



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

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Ouvrier dans un chantier public de construction de l'Université de Kisangani, RDC | Photo par Guillaume Lescuyer/CIFOR

The problem of illegally sourced wood products in government contracts in Central Africa

Demand for timber in Central Africa is growing rapidly, especially as more countries adopt development programs. Yet, currently not enough attention is given to the legality or sustainability of the wood supply line for national consumption.

Moreover, the States and their partners, who finance these programs, account for a large part of the national demand through government contracts that do not require a legality or sustainability clause. Hence, the States and other development actors contribute indirectly to the informal and illegal practices that prevail in the national timber industry in Central Africa. It is therefore essential that the Central African Forest Commission (COMIFAC, Commission des Forêts d'Afrique Centrale) Member States, and their technical and financial partners, establish policies that oblige public service providers to purchase wood products exclusively from legal sources.

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Public procurement dominated by timber from informal sources

Studies carried out during the last decade in several Central African countries, particularly in Cameroon, Gabon, the Republic of Congo and the Democratic Republic of Congo (DRC), show that the local timber industry is growing quickly and consumes greater volumes than the export market that serves Europe and Asia. Local demand for timber is not only from private consumers, but also from the public (and semi-public) sector, which includes government services, decentralized territorial communities and businesses. Government contracts are given for the construction of development facilities in priority sectors, such as education, public works and health care. These projects often receive support from international financial institutions, while the actual work is carried out by national or international enterprises that are awarded public tenders. Very few of these stakeholders are interested in the origin of the wood used to build the infrastructure. Nearly all of the wood comes from the urban markets, which are supplied by small-scale loggers, who remove timber without taking resource renewal into consideration. As a result, all around Central Africa, especially close to communities and along the main roads, forest resources are deteriorating and are gradually being depleted. Artisanal logging could cause serious harm to the environment since it is an informal, and essentially illegal, sector (Cerutti et al. 2011; Lescuyer et al. 2011, 2014).

The result is that governments, their financial partners and their supplying companies indirectly contribute to illegal logging, thus violating their commitments to processes such as the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan, Africa Forest Law Enforcement and Governance (AFLEG) and the 2008 Sub-Regional Agreement on Forest Control in Central Africa. This situation can be traced to the lack of a public procurement policy that would force them to purchase timber exclusively from legal sources.

Considering the implementation of the Voluntary Partnership Agreement (VPA) and the growing interest in promoting intra-African timber trade, COMIFAC Member States urgently need to prepare and adopt a public procurement policy that imposes and promotes timber from legal sources. The countries' financial partners should help to prepare these policies, which will also apply to their development support actions. The type of the government procurement policies can vary but should always serve as a framework for government contract providers and suppliers.

Cameroon will soon take the lead in requiring legal timber in calls for tender

National and international government organizations in Cameroon have done very little to develop a strategy to promote legal sourcing of timber in applications for government contracts. However, between July 2015 and June 2016, the Cameroon Public Contracts Journal published 1029 calls for tender that included timber purchasing, covering 2134 public infrastructure construction or renovation projects. Most of these calls for tender are for school facilities and the quantity of timber required by government amounts to at least 13,000 m³ a year, meaning that the state is the leading buyer of timber and furniture on the domestic market. That said, government purchases account for a small portion of the total wood sold in the urban markets.

No national bodies have internal regulations that require, or even encourage the use of legally sourced lumber. The same applies to nearly all the international organizations, who claim that they only have to abide by national laws. There are some financial partners whose operating guidelines would allow them to demand that legally sourced wood be used in the projects they finance, but these guidelines are not tangible or systematic. In reality, there are practically no cases of donors demanding that the wood for their projects comes from managed concessions or is Forest Stewardship Council (FSC) certified; if it happens, it is mostly due to the project implementers, more than the institution's will. Furthermore, certified or legally sourced wood is often difficult to obtain, either because the industry is not interested in low-profit national markets or because of a lack of capacity to meet national demand.

More generally, government institutions, as prime contractors or project supervisors, leave the responsibility for procuring timber to the service providers or the worksite managers. Yet, construction companies do not feel obliged to buy legally sourced wood even though many of them have a Corporate Social and Environmental Responsibility (CSR) strategy.

Three strategies to promote legally sourced timber in government procurement contracts

By governments in the producing countries:

- Requiring legally sourced wood for all public contracts;
- Offering financial and technical incentives for the use of legally sourced wood, e.g. tax exemptions.

By technical and financial partners:

 Imposing legally sourced wood procurement standards to qualify for direct and indirect support to development projects.

By businesses:

 Incorporating requirements of legally sourced wood into their CSR strategies.

In an attempt to rectify this situation, the Cameroonian Ministry of Forests and Wildlife (MINFOF) created an ad hoc working group in January 2018 to prepare a draft text on the promotion of the use of legally sourced timber in government contracts. To date, Cameroon is the only country that has required legally sourced lumber to be specified in the public calls for tender. However, initiatives taken across Central Africa indicate that other countries are prepared to promote or produce legally sourced timber in government contracts.

In Gabon in 2016, for instance, the Ministry of National Education sought to showcase the quality of Gabonese wood by purchasing 150,000 tables and benches from the Gabon Wood Hub (the Nkok Special Economic Zone (SEZ) wood cluster), assuming that the wood came from a legal source.

In DRC, the Faculty of Science at Kisangani University ordered 476 m³ of certified timber, with financial support from the European Union. These individual initiatives contribute to creating awareness in wood-producing countries, and need to be encouraged and scaled-up across the sub-region.

Indeed, the development programs of the other countries of the sub-region (Chad, Republic of Congo, Rwanda, Burundi) all focus on the construction of infrastructure. This infrastructure boom will automatically boost government procurement of wood in the coming years.

Options for requiring the use legally sourced wood in government contracts

To make the use of legally sourced wood a requirement in government contracts, there are three major options:

- First, make a political statement announcing the intention to promote the exclusive use of legally sourced wood in government contracts.
- Second, issue a legal act, for example, a decree signed by the President or the Prime Minister that is binding. It could also be a joint order from the sector administrations involved in forestry resources management, the organization and verification of public contracts, or the supervision of infrastructure being constructed.
- Third, include a clause on the use of legally sourced wood in the public contracting codes so as to exercise a direct effect on the State's providers and suppliers.

Recommendations

- Adopt public policies on the promotion of wood from legal or sustainable sources in public procurement orders in each of the COMIFAC Member States.
- Give priority to legal acts by the President or the Prime Minister to implement the requirement for legally sourced wood in government procurement orders.
- Develop and implement monitoring systems for public procurement orders in order to obtain official statistics on wood consumption by public administrations.
- Develop incentives for the private sector.

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