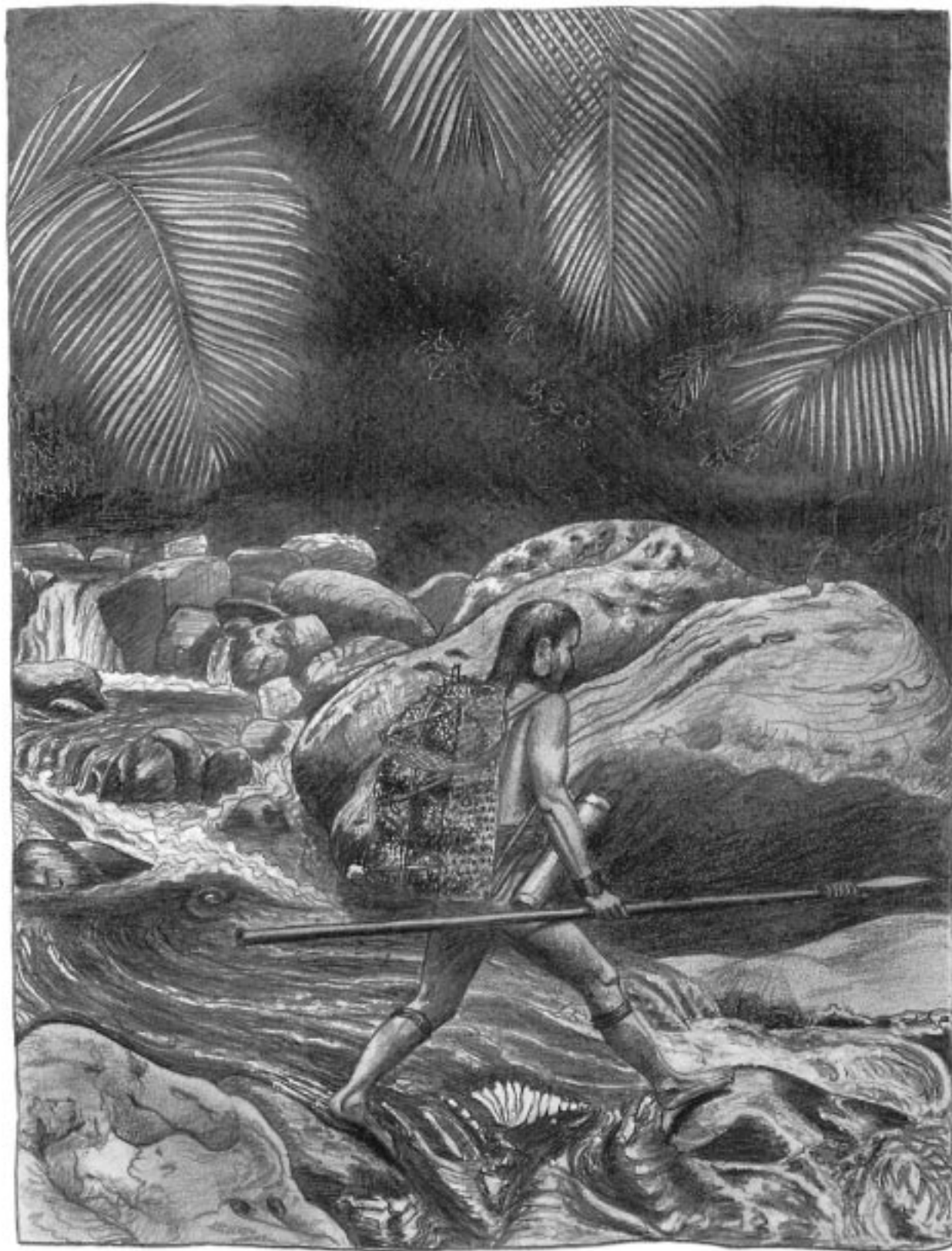


Bruno-Manser-Fonds
Association for the peoples of the rain forest



BMF, Heuberg 25, CH-4051 Basel, Switzerland

News from Sarawak

Compiled by Roger Graf

More than a Thousand Tree Trunks Confiscated

Kuching, December 26/27, 1996
("New Straits Times").

The forestry department of Sarawak has confiscated more than one thousand trunks of the protected illipe nut tree (yellow meranti) from illegal logging companies in the upper Rejang River area. The trees were between one hundred and two hundred years old, with a weight of about 4000 tons and a value of 1.2 million Ringgit (ca. \$US 400,000). Several people were arrested. Tree trunks and motor boats were seized. The illipe nut is one of 44 protected tree species in Sarawak. Ac-

ording to the Sarawak Wildlife Protection Ordinance, the cutting or damaging of such a tree will be punished with a year's imprisonment and/or a fine of 10,000 Ringgit (ca. \$US 3,300). The forestry department is doing everything possible to stop the activity, including the use of police and helicopters. The loggers, however, are quite clever in mainly transporting the tree trunks on the rivers at night. With some 350 ships (tugs and freighters) transporting wood on the Rejang River, control is very difficult. And in addition, the rind of the illipe nut tree is removed immediately after it is felled, making it difficult for officials to determine its species. The report comes from Frankie Tieh, Assistant Director of the Sarawak Forest Department.



Illipe nut tree which has been illegally felled in Penan territory in the Ubung River area. Dozens of illipe nut trees have been cut by the Syarikat Fohlin Timber Company. In spite of the fact that it has cut trees in the Gunung Mulu National Park, the firm has not had its license revoked. The illipe nut is exported for use in the manufacture of chocolate and is thus an important source of income for the local population.

Photo: Bruno Manser

Four Penan arrested

Long Kerong, March 13, 1997

More than 70 Penan wanted to meet with representatives of the lumber company on the logging road close to the village of Long Kerong. But the military appeared and arrested four of the Penan. The list of names of those who were arrested has been made available to the BMF office. According to our news source, 14 Penan were injured, one of whom seriously, in this military action. One Penan was hit on his head with a rifle butt. The soldiers threatened to bomb Long Kerong in the near future. Already on March 10th, when the Penan had wanted to negotiate with representatives of the Sam-Ling Lumber Company, the military fired into the air eight times in order to frighten them.

News of Sarawak

Resolution of the indigenous peoples of Malaysia

In September 1996, a conference of the indigenous peoples from all of Malaysia (Malaya, Sabah and Sarawak) was held in the capital city of Kuala Lumpur. The meeting was organized under the title of "Land Rights and Identity" by the University of Malaysia's Institute of Advanced Studies.

The conference passed a common resolution addressed to the Malaysian government. The following translation gives the gist of the original text in Bahasa Melayu/Malayan:

1. Native customary land in Sarawak should be given recognition and respect with regard to the law and implementation. Native customary land can be identified by cemeteries, farmed land or crop indicators such as the ipoh tree and tajem tree; areas of rivers and mountains that are named by indigenous peoples and recognized by other communities.

2. The process of applying for native customary land rights approval must be sped up. Land surveys can be hastened through mapping, dialogues and seminars. Mapping which is done by indigenous people themselves on their land must be supported and accepted by government departments.

3. Demands from some communities not wanting land titles should be respected.

4. The Sarawak Land Code, which restricts the rights of indigenous people over their customary land, must be abolished or amended.

5. The government must consult with the whole community involved before taking their native customary land. Land disputes which result from the issuing of timber concessions to timber companies such as Samling, Rimbunan Hijau, Rimex, Woodman or to government land agencies such as LCDA, SLDB, or to private land companies such as Austral Rajawali or through the Bakun project, all of which are made without prior consultation with the indigenous peoples, must cease.

6. Actions taken by indigenous peoples to defend their customary land, such as erecting peaceful blockades, should not be seen as anti-development and those involved should not be punished.

7. Indigenous communities whose land has been taken and relocated must be given appropriate land so that they can continue their lifestyle, and they should be given reasonable compensation and other basic facilities and subsidies until their new farm crops mature. This is to ensure that their lives are not threatened when land acquisition and resettlement occurs.

8. Development of customary land should ensure that land ownership and land use remain intact. It should respect agreed boundaries so that customary lands are not intruded upon. It should bring benefits to the indigenous peoples by providing facilities such as schools and clinics.

9. Cooperation and dialogues between the government and indigenous peoples pertaining to land and identity must be upgraded. Indigenous peoples should be prepared to work with the government, and at the same time the government must recognize customary land and identity, especially the Penan community. A network of indigenous peoples can be formed at the village level to coordinate discussions, dialogues and seminars together with the Majlis Adat Istiadat (Native Affairs Council).

News from Sarawak

No investment in Bakun Power Plant!

By Peter Bosshard
("Bern Declaration", Zurich)

Since January 1997, ABB (Asean Brown Boveri) has been building the gigantic Bakun hydroelectric power plant in the rain forest of Sarawak. Because of the destruction of 700 square kilometers of rainforest and the resettlement of 9500 people, the billion dollar project is highly controversial with environmental and human rights organizations. A Malaysian court decided in June 1996 that the environmental impact assessment did not comply with legal requirements. As the result of a general deregulation, the Bakun Power Plant will not be operated by the government, but by a private corporation. It will try to raise the necessary capital of about 5 billion US dollars on the private capital market by issuing shares on Kuala Lumpur's stock exchange. Swiss banks and investment funds have expressed an interest in buying these shares.

The English investment advisory firm of Delphi International recently evaluated the potential profitability of the Bakun Power Plant. The results as stated in its report were extremely critical. The project is burdened with numerous incalculable technical, financial and economic risks. "We are advising investors, who are considering direct participation in the capitalization of the project through the Bakun Hydroelectric Corporation, to reconsider the matter." Delphi International goes on to say that "returns on investment are a long way off and will be inadequate, especially in

view of the risk involved." The "Financial Times" stated that the "financing of the dam could prove to be more difficult than its construction."

There are some hundred Swiss funds which are specialized in investment in energy projects and Asian stocks. In the coming weeks, their managers will evaluate the buying of Bakun shares. The assets of many private investors are managed through these investment funds. Both ethical and financial considerations speak against money being invested in Bakun shares, and should be expressed to the funds' management. Sample letters for this purpose can be obtained from the Bruno Manser Fond which, together with other organizations, is actively opposing the Bakun project.

ABB building in Baden, Zurich
Photograph: Rico Schmid



Criticism of FSC's "Eco" label

by Susanne Breitkopf and Reinhard Behrend ("Save the Rainforest", Hamburg)



Bridge of the Leroy/Isoroy timber company over the Offoué River, constructed to open up section 32 of the Lopé Protected Reserve in Gabun. For the time being, however, the company has been specifically denied the use of the FSC label in advertising. FSC's international office wants to first initiate an investigation. A formal complaint has been issued by four environmental groups, including "Save the Rainforest" and Greenpeace Switzerland, against Leroy/Isoroy for using the "eco" label in marketing tropical wood from protected areas. Lacking the FSC label until at least June 30, 1997, Leroy/Isoroy must now search for its customers.

Photo: Jonathan Pearce

It took a long time until the Forest Stewardship Council/FSC was able to agree on the principles and criteria for sustainable forestry development, until the first certified firms and organizations were recognized, and the FSC could truly get underway. The goal is to use and preserve forests, and in doing so help the indigenous peoples to a better way of life. Many human rights and environmental protection groups have criticized the FSC since its founding, and have tried to give a positive turn to its efforts.

- Varying standards

The principles and the criteria of the FSC are very general, and interpreted in a more generous or more rigid manner according to interests. Based on these principles and criteria, national working groups are supposed to formulate specific standards according to which certification will be granted. But the members of the "working groups" in tropical

countries are frequently exposed to enormous pressure from undemocratic governments and the timber trade.

- A deceptively admirable appearance

To create a good image, large timber companies receive certification for a part of their forests. They then recklessly plunder the remainder, and purchase timber from other companies which have over-exploited their own holdings.

- Dependency

Those responsible for certification are paid by the timber merchants. In addition to organizations operating for the public benefit, there are also commercial certifiers such as the Geneva-based Société Générale de Surveillance SA (SGS). Their interest is in profitability, and they are dependent on the timber companies as customers. As the example of Leroy/Isoroy

in Gabun illustrates, these certifiers are only too willing to look the other way [see "News-letter" of September 1996].

- Lack of supervision

Although it is the function of the FSC office to monitor the certifiers, experience has shown that this does not indeed work. As long as no one complains, totally unwarranted certificates can be issued. Environmental organizations believe, without justification, that the FSC is relieving them of the need to supervise. The entire absurdity becomes clear: matters will only be controlled when the environmental groups are on the alert. And if this is the case, environmental groups can just as well issue the certification themselves.

- Bureaucratic procedures

Complaints must be submitted to the certifier, which is both illusory and inconsistent. If one catches a swindler, one reports it to the police and not to the swindler. The FSC has nothing in common with the police. If the answer of the certifier is not satisfactory, one can appeal to the "Certification Council" – which has been appointed by the certifier itself. If the appeal brings no results, the FSC finally deals with the complaint. Months go by, business thrives for the unjustly certified timber company, and concerned consumers are kept at a distance.

- No chance for those living in the forest

Experience has shown that if no one complains, the scandalous certificates will be issued. There are only a few environmental groups with at least the limited capacity to control individual cases and to get involved in the tedious complaint procedure of the FSC. Forest inhabitants, such as the Pygmies of the Congo basin or forestry workers in dictatorial states, must be extremely lucky to even have their problems considered.

- Lack of transparency

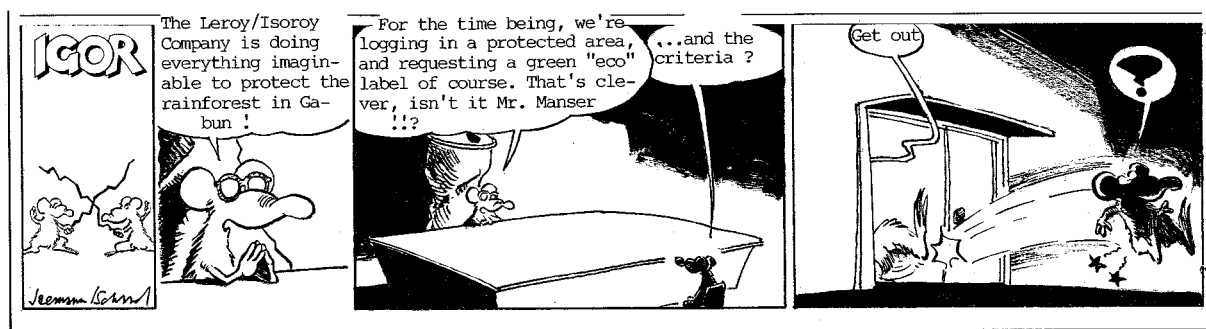
All documents and information are confidential. The certifier is responsible only for the publication of a summary, and this contains almost no details. Environmental groups are requesting that the complete certification report be made available. Very limited parts, revealing company secrets, would be excluded. Even the World Bank is handling reports in this way. But, until now, it has not been possible with the FSC. Even the addresses of FSC members are secret! FSC members cannot communicate directly with other FSC members or obtain information, such as who is behind a specific organization for example.

- High certification costs

Certification is very expensive. SGS, for instance, charges more than 800 Swiss francs

Pygmies in Zaire
Photo: Bruno Manser





Cartoon: "Nebelspalter"
Text: Roger Graf

(ca. \$US 550), plus expenses and travel costs, for one working day. As a rule, therefore, only semi-annual supervisory visits are scheduled. Who is to judge in the meantime if there has been lying or cheating, if protected animals have been shot, if work has been done unwarrantedly or illegitimately. And there is another factor. The small charitable organizations which are located in these tropical countries, and which work together closely with the people who are affected, have almost no chance against the certifying multinationals. It costs them thousands of dollars just to translate the documents which the FSC requires. Their chances, therefore, of being recognized by the FSC are slim.

- Environmental groups are being repressed

Environmental groups in the FSC are being pushed into a corner, as indicated by the fact that their demands for more transparency, protection of primeval forests and improved controls in the office are being disregarded. In the summer of 1996, the number of votes representing business was increased from one-fourth to one-third. Environmental and social interests are split into two different groups, which was not previously the case.

For many groups this is an artificial division because all are equally concerned with ecological and social matters. It is especially true for tropical areas where destruction of the forests, poverty, and human rights violations go hand in hand.

- Primary forests without protection

The FSC does not enforce the ban on logging in primary forests (principle no. 9). As the example of Gabun shows, it does not prevent the opening up and destruction of forest areas. Even logging in areas which have been scheduled for protection has not been excluded. If this practice is not corrected, THE FSC WILL BE ENDANGERING THE RAIN FOREST. FSC certification is already being used by governments and the World Bank as an alibi for further exploitation of the rain forests. Jean-Louis Sarbib, Vice Director of the World Bank for Africa wrote "It is true that the Bank ... has discussed the possibility of future support for logging in tropical forests... Minimal conditions would include support from environmental groups and certification ... such as that from the FSC. (Letter of October 16, 1996). FSC has thus become the alibi for the devastation of the last primary forests.

Published by

Bruno-Manser-Fonds
 Association for the Peoples of the Rainforest
 Heuberg 25, CH-4051 Basel, Switzerland
 Telephone 0041/61/261 94 74
 Fax 0041/61/261 9473
 E-mail: bmf@bmfonds.links.ch
 Donations: Coop Bank, CH 4002 Basel, Switzerland
 Acct No. 421329.29.00.00-5
 La Poste (France), Strasbourg
 Acct No. CCP 2.604.59T
 Editors: Roger Graf, Bruno Manser
 Authors: Reinhard Behrend, Peter Bosshard,

Susanne Breitkopf, Roger Graf, Abang Kang,
 Bruno Manser
 Photos and drawings: Roger Graf, Bruno Manser,
 Jonathan Pearce, Rico Schmid
 Translations: Robert Gogel (French),
 Roger Graf (German), Mary-Louise Metter (English)
 Edition: 5700 (3500 German, 1500 French,
 700 English)
 Appears at least semi-annually
 Subscriptions to the «Newsletter»
 are FREE OF CHARGE.
 Voluntary contributions are always welcome.
 Printed by Gremper, Emminger & Co., Basel