



Commission des Forêts d'Afrique Centrale

*Une dimension régionale pour la conservation
et la gestion durable des écosystèmes forestiers*

Trends of logging concessions, timber industry in the Congo Basin and the challenges

**INTERNATIONAL FORUM: TOGETHER TOWARDS GLOBAL GREEN
SUPPLY CHAINS**

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Outline

- Quick reminder on COMIFAC and OFAC
- State of forests and logging industries in the Congo Basin
- Situation of Chinese logging in the Congo Basin
- Challenges in the industry
- Recommendations and conclusion



COMIFAC (Commission des Forêts d'Afrique Centrale)

COMIFAC was born from the materialization of the commitments made in March 1999 in the "Declaration of Yaoundé" by the Heads of State of Central Africa. It brings together ten member countries of the sub-region sharing a common natural heritage : Burundi, Cameroun, RCA, Congo, RDC, Gabon, Guinée Equatoriale, Rwanda, STP et le Tchad

Its Mission: guide, coordinate and take decisions on sub-regional actions and initiatives in the field of conservation and sustainable management of forest ecosystems



L'OFAC (Observatoire des Forêts d'Afrique Centrale)

OFAC: Created in 2007, the Observatory of Central African Forests (OFAC) is a specialized unit of COMIFAC that provides up-to-date and relevant data on the forests and ecosystems of the region , aimed at informing political decision-making and promoting better governance and sustainable management of natural resources

Its Mission: compile, centralize and harmonize environmental and economic information collected from data providers to drive and share knowledge to promote better governance and sustainable management of ecosystems in Central Africa.



State of forests and logging industries in the Congo Basin



To date, on more than **50 million hectares** allocated to timber harvesting through forest concessions, about **7 million m³ of logs** are harvested each year.

The Congo Basin forests cover about 300 million hectares and account for **22% of the world's tropical forests**. These forests are home to extraordinary plant and animal biodiversity and constitute a major challenge in the fight against global warming by the huge amount of carbon stored in forests and soils.





State of forests and logging industries in the Congo Basin

The logging and timber industry has undergone profound changes over the past two decades. While being at the heart of **international concerns**, relating to sustainable management and the fight against climate change, it must also adapt to changing markets and the growing demand for better consideration of social aspects. and environmental aspects in forest management.

Logging sector represent a small part of the COMIFAC member countries GDP (**4% of the average GDP** of the 6 countries) but employes a significant number of people.

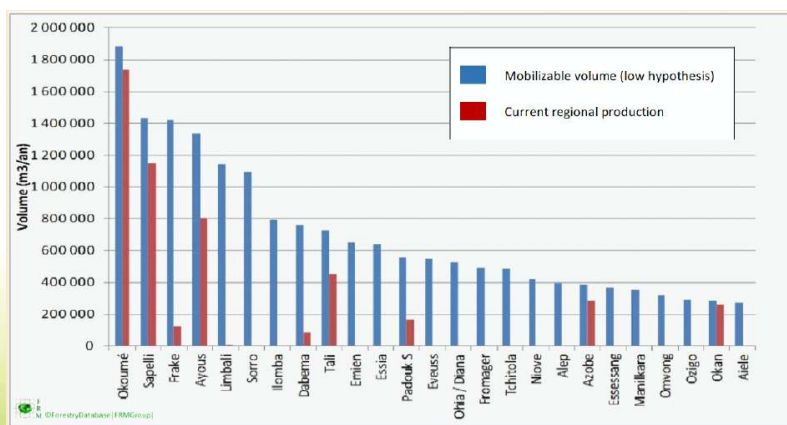
PAYS	ESTIMATION DU NOMBRE D'EMPLOIS DANS L'EXPLOITATION FORESTIERE	ESTIMATION DU NOMBRE D'EMPLOIS DANS L'INDUSTRIE	PIB COURANT (MILLIARDS DE US\$) (2016)	CONTRIBUTION DU SECTEUR FORESTIER AU PIB (2016)
CAMEROUN	9000	6000	32,2	4%
CONGO	4000	3000	14,3	5,3%
GABON	10000	10000	14,2	3%
GUINÉE EQUATORIALE	4000	500	10,7	2%
RCA	4000	1000	1,8	13%
RDC	2000	1000	31,9	0,6%
TOTAL	33000	21500	105,1	4 %



State of forests and logging industries in the Congo Basin

Forest logging in the Congo Basin, represents a **marginal fraction (1%) of the global timber production** (i.e., 5% of tropical logs production).

This production remains narrowly based : although 150 species with a potential of at least 15 000 m³/year have been identified, only 20 of them are harvested among which only **3 species represent 2/3 of the production** (Sapelli, Ayous and Okoumé). Other species such as Tali, Paduk, Dabema, Iroko, Ilomba are present in a very large part of the region.





State of forests and logging industries in the Congo Basin

Country	Forest concessions					
	Allocated concessions	Allocated area	Managed area		Certified area*	
		1000 ha	1000 ha	%	1000 ha	%
Cameroon	95	6565	5835	89%	2671	41%
Congo	53	14628	7997	55%	4626	32%
Gabon	132	13899	10496	76%	2383	17%
Eq. Guinea	36	740	0	0%	0	0%
CAR	14	3705	3258	88%	0	0%
DRC	63	11982	3788	32%	549	5%
Total**	393	51 519	31 375	61%	10 229	20%

*Legality or sustainability certifications

**Numbers may differ from official country reports due to the computation of the surfaces based on the GIS data made available



SWOT Analysis of wood sector

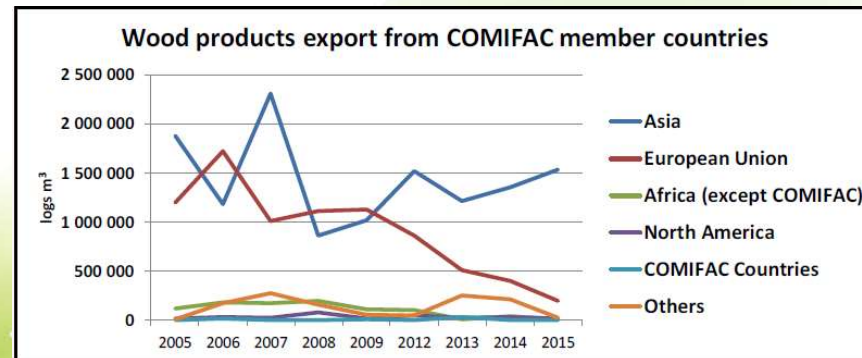
STRENGTHS	WEAKNESSES
<p>A tried and tested sustainable forest management model, deployed in the last 20 years in all countries of the Congo Basin, with a revision of forest codes.</p> <p>50 million ha of wood-producing forest, mostly inventoried, mapped, which allows timber production to be planned over the coming decades</p> <p>A unique, high quality, tropical raw material, with often specific markets always demanding, with abundant reserves</p>	<p>A low rate of industrialization and industries that value too little wood raw material, despite the efforts of the States, and structural solutions put in place</p> <p>Deficient logistical infrastructure, although recent progress can be observed, and heavy investment is required to access and facilitate traffic in these often isolated and remote areas.</p>
OPPORTUNITIES	THREATS
<p>The Congo Basin forest is heavily under-exploited, with a contribution to GDP and employment well below its potential</p> <p>World demand for wood, and even more so on the African continent in the 21st century will only increase as for any biobased, carbon-neutral and sustainable product</p>	<p>The strong pressure of agriculture and the removal of wood energy, which will only increase, the main factors of degradation and deforestation urgently calling for structural measures</p> <p>Too much informal/illegal logging, particularly in some countries representing both a great threat to the integrity of forests and the economic performance of the wood processing industry, but also a loss of revenues for the state</p>



Situation of Chinese logging in the Congo Basin

China's trade in the forestry sector with Africa has exponentially increased in the last two decades making China becoming the largest importer of logs coming from Central Africa countries (**more than 70%** in 2015-2016, FRMi 2018). Alongside this, the number of Chinese companies managing forest concessions have also significantly increased.

Chinese market demand, keen to reduced selectivity to ensure wood supply to Chinese mills may have some positive results related to the economic sustainability of harvesting operations in a strong regulatory framework.





Situation of Chinese logging in the Congo Basin

Though Chinese demand sustains log exports (and thus public revenues, the **low production and exportation of 2nd and 3rd transformation products** from the Congo Basin can reduce the potential economic benefits associated with domestic value addition in years when processed timber is in higher demand. Although acknowledging significant difficulties to collect information, and their quality, regional statistics show a gradual integration of legal and sustainable standards by Chinese companies **(only 8% certified to date)**.

Origin of the company	Forest concessions					
	Allocated concessions	Allocated area	Managed area		Certified area	
		1000 ha	1000 ha	%	1000 ha	%
Singapore	7	2 570	2 570	100%	2 040	79%
Malaysia	28	5 202	2 728	52%	475	9%
China	63	12 940	7 001	54%	954	7%
Other asian companies	4	130	84	65%	0	0%
Total	102	20 842	12 383	59%	3 469	17%



Challenges in the industry

Regulate the domestic timber market, which supplies a large part of the national and sub-regional populations

Making legally sourced wood mandatory in government procurement contracts in Central Africa





Recommendations

Further analyze the advantages and disadvantages of decentralizing licensing systems to reduce the cost of applications for rural operators and empower districts and provinces to be more involved in local resource management

Develop the efficiency of the domestic processing and manufacturing sectors by investing in processing and transportation infrastructure and training skilled workers

→ Investigate the model of the Special Economic Zones

Promote the legal and sustainable certification for forest concessions, reinforce their juridical status and regulation

Promote 1st, 2nd and 3rd transformation of logs inside their country of production

Expand forest areas exploited and economically valued by a fully formal sector



Recommendations

Intensify harvesting per hectare at a rate of 0.3m³/ha/year according to a breakdown by species and qualities of the trees taken according to the work to be done on competitiveness, especially the reduction of costs, and the technological development in factories and markets.

Develop forest plantations outside natural forests

Harmonize the taxation of COMIFAC member countries

Reinforce institutions and regulations

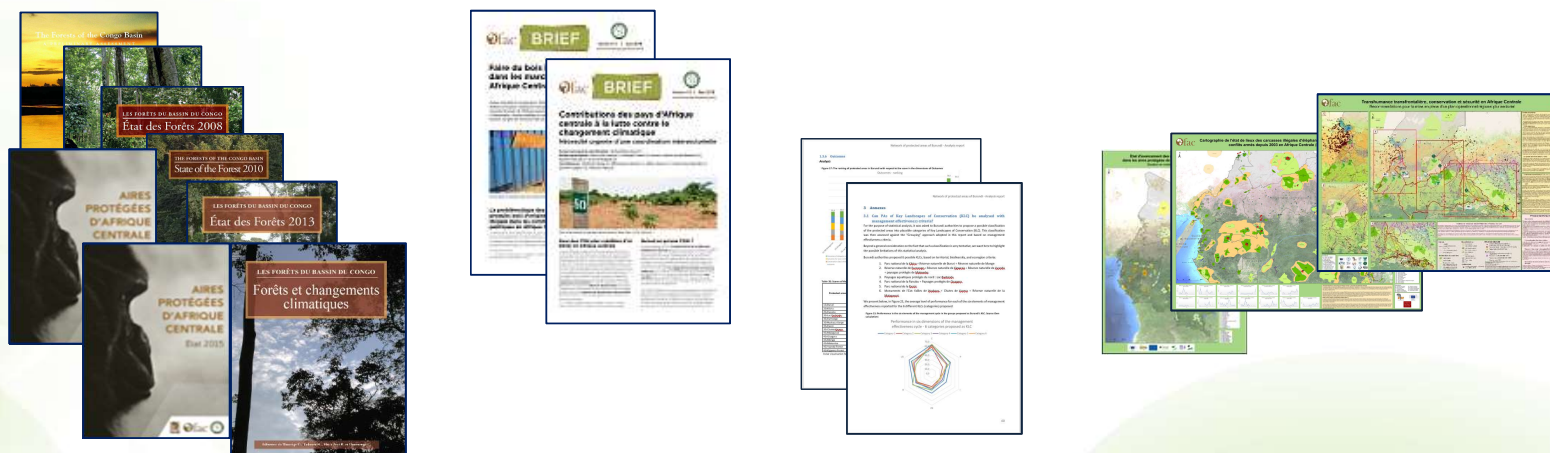
Invest heavily in logistics and energy infrastructure

Establish a new climate of trust and partnership with the banking sector and investors



More information

OFAC publications : www.observatoire-comifac.net/publications



Report « Développement intégré et durable de la filière bois dans le Bassin du Congo - Rapport stratégique régional » African Development Bank / FRMi, 2018



Thank you !



<http://www.observatoire-comifac.net>



COMMISSION DES FORETS D'AFRIQUE CENTRALE

Une dimension régionale pour la conservation

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