehensive review of all logging and conservation concessions in DRC. Where information on legal compliance is not forthcoming or available where it should be (i.e. MEDD website, Journal Officiel), the presumption should be that the concession is illegal and thus returned to the state.
2. Feeding into the above, the publishing of reports from the EU-financed legal audit of concessions, pending the release of its final report.
3. The indictment of those responsible for the looting of the Congolese forest and, if necessary, the lifting of their parliamentary immunity.
4. An investigation into the non-publication until April 2022 of the IGF report and into the non-implementation of President Tshisekedi's October 2021 order to the present Minister to suspend immediately all "dubious" forest concessions.
5. Revoking all contracts and homologation certificates illegally obtained by KMS, Norsudtimber, Tradelink and others.
6. Geographical programming of future concession areas that is done in step with CAFI-sponsored land-use planning reforms that are multi-sectoral in nature and that recognise of the rights of local and indigenous communities.
7. A transparent and credible assessment of forest governance in DRC against the ProFor/FAO Forest Governance Framework with an action plan to address deficiencies found in this assessment.
8. The maintaining of the national logging moratorium at least until the above conditions have been adequately fulfilled.

Sincerely,

Joe Eisen, Rainforest Foundation UK

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