Side-event COMIFAC
« Session 2 : Enhancing forest governance in central Africa »

Evolution of the process of legality and certification in Central Africa

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PRESENTATION PLAN

I. THE DYNAMICS OF FOREST CERTIFICATION IN THE CONGO BASIN

II. WHY RESPONSIBLE MANAGED FOREST CERTIFICATION IS SLOWING DOWN IN CENTRAL AFRICA

III. WHAT BENEFITS TO COMPANIES IN KEEPING THEIR FSC FM CERTIFICATES?

IV. PAYMENTS FOR ENVIRONMENTAL SERVICES, A PROSPECT?

V. CONCLUSION
THE DYNAMICS OF FOREST CERTIFICATION IN THE CONGO BASIN

- Private FSC certification was born in Central Africa, in response to the risk of a tropical timber boycott, backed by a host of environmental NGOs since the Rio conference in 1992;
- FSC forest certification is based on voluntary engagement of private forest sector companies (logging, processing, distribution). FSC certified forest currently covers a surface area of 5,000,000 ha, or 15% of concessions in the Congo basin.

Since 2008, the progression of certified areas has stagnated.

Source: Entente ATIBT & al. 2012
II- WHY THE SLOWDOWN IN CERTIFICATION OF RESPONSIBLE FOREST MANAGEMENT IN CENTRAL AFRICA?

- the global economic crisis that rocked the entire sector in 2008 and has obviously not been completely resolved;
- the new European Union Timber Regulations (EUTR) and voluntary partnership agreements (VPA/FLEGT) which have prompted some concession holders to adopt a wait-and-see attitude, wishing to satisfy the European requirements, but at reduced cost;
- low economic value given to FSC certified products on the market as reflected by the behavioral trends of final consumers, eroding the confidence of some companies;
- Increasingly stringent FSC requirements in the Congo Basin (new 2012 sub regional standard, motion 65 of the FSC GA in Madrid 2015, on "Intact Forest Landscapes", and unrelenting pressure from certain international NGOs, etc.).
III- WHAT BENEFITS TO COMPANIES IN KEEPING THEIR FSC FM CERTIFICATES?

At the social (internal & external) level, since certification requires consultation with workers and local communities on sharing profits from operations, the company can work in a peaceful social climate;

Compliance with hygiene and safety standards, verified by certification audits helps to greatly reduce the number of sick days and injury-related leave days. This represents a very significant economic benefit;

The “responsible” business image is further enhanced. This is an absolute necessity for forest companies, which in today’s environment, face increasing takeovers by multisector groups (some of which are publicly listed);

Preference for third party “audits” and recognition of private certificates by the VPA/FLEGT

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<th>Services</th>
<th>Travailleurs et ayants droits</th>
<th>Populations riveraines</th>
<th>Peuples autochtones</th>
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<td>Condition de vie, habitat, équipement</td>
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<td>User15</td>
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Source: PPECF 2015
IV- PAYMENTS FOR ENVIRONMENTAL SERVICES (PES), A FUTURE SOURCE OF REVENUE?

- The production modes of the market economy, in particular, the industrial production models that emerged in the 19th century, revealed major flaws decades ago;

- In addition, competition and a constant quest for market competitiveness have fueled an unsustainable acceleration in exploitation of biodiversity, consumption without recycling, and various forms of pollution of vital resources (air, water, soils, etc.);

- Thus, much brainstorming, as well as genuinely innovative experiments, are being conducted to prompt behavioral change among economic actors through restoration of natural resources and biodiversity (REDD+);

- Hence, preservation of large contiguous areas of natural forest could eventually be rewarded with monetary transfers for environmental services that benefit the global economy.
V- CONCLUSION

It is reasonable to assume that logging companies in the Congo basin operating on the grey market, will soon migrate towards legality certification, as they wait for the markets to give fair value to sustainable certification.

“GREY” COMPANIES

LEGALITY

RESPONSIBLE FOREST MANAGEMENT

- Test audits
- Coaching & various types of training
- Follow-up measures (social infrastructure, etc.)

Effect+ the EUTR and due diligence: European brokers favor companies with an OLB (LTV) certificate which saves them the time needed to conduct the audit required under Due diligence.

Effect – of the EUTR and due diligence: the OLB certificate is enough to meet EUTR requirements;

The FSC timber market is restricted: the first arrivals occupy these niche markets.

“Side Event, session 2 “:
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Thank for your kind attention