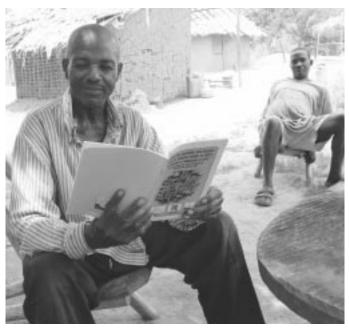


# CHAPTER 3: EVALUATION OF THE POLITICAL IMPACT OF INDUSTRIAL LOGGING CONCESSIONS

In Chapter 3, the detrimental effects of industrial logging in Cambodia, Cameroon and DRC are described. In these countries, the concessions system has contributed to environmental degradation, social injustice and corruption. This is in spite of a process of forest reform in Cameroon, described in Article 3.2, and the involvement of international donors in Cambodia, as Eva Galabru describes in Article 3.1. This does not bode well for DRC, as Adolphine Byayuwa describes. Here, industrial logging activities are seen as a key element of the country's development strategy. However, in view of the rampant corruption, disregard for law and illegal logging, it is doubtful as to whether it can do so.

These authors recommend much greater scrutiny of the industry, with better monitoring of forest operations and the imposition of tough sanctions for miscreants. Furthermore, improving access to the legal system by civil society should be a priority, for example, through the provision of better information on the legal framework and the rights and obligations of all parties.



Access to basic information for forest communities is an essential element of good governance. Photo: Cath Long



# 3.1 CAMBODIA CASE STUDY: CONFLICTS RESULTING FROM LOGGING CONCESSIONS

## EVA GALABRU, INDEPENDENT CONSULTANT, FRANCE

In 1972 Cambodia's forest cover was estimated at 73% of its land surface.142 The civil war (1970-1998) largely hindered access to many of the valuable forest areas. A number of events either forced or enabled the ruling party, the Cambodian People's Party (CPP), to seek other sources of financing, namely: the end of the cold war and the subsequent loss of financing from the USSR; the withdrawal of the Vietnamese occupation army; and the lifting of the economic embargo as well as the UNbrokered Peace Agreements. At the same time, the three other protagonists in Cambodia's civil war also lost their cold war-motivated financing and resorted to seeking alternative funding sources to pursue the armed conflict and prepare for the UN-organised elections. All warring factions allocated areas under their control to fly-by-night loggers who hauled timber across the border to Thailand or Vietnam, marking the beginning of large-scale forest destruction in Cambodia.143

The 1993 elections brought a tense truce in the form of a coalition government between three of the main warring factions, while the fourth, the Khmer Rouge, opted for continued hostilities. The three coalition factions retained control over their traditional areas of influence and awarded large tracts of forests to foreign investors. Lines were drawn on maps and no efforts were made to investigate the suitability of the concession allocations from environmental or social perspectives.

Cambodian government officials, at the time, either lacked the funds or were unwilling to invest in developing infrastructure and industrial processing capacity. Therefore, they relied on foreign capital and know-how, while establishing their relatives and business associates – often the military – as these

investors' landlords, subcontractors and business partners. As many as 40 such concessions, covering 7 million hectares are thought to have been allocated, though circumstantial evidence suggests much higher numbers.<sup>144</sup> The timber processing capacity established far exceeded what the forests could sustainably yield.

The Khmer Rouge, controlling most of the Western border areas allowed companies, mainly Thai, to log in their controlled territories, including in gazetted protected areas.<sup>145</sup>

By early 1997, as relations in the coalition government soured and the Khmer Rouge showed signs of collapse as a political entity, the coalition partners started re-arming and seeking to form alliances with defecting Khmer Rouge in order to gain military superiority. The ensuing conflict culminated in a coup d'état; the CPP ousted the other factions, executed their leaders or forced them into exile while taking over their economic assets, including the logging concessions and factories. Many business people quickly aligned themselves with the CPP;<sup>146</sup> in some cases financing the coup and bankrolling the "caretaker government".

The "caretaker" period lasted from July 1997 until December 1998. During that time, shunned by the international community and cash-strapped, the CPP awarded another 2 million hectares of concessions to logging companies in reward for their contributions towards the CPP military efforts and later its election campaign. <sup>147</sup> By 1997, Cambodia's forest cover was estimated to be 58%. <sup>148</sup>

In parallel, despite the blatant abuse of Cambodia's "most developmentally significant natural resource", 149 the World Bank and other donors continued to push for reform in the forestry sector in order to increase state revenue, foreign investment and job generation by advocating for the continuation of the

<sup>&</sup>lt;sup>142</sup> Service des Eaux, Forets et Chasse (1972) Les forêts de la république khmère. <sup>143</sup> Hibou, B. (2005) Cambodge: quel modèle concessionnaire? Fonds d'analyse des sociétés politiques. <sup>144</sup> NGO Forum on Cambodia (2005) An Annotated List of Materials Relating to the World Bank Inspection Panel Investigation of the Forest Concession Management Control Pilot Project Implemented over the Period 2000 – 2005. <sup>145</sup> Gazettement of an area by the relevant government department provides legal recognition and status, making associated laws applicable <sup>146</sup> Scroggins, H. (1997) One million to stop looting – Boonma, Phnom Penh Post, August 29 – September 11, 1997, Vol. 6 (17). <sup>147</sup> Chea Sotheacheath and Reuters (1997) Teng Boonma enters the logging business, Phnom Penh Post, October 10 – 23, 1997, Vol. 6(20). <sup>146</sup> Cited by Le Billion, P. (2002) Logging in Muddy Waters. The Politics of Forest Exploitation in Cambodia. <u>Critical Asian Studies</u> 34(4). <sup>149</sup> World Bank, UNDP, FAO, (1996) Forest Policy Assessment, Cambodia.



concession system.<sup>150</sup> Forestry reform was considered a technical issue, with the need to build capacity and establish control and regulatory frameworks. Although the corruption, cronyism and grand theft the concessionaires were engaged in was an open secret, development agencies did not seek to address the underlying causes of forest mismanagement on the grounds that they did not meddle in politics of a sovereign state. Instead, technical assistance, consultancies and working papers produced reams of superficial assessments and lists of recommendations and incentives to bring about the sustainable management of Cambodia's forests.<sup>151</sup>

A 1999 Asian Development Bank-sponsored study described the concession system as a "total system failure", citing illegal logging, unsustainable yields and practices and little or no concern for the welfare and user rights of local people. 152 Rather than question the suitability of the concessionaires as forest managers, given their past records of illegal logging, tax evasion and human rights abuses, the Royal Government of Cambodia (RGC), with financing and technical assistance from the World Bank, established a restructuring program of the concession system. This entailed introducing checklist requirements for sustainable forest management plans, tree inventories and requiring companies to follow the legal requirements to produce environmental and social impact assessments.153 However, the lack of defined and imposed standards combined with a clear lack of commitment on almost all sides rendered this largely a paper exercise resulting in the failure of the forestry reform process. 154

The international donor community, although providing about half of Cambodia's national budget, <sup>155</sup> was unwilling or unable to monitor and enforce reform conditionality in the forestry sector. In particular, the RGC became adept at appearing to comply with the undefined and

meaningless demands of donors, while introducing legal loopholes and contorted new definitions. Thus, although Cambodia has not awarded new timber concessions, it boasts stump and branch harvesting concessions, including one that is authorized to fell "nearly dead" trees.<sup>156</sup>

Simultaneously, the political elite has gained confidence in its ability to operate logging operations and factories, and now has access to export markets; foreign investors, who take a cut of the profits, are no longer needed. Conveniently, donors' conditions provide the excuse to stall their operations and gradually push them out of business. 157

The failure of the concessionaires to reform, implications in organised forest crime and political pressure resulted in a moratorium on all timber concessions imposed by the RGC in 2002. While some local operators manage to exploit legal loopholes, the logging moratorium remains the single most important step towards reform of the sector. It generated space for debates about alternative forms of forest management and, for the first time, empowered forest-dependent communities to reclaim user rights over some high-value forest areas. The moratorium also broke the grip of logging operators and military sub-contractors over large areas of rural Cambodia, who until then had controlled access and had a strong influence over the local authorities.

Today, with the moratorium still in place, six timber concessionaires remain in Cambodia. Many have dropped out for lack of trees to cut, while others, citing alarming growing corruption have "cut their losses" and turned to what they consider easier targets: the Amazon and Congo basins.<sup>158</sup>

Cambodia's political elite has also moved on. Arguing severe degradation, forests are now being sold off as economic land concessions and converted for agro-industrial purposes or

<sup>&</sup>lt;sup>150</sup> World Bank (2000) Cambodia Forest Concession Management and Control Pilot Project, Project Appraisal Document. <sup>151</sup> World Bank (2005) Bank Management Response to Request for Inspection Panel Review of the Cambodia Forest Concession Management and Control Pilot Project. <sup>152</sup> Fraser Thomas, GFA-AGRAR, ANZDEC, ADB (2000) Cambodian Forest Concession Review Report. <sup>153</sup> World Bank (2000) Cambodia Forest Concession Management and Control Pilot Project, Project Appraisal Document, 2000. Project Implementation Document. <sup>154</sup> World Bank (2004) Independent Forestry Sector Review. World Bank Comments and Proposals Going Forward, Cambodia. <sup>155</sup> USAID (2004) Cambodian Corruption Assessment. <sup>156</sup> Global Witness (2003) Illegal Logging, Transportation and Log Collection in North-East Lumber Stump Collection Concession, Romtom Commune, Rovieng District, Preah Vihear Province. <sup>157</sup> Interviews with Forest Administration Officials, conducted 2004. <sup>158</sup> Interviews with officials of the Cambodian Timber Industry Association, conducted 2003 & 2004.



pulpwood plantations, quaintly described as reforestation endeavours. The Prime Minister has decreed forest cover has increased – now at 61%. Government officials have been prohibited from linking the severe droughts and floods plaguing Cambodia to deforestation.

Today, Cambodia, considered one of the oldest post-conflict countries, remains one of the poorest countries in the region.<sup>159</sup> Billions of dollars in development aid have failed to lift its people out of poverty. In the last decade, emphasis was placed on nation building and economic recovery, whereas environmental sustainability was not among the priorities established by the international donor community and the RGC. Forests continue to be viewed by many merely as an inexhaustible source of wood for export. The legacy of a decade of the forest concession system is irreversible damage to Cambodia's forests. The FAO 2005 Global Forest Resources Assessment ranks Cambodia as the third highest in the world for deforestation rates of primary forests.

### Recommendations:

Regional and international efforts:

- Moratoriums, bans or export/import conditions and regulations should be agreed upon by neighbouring countries, with clear mechanisms and processes for monitoring, reporting, allocation of responsibility and enforcement.
- International law enforcement initiatives should seek ways of tracking and sanctioning rogue companies.

Policy makers and development aid partners:

- Development aid agencies should harmonize their policies concerning extractive industries, public participation and oversight.
- Recognizing that bad governance is a debilitating factor in forestry reform, mechanisms for the independent financial

- scrutiny of companies and government counterparts should be established.
- Policy makers should factor into economic projections the functions and role of forests in climate, soil, water and other ecological services, as well as the importance of forests for rural populations and in particular forest dwellers.
- Alternative forest uses should be explored as a priority, including ones that are environmentally friendly and benefit directly those living in and around the forests.
- The use of incentives and disincentives, such as conditionality, to bring about reform should be clearly described and monitored. Standards to measure these should be established.
- Meaningful indicators should be developed in order to assess trends scientifically.

### Forest management:

- Authority for forest management, regulation and monitoring should be separated.
- Living wages, incentives and protection mechanisms for those entrusted with those functions should be available.
- Decisions should be based on credible, recent scientific data. In the absence of these, the precautionary principle should prevail concerning the possible modification of ecosystems. Concretely this should result in a net reduction of areas under production.
- The allocation of production forests should not be justified by the existence of paperbased protected areas.
- Processing capacity should be matched to sustainable production capacity of the forests. The domestic timber supply should be prioritised. Exports, when possible, should focus on high-value products.

<sup>159</sup> UNDP (2005) Human Development Report.



# 3.2 THE INEFFECTIVENESS OF REFORMS AND FAILURES OF THE CONCESSION SYSTEM IN CAMEROON

#### SAMUEL NGUIFFO, CED, CAMEROON

Improving governance of the forestry sector was one of the main reasons for reforming forestry legislation in Cameroon in 1994. 160 Previously, forest concessions were allocated by mutual agreement, the lack of objective selection criteria further clouding the allocation management process, and subsequently, the management of the concessions. The result as far as the Treasury was concerned was a sector with poor profitability.

During the past twelve years, successive stages of reform have enabled the forestry sector to be thoroughly restructured, in particular with the establishment of a set of mechanisms that favour improved governance in this sensitive sector. These include:

- Introducing an open tendering system for allocating forest logging deeds;
- Adopting a set of technical and financial criteria for use in assessing the tenders;
- Creating a forest logging titles allocation committee made up of representatives from various Ministries, and open to individuals from the private sector as well as international aid agencies' representatives;
- Appointing an independent observer to the concessions allocation committee, responsible for preparing reports for the Ministry for Forests and Wildlife on the observance of the regulations governing the allocation process for forest logging titles;
- Appointing an independent observer tasked with safeguarding the credibility of the Ministry for Forests and Wildlife's monitoring of allocations, and to build the authority's capacities in terms of forest monitoring;

- Involving communities in collecting information to support the fight against forestry legislation infringements. The local communities living in the forest can in fact make available all the information they have on illegal logging to the forestry authority and/or its independent observer;
- Increasing the involvement of other
  Ministries in the management of the forestry
  sector, such as: the Ministry of Territorial
  Administration in managing local forestry
  taxes; the Ministry of Economy and Finance
  in monitoring the forest tax system via the
  Forest Revenue Security Programme; and the
  Ministry for Justice regarding the slow
  settlement of forestry disputes;
- The publishing of sanctions imposed on companies contravening forestry legislation by the Ministry for Forests and Wildlife in the national press and on its website.

Despite the best efforts of the Cameroon government, which for the most part were a result of the conditions imposed by donors, the road towards full transparency remains long.

### Difficulties in implementing reform and the persistence of illegal practices

In Cameroon, the concessions system has never worked optimally. Obstacles to the reformation of forestry development persist and illegal timber felling continues. At the end of the 1980s and the early 1990s, WWF estimated that the volume of illegal timber production was around 50% of the nation's total production. In 2001, research into the production and export statistics declared by forestry companies indicated that more than 50% of the timber exports from Cameroon were of dubious origin. I62

Despite some improvements since the start of

<sup>&</sup>lt;sup>160</sup> Ekoko, F. (1992) The Political Economy of the 1994 Cameroon Forestry Law. Yaoundé, CIFOR. p.10; <sup>161</sup> WWF (2002) The Timber Footprint of the G8 and China; <sup>162</sup> Nguiffo, S. (2001) Statistiques de l'exploitation forestière illégale au Cameroun. Presentation to the Press Conference of Friends of the Earth, Paris. 11 September 2001.



the reform process, the forest logging titles allocation process still does not always comply with the Law. The concessions are not always awarded to the parties offering the best technical or financial tenders, 163 and the strategies for circumventing the strict guidelines for the public tenders are many and ever more subtle; consider for instance the *de facto* mutual agreements to allocate timber removal permits to "elastic" land areas, pricefixing in timber auctions, or the post-allocation transfer of forest logging titles to resource-rich areas, etc.

The practice of public calls for tenders has increased the value of concessions, forcing their prices up as the concessions still to be allocated have become more and more scarce. Some logging companies justify illegal logging as a means of compensating for the sometimes unrealistic financial bids they are required to make.

The concessions system has not improved forest management. A proportion of the titles allocated using the tendering procedure (felling permit sales) are not in fact subject to such management practices. When located in the permanent forest zone, forest concessions should in fact be models for careful management. But the first management plans were approved more than eight years after the first allocations were granted, and this despite the fact the concessions had already suffered irreversible damage.<sup>164</sup>

The concessions system has not contributed to any improvement in the living conditions of the local communities. In fact, most of the social investments made by the logging companies (mainly infirmaries and road networks) are vital to their operations. Moreover, the use of forest taxes as a means of financing local development does not appear to be bearing any fruit. Finally, ecological disturbances due to industrial logging operations have a negative

impact on the living conditions of the forest communities, for example, disappearance of game due to the intensification of poaching, destruction of crops, the spread of infectious diseases, and the removal of species of high cultural and social value.

# Main reasons for the ineffectiveness of the reforms

There are various reasons why the reforms have been ineffective in bringing about a complete change in the way the forests are managed. These include the fact that the nature of the State of Cameroon was not taken into account sufficiently, especially in terms of its relationship with the Law. In fact, changing the Law will not be enough to bring about a change in practices in the forestry sector.

The Cameroon State reflects the neopatrimonial model described by Jean-François Médard, <sup>165</sup> typified by a strong propensity to use public functions for private gains, the stripping-away of the mystique that surrounds the Law as an instrument for regulating social relations, and the trivialisation of the public authorities' actions. The government shows signs of strong resistance towards the adoption of reforms (from where stems the need for conditionalities), hence the delays in their incorporation and implementation.

Beyond Cameroon's usual administrative red tape, there are two crucial factors which are slowing down the achievement of greater transparency in the forestry sector:

•The "underlying" function of the forest in a neo-patrimonial system: the potential the forest sector holds for government officials to take personal advantage of the system is huge in terms of both the sums involved and the diverse ways these can be

<sup>&</sup>lt;sup>163</sup> World Bank (1998) Report and Recommendation of the President of the IBRD to the Board. p.17; <sup>164</sup> Auzel, P. et al. (2001) Impact économique et sur l'aménagement de l'exploitation illégale de l'UFA 10:030. Yaoundé, DFID; <sup>165</sup> Medard, J.F. (1991) L'Etat néo-patrimonial en Afrique noire. In: Medard, J.F. (Ed.) Etats d'Afrique noire. Formation, mécanismes et crise. Paris, Karthala.



accessed (direct exploitation, "facilitating" access to the resource and relations with the government, "assistance" in managing monitoring controls, etc.). It is therefore difficult to expect those who benefit from such lack of clarity to begin reforms intended to deprive them of their forest incomes.

•The marginalisation by the Law of the legal and financial authorities, civil society organisations and communities in forestry-related disputes, which remain largely dominated by the forestry authorities. The Law of 1994 and its application decree only provide for obtaining Court rulings on transactions where agreement cannot be reached within 72 hours of the infraction being identified. In addition, the Courts may only examine the legality of the transactions signed by the Minister responsible for Forests if these are challenged by a party who is officially empowered to appeal to the Courts.

#### Recommendations

More careful monitoring of the implementation of the management plans and heavier fines in the case of non-compliance could be envisaged. The withdrawal of concessions, already provided for under law and forming part of the sanctions, is an option that should also be more closely considered. In the future, a periodical, independent review of the implementation of the management plans, with the results being made public, could also be envisaged. In fact the long delays in implementing the concession management plans, despite the legislative provisions already in force, have resulted in a proliferation of illegal logging, undermining the profitability of the concessions for the Treasury. It is certain that many concessions cannot continue to be logged through to the end of their validity.

Civil society organisations and communities could be given better access to the legal

system, in particular by showing more flexibility towards them in terms of their right to act in law. This measure would help reduce the government's supremacy in forestry-related disputes, and would make possible the better legal monitoring of forestry sector practices (decisions made by the concessions allocation committee, illegal logging, transactions, zoning, use of forestry taxes, etc.).

These two sets of measures could contribute to significant improvements in the way Cameroon's forests are managed and governed.



# 3.3 POLICY VERSUS PRACTICE: DOES FOREST LOGGING REALLY HELP REDUCE POVERTY IN DRC?

### ADOLPHINE BYAYUWA, RÉSEAU DES AUTOCHTONES PYGMÉES (RAPY), DRC

Upon the recommendations of experts from the World Bank and the United Nations' Food and Agriculture Organisation (FAO), upon which the Democratic Republic of Congo's (DRC) forestry policy reforms have been technically and financially based, the Congolese Government has made industrial logging activities a key priority. Thus, at least 40% of the nation's forests have been assigned as logging concessions, whereas only 15% of the forests are earmarked for conservation projects. The State's declared intention is to increase its wealth so it can "develop the country and play its part in eradicating poverty" – a very worthy cause.

In its preamble, Law n° 011/002 (29 August 2002) of the Forestry Code states that the Government wants "the Forestry authority to contribute substantially to national development and for neighbouring populations to participate actively in the management of the forests to enable them to benefit legitimately therefrom".

Given this, and considering the potential offered by the timber sector, one could say that the aim of the logging operations is both noble and defendable. However, one should remember that the problem that DRC, one of the poorest countries in the world, faces is not a lack of either ideas or potential. Nor does its poverty have anything to do with a lack of either natural or potential resources. Apart from timber, the country is rich in metal ores which the country has been mining for decades but which have never brought prosperity to the people or resulted in development within the country. The ills which are afflicting this country are more to do with corruption, a lack of political will, a disregard for the law, bad governance, unaccountability, the poor

distribution of national revenue, abuse of power, cronyism and the influence of external interests, etc.

The declared aim of logging may indeed be well intended, but given the fact there is no sign of any solutions being offered to combat the above wrong-doings, well-informed observers remain sceptical about its implementation.

Article 84 of the Forestry Code of DRC states that:

"The forest concession contract is preceded by a public inquiry carried out in the correct form and in accordance with the procedure set out in a Ministerial Decree. The aim of the inquiry is to record the nature and extent of the rights that third parties may hold over the forest area to be placed under concession, in order to determine the level of compensation as necessary. The amount of compensation is agreed amicably or, failing this, by a Court of Law. The payment of such compensation thereafter protects the forest from all further claims".

If this procedure was followed, one could hope for a happy outcome. However, non-observance will inevitably lead to crises and even very serious social disturbances over the use of the revenue generated by logging, and the expectations of the logging companies and the neighbouring communities.

Thus, several factors could result in the goals for logging not being accomplished:

•Corruption: This is a major obstacle - the managers at the head of the forest sector sign bilateral and multilateral logging agreements and contracts on behalf of the people, but the funds generated from taxes, duties and other activities often go directly into private bank accounts. This improper distribution of revenue not only impacts on



the country's coffers and therefore the wellbeing of its citizens, but also weakens and undermines social cohesion.

- Non-observance of the law: Nonobservance of public inquiry procedures could threaten and undermine the conditions for the peaceful exploitation of forest concessions, as well as threaten the full participation of local communities in managing the forest.
- Illegal logging: Correctly observed logging operations benefit the State in terms of the taxes and duties levied. However, illegal logging is nothing more than the pillaging of the country's natural resources. The DRC knows a thing or two about forest operations from the work done in the east of the country by foreign-owned companies, supported and protected by local armed groups and even armies from neighbouring countries. Several United Nations panel reports highlight the pillaging that has gone on through illegal logging operations. The Equateur province is another example. This was supposed to be an area where felling trials were to be carried out on Congolese forests. However, the area became overrun with logging companies which carried out their illegal operations with impunity and the complicity or protection of certain of the country's most powerful citizens. Their presence had no positive impact on the local economy.

Although the FAO is a main player in this process, the Pygmies have still not been brought into the reforms. However, account needs to be taken of their ancestral rights given that they have lived in and used these forests for centuries. Keeping in mind that the Law only provides for conservation of 15% of the DRC's forests and that more than 40% are earmarked for commercial logging, we still do not know what percentage of Congolese forests

are to be returned back to the indigenous communities to enable them to practice their cultural and socio-economic activities.

To avoid conflict with local communities, surveys must be carried out prior to the receipt of requests for plots of forest land. In this way a dialogue can be started with indigenous populations and local communities, determining amongst other things the land used and occupied by local people, the type of activities they are undertaking and the conditions for compensation, if applicable. This would then avoid confrontations such as those that happened in the forest surrounding Mangina in the North Kivu province. Here, the local "maimai" militia, formed from the people living in this area, took the Thai forest workers hostage because the latter, working under the protection of soldiers from the Ugandan army, were "pillaging their country's riches without any regard for them".

#### Recommendations

To ensure logging operations benefit the State and the Congolese people, the Congolese State needs to:

- Rigorously observe the spirit of the Forestry Code with regard to development and the fight against poverty;
- Announce this new Law as widely as
   possible to ensure that managers within
   the Department of Forestry observe the
   provisions, that local and indigenous
   communities better understand their rights,
   and that logging companies have a
   thorough understanding of their
   obligations;
- Ensure that indigenous and local communities are consulted and provide their free and fully informed consent to zoning operations (Article 15);



- Guarantee indigenous and local communities the right to participate in the drawing up of forest management plans and forest classification procedures (Articles 39 and 74);
- Ensure that the aim of the public inquiry is not least to determine the traditional land rights of local communities and indigenous populations (Article 84);
- Guarantee the construction of schools, health centres, roads, etc., by the logging companies, in accordance with the specifications drawn up by the local communities (Article 89);
- Guarantee the pursuit through the Courts, with NGO support if necessary, of any operator violating any provisions under the Forestry Code (Article 134);
- Ensure the setting up of a representative advisory committee for monitoring decisions taken by the Forestry authorities;
- Facilitate and safeguard the management and use of designated forest areas by the local communities themselves (Article 112);
- Recognise and protect usage rights (Article 36);
- Set up reliable participatory mechanisms for distributing forest taxes between decentralised bodies;
- Guarantee and protect the right of a community to fair and equitable compensation for any harmful effects caused by logging practices to their lands.