
[Guyana: Controversial Barama certificate further tarnishes FSC's reputation](#)

A new FSC certificate of a major logging operation has again raised eyebrows among foresters, environmentalists and human rights activists. In Guyana, the Swiss certification company SGS Qualifor has just granted an FSC certificate to the Malaysian-Korean logging giant, Barama Company Limited (BCL), which operates a 1.69 million hectare concession in North West Guyana. BCL is co-owned by the South Korean trans-national Sun Kyong and by the controversial Malaysian logger, Samling Timbers Sdn Bhd, whose logging on the ancestral lands of the Penan people in Sarawak, Malaysia, continues to spark protest.

When BCL was first awarded the concession in Guyana under less than transparent circumstances in 1991, the agreement granted it an extensive tax holiday on terms that were so generous that besides being loudly denounced as a sell out by opposition politicians, amidst allegations of corruption, also led to it being questioned by institutions like the World Resources Institute. Even the British government, which later gave support to the 'development' of Guyana's forestry sector, admitted that the contract was too generous and should be revised.

During the 1990s, BCL ran its logging operations from the northern end of its concession driving roads south into the forests around Arakaka and Matthew's Ridge and shipping the extracted logs by barge out of Port Kaituma, downriver, east along the coast and then having them processed nearer the capital, Georgetown, at its plywood factory at Land of Canaan. The logging operations were denounced by the Amerindian Peoples' Association, the main national indigenous organisation, which documented how BCL operations had ignored indigenous rights, bulldozed gravesites, forcibly relocated Amerindian villagers to make way for the log pond and allowed the local environment to be depleted by hunters and wildcat miners entering along the logging roads. It took ten years for the government to regularise the tenure of the Carib Indians at Baramita on the western edge of the concession but a number of other Amerindian settlements in the concession remain untitled and unrecognised to this day. Meanwhile the plywood factory near Georgetown has suffered a constant rumble of intractable labour disputes.

BCL alleged that it had trouble making money out of its massive concession in the North West as the forests there just yielded relatively small diameter baromalli trees. It began buying higher quality timbers from other concessionaires including entering into controversial and ill-regulated deals with Amerindian communities that led to documented over-harvesting and community divisions.

In the past three years, however, BCL has shifted its base of logging operations out of Port Kaituma. It acquired additional rights in a further 300,000 hectares along the banks of the Essequibo river and began cutting new logging roads from near Buck Hall on the east, across these additional areas and into its own huge concession. It also approached certification bodies with a view to getting its operations certified.

Local foresters were alarmed at the hasty way that BCL was going about getting a certificate. While BCL joined other forestry companies and conservationists in a national initiative to develop Guyanese

FSC standards, BCL simultaneously sought certification under the FSC generic standard, locally adapted to Guyana by SGS Qualifor through consultations,. There was a fracas in 2003 when allegations were circulated that BCL had insisted on Amerindian complaints about BCL's operations being expunged from the minutes of a multi-stakeholder meeting. Guyanese foresters also questioned the good faith of BCL in the national standards development process. Why wasn't the company waiting for the national interpretation of the Guyana National Initiative for Forest Certification and was instead pushing for a certificate under the SGS Qualifor generic one, they asked ?

SGS Qualifor issued its certificate of BCL's operation on 17th February 2006 and shortly after posted the public summary on the web. It's an odd document. Instead of reviewing the management plan and performance for the entire forest management unit, the certificate only applies to the 570,000 hectares in the 4th and 5th of the 7 subunits into which the concession has been divided. The audit thus excludes from consideration the first three logging areas where the company ran into so much contention, in the Port Kaituma area in the north of the concession. It also excludes from consideration the final two cutting blocks which will also bring the company into contact with Amerindian communities on the Cuyuni river to the south. The audit seems to ignore completely the concerns that have been raised about the disputes at the plywood factory and the company's controversial buying of timbers from off concession. 'Partial certification', it seems, has been taken to a new level.

Announcing the FSC certificate to a press conference on 26th March in Georgetown, the capital of Guyana, BCL claimed that its operations have not turned a profit in 15 years of operation! (Reminding cynical observers of the famous Japanese and Malaysian logging operations in Papua New Guinea which have likewise managed to show no profits, mainly by the auditors' trick of 'transfer pricing'). BCL's alleged lack of profitability begs the question, so how come the company got certified when one of FSC's key principles is that operations should be 'economically viable'? And if the company has not benefited from logging nearly 1/5th of Guyana's 'permanent forest estate', then who has? The tax holiday enjoyed by the company means that Guyana's exchequer has got next to nothing. The Amerindians have been vociferous in their complaints since the operation started. For their part, Port Kaituma residents lament that the temporary boom in local jobs of the 1990s is already over and they are left with depleted game, ruined forests and crumbling infrastructure. Is this the 'sustainable forest management' that the FSC is meant to promote?

The BCL certificate has been loudly, maybe not correctly, trumpeted as the 'single largest block of tropical forests in the world certified by the FSC'. Please pass the sick bag.....

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For SGS audit see: http://www.sgs.com/9205-gy_-_barama_ma2005-10_-_ad36a-03_gm.pdf