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## Papua New Guinea's Rainforests Threatened

Papua New Guinea constitutes another good (bad) example of current trends regarding forest conservation. While the world declares its concern over the rate of deforestation which affects the planet as a whole, that same world does very little to address the problem. On the contrary, apparently "neutral" forces such as "the macroeconomy" or the "market forces" or "international trade" continue destroying forests, while governments and international organizations continue agreeing --on paper-- on the need to protect them. The result is not development but further impoverishment of people, further degradation of the resources they depend upon and further enrichment of transnationals and local elites. Measures can and must be taken to allow countries to be able to increase the quality of life of their people while at the same time conserving the planet's life-support systems. The world community should show its commitment to forest conservation by assisting countries such as Papua New Guinea instead of allowing a few transnationals to obtain large profits at their expense.

In the next 2 to 3 months it will be decided whether Papua New Guinea remains a contiguous, largely intact wilderness --one of the four most important on the Planet-- or whether all the operable forests are allocated and the destructive deforestation process begins. What follows is a press release from the Committee for a Prosperous and Sustainable PNG, which details the current dramatic situation:

March 28, 1999 (Port Moresby, Papua New Guinea)-The government of Papua New Guinea (PNG) has taken a series of actions over the past months which severely weaken forest sector governance, while seriously jeopardizing rainforest sustainability and its citizen's future development potential.

Papua New Guinea's (PNG) rainforests are of global significance, comprising one of the last major tropical rainforest wildernesses in the World. This forest ecosystem is responsible for storing massive amounts of carbon and regulating global climate. In merely 1% of the world's land mass, it is estimated that PNG contains 5-8% of global biodiversity.

In recent years, there had been some progress made in putting in place legislation and institutions to regulate a timber industry that had been described in the late 1980s as being composed of "robber-barons".

Now PNG, faced with an economic crisis fuelled by years of poor governance, has embraced a deliberative policy of liquidating its forest resources in a desperate attempt to stabilize its economy. On the advice of a high paid foreign economic advisor, the government is pursuing a misguided forest and economic policy which allocates for export logging essentially all major remaining forest resources-primarily to maintain the value of its flagging currency.

Recent forest sector deterioration is indicative of ongoing and worsening poor governance. Extremely valuable forest resources are being illegally allocated with no public input and little if any benefit to the country. Details include:

Log Export Tax Eliminated. The rate of log export taxation was reduced in late 1998 from an average

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rate of 33% to 0-5% today. PNG log exporters are paying virtually no log export tax, and thus government revenues have plunged.

800,000 Hectare Give Away. The Forestry Board has decided to grant 800,000 hectares (about 2 million acre) in Western Province, known as Kumula Doso, as an "extension" to an existing 600,000 hectare logging area held by the Malaysian logging company which dominates the industry. This huge and highly valuable resource area is being tendered non-competitively. This extension lies within one of the largest and most significant remaining lowland rainforests in the Asia-Pacific, and effectively guts the area, ensuring eventually that the whole area will be logged-one huge extension at a time.

Illegal Logging Area Allocation. At least 12 new industrial logging operations, and perhaps as many as 17, are being "fast-tracked". This means that on the instructions of the current government, millions of hectares of priceless rainforest --most of the country's remaining rainforest resources-- are to be allocated with great haste, and outside of forest legislation and regulations. It is expected, and there are already indications, that exasperation over the slow pace of approving these projects is leading to concerted efforts by the Forest Minister to weaken forest legislation and regulations.

No Export Log Monitoring. For the past several years, log exports have been independently monitored by SGS, the Swiss inspection and monitoring firm. This had proven to be one of the most successful efforts to reform an out of control timber industry. The government has chosen to not renew the contract, despite the fact that it is estimated that the monitoring pays for itself many times over in increased revenue collection. As of April 1st, there will be no monitoring of log exports --and it is fully expected that illegal misdeclaration of exports and other frauds will escalate.

Dismantling of Professional Forest Service. Those within the Forest Service that insist upon proper forest allocation procedures are being demoted or otherwise silenced. The widely respected General Manager of the Forest Authority, who has insisted upon adherence to correct procedures and has worked hard to maintain a log export monitoring capability, has been demoted within the past week --it appears without proper process.

After several years of improvement in forest sector management, PNG is poised to return to the days where its timber industry runs rampant with essentially no benefits for the country. This is both a national and global catastrophe, for which many generations to come will pay.

**ACTION ALERT:** Concerned about the situation? Forward the above press release to media organizations in your area. Write polite yet forceful letters to the Prime Minister of PNG, to the World Bank's President and to the PNG media using the information above.

Source: Ecological Enterprises For additional information, contact Brian Brunton.