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## Why the forest concession model does not solve the structural problems of logging and wood extraction?

*Historically, illegal forest exploitation to obtain economically valuable timber has been one of the activities with the highest impact on forests worldwide. Such exploitation facilitates the destruction and disappearance of forests in many regions. And the peoples that depend on them are not only affected by their destruction, but also by the violence and corruption involved in such exploitation. The forest concession model has been propagated as a solution. It would be the "road" to an allegedly "sustainability" of the activity. Forests would regenerate and the model would benefit local communities. But experience with the model shows that it has been unable to fulfil its promises. Neither the many reforms nor the reviews of the forestry sector and concession policy in several countries have managed to solve the problems, even though institutions like the World Bank have spent millions of dollars in this. Enough reasons to raise the question: Why the forest concession model does not solve the structural problems of logging and wood extraction?*

The forest concession model keeps the centralized top-down policy, which decides on the use of forests. The model is promoted by the same international institutions, such as the World Bank, that already promoted the failed Tropical Forestry Action Plan, launched 30 years ago to fight against deforestation. Resources come largely from foreign governments, where companies with an interest in the logging sector have their headquarters, and from governments of countries exploiting timber. The forest concession model holds the discourse that timber exploitation is necessary to "develop" the country. But this does not take into account the voices of the peoples and populations who depend on forests, and thus, suffer from the terrible effects of this activity. Often concessions undermine the legitimate rights of peoples, the territories they occupy and forests they use.

While the forest concession model promises to redistribute resources from the sale of economically valuable tropical timber, this is a model that encourages the concentration of land. Through the concessions, logging companies obtain control of large areas of forest for long periods of time, even decades. They can own up to millions of hectares of land, increasing in this way their political and economic power, the complete opposite to a fair process of redistribution of wealth and benefits. Moreover, by granting concessions, the governments of forest countries also help companies to "protect" these concessions and associated industrial activities, usually bringing more violence to local populations.

The forest concession model should ensure a supposed legality for logging, with a State regulating the activity through its monitoring bodies and licenses. However, in practice there are still allegations of illegal, criminal practices, and even of war financing, as recently reported by the NGO Global Witness on the Central African Republic (1). One reason for why a serious and responsible governmental authorization and control process does not take place emerges from the general trend towards easing environmental legislation, one characteristic of neoliberal policy, which tends in this case to undermine the potential capacity of the State to monitor and ban large projects. In addition, logging and selling tropical timber of high commercial value is a relatively simple activity: the "product" is already "ready" to be removed from the forest, which encourages concessions holders

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from other industries (plantations, mining, etc.) to set their eyes on timber. Moreover, it is a highly lucrative activity in itself. Contextual factors explain much of the repeated complaints against stakeholders with the power to authorize and/or monitor concessions, who are also looking to get some profit out of the activity.

Another group benefiting from the model are the companies that guarantee the supposedly "sustainability" of the business by using green labels, such as the FSC (Forest Stewardship Council). The fact that the certifiers that work for these "green labels" are paid by the logging companies themselves, raise serious doubts about their objectivity in the certification process. It is therefore concluded that with the introduction of the forest concession model, the logging sector could adapt to the "new requirements" imposed, but illegal activities, criminal and immoral practices were not eradicated. And to the extent that the State further complicates industrial logging, the industry itself seeks to "adapt" once again, as shown by the allegations in countries where the sector appropriated licenses for non-business small-scale logging. (2)

Even under the concession model, the sector continues to display one of its main characteristics: to be a (neo-) colonial activity. In the past, when Brazil was still a colony, *pau Brazil* (Brazilwood), for example, was used to decorate churches and palaces within the colony but to a greater extent in the "motherland". With the current concession model, the most valuable timber, although not anymore the almost-extinct Brazilwood, is used for domestic consumption in urban centres, but mainly to be exported to supply the elite "demands" of urban consumption centres. Obviously, not everyone can purchase products based on commercially high value tropical timber, such as luxury furniture or cars' fine details. Yet, this happens at the same time that small local sawmills often cannot find the wood to meet local populations' demands.

The forest concession model should also ensure forest conservation through a "management plan" that ensures regeneration so that logging and wood extraction can continue in the future. But this is not the case. Increasingly, scientific studies (3) have emphasized the experiences and denunciations of forest-dependent communities who live in the concession areas and warn that despite the so-called "selective logging", forests are still being degraded and destroyed. The only difference is that it is happening at a slower pace. Supposedly more "sustainable" logging techniques, such as the "low impact" logging or "community forest management", are able to reduce impacts, but do not avoid them. They are still planned in a top-down way, causing other problems in the community such as the division between those in favour of "community forest management" and those who want to maintain a livelihood based on non-timber products and other practices, harvesting wood solely for their own use. But even those who enter into the "community forest management" business benefit less than the owners of the logging companies. (4)

While the forest concession model should ensure improvements in the lives of the communities within the concession area, it must be emphasized that the community never has the option to disagree with the concession. When the company arrives in the community, it already has the concession license, and the indigenous peoples and other populations that depend on those forests were not involved, nor had any influence on the decision-making process for granting the concession. Therefore, the concession model makes a mockery of the principle of free, prior and informed consent.

When the company arrives in the community, it makes a sort of agreement; signing what in some countries is called a "social contract". However, in practice, logging companies do not respect any or barely any of the commitments agreed upon in the contract. (5) There are reports of criminalizing the communities who dare to complain when the contract is not respected by the company. Moreover, in the few cases where companies run a community program on health, education and so on, these are

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not a corporate priority; and the forest concession model is not changing that fact. We are talking about activities that should be undertaken by the State. This situation could begin to change if the millionaire funding used to boost the forestry sector was to be used to improve the capacity of the State to directly benefit the population, including people living in forests. There is no justification for transferring (privatizing) these obligations to a logging company, whose primary objective, according to its statute, is to make a profit.

For these reasons, this bulletin aims to reflect on the forest concession model, beginning with an introductory article that aims to deepen the concept: where does the idea of this model come from and its impact over the years, mainly in Africa. The articles from Cameroon and Cambodia tell stories of communities that had to deal with companies that were granted concessions by the governments of these countries on the forest areas that they depend upon. In both cases, forest communities were articulate and successful in their struggles against corporations and concessions. An article on Brazil cannot be missed since the government of this country, which just introduced the forest concession model, promised not to repeat the mistakes of other countries. But what is happening in the Amazon territory of the Mundukuru indigenous people, for example, belies this claim. Finally, the article on India shows how the concession model is now being promoted by a reforestation program: tree plantation, as compensation for the destruction planned by the increase in concession areas ceded by the government. These tree plantations and their capacity to absorb carbon and generate "carbon credits" - also show a direct link between the model of concessions and the destruction that it causes, with the phenomenon of the financialization of forests and territories.

Experiences with the forest concession model shows that it would be naive to believe that logging companies can fulfil the current role of thousands of communities that have depended for many generations on forests: that is, to be guardians of the forests. If those promoting the forest concession model really want to listen and learn from the experience of these communities to inform their decisions, logging for industrial purposes should stop immediately and at the same time, the forest-dependent communities should be allowed to continue in their role as the guardians of these territories, guaranteeing in this way their conservation.

1. <https://www.globalwitness.org/reports/bloodtimber/>
2. <https://www.globalwitness.org/archive/africas-logging-permit-crisis-puts-eu-risk-laundering-illegal-timber-imports/>
3. <http://news.mongabay.com/2015/02/selective-logging-causes-long-term-changes-to-forest-structure/>
4. <http://wrm.org.uy/pt/artigos-do-boletim-do-wrm/secao1/brasil-vozes-de-comunidades-no-acre-alertam-sobre-as-violacoes-envolvidas-no-manejo-florestal-sustentavel-comunitario/>
5. See stories of the communities in the Democratic Republic of Congo, see also in the section: recommended: