

ANTI-CORRUPTION HELPDESK

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LITERATURE REVIEW ON THE LINKAGES BETWEEN ILLEGAL LOGGING AND CONFLICT

QUERY

Please provide us with literature on the linkages between illegal logging and conflict. We would also appreciate information specific to the Central African Republic.

PURPOSE

This would feed into our work on the topic of forestry, corruption and conflict in the Congo Basin region.

CONTENT

- 1 Linkages between illegal logging and conflict
- 2 Linkages between illegal logging and conflict in the Central African Republic
- 3 Further reading and useful resources



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SUMMARY

This Helpdesk answer provides a list of resources on the linkages between illegal logging and conflict. The literature on illegal logging and conflict in Central African Republic is limited, however. Most of the available information focuses on the role of natural resources overall, and not solely on the timber trade.

1 LINKAGES BETWEEN ILLEGAL LOGGING AND CONFLICT

There is a vast amount of literature on the topic of natural resources and conflict in resource-rich developing countries. However, literature that specifically explores the role of timber and its exploitation in the context of conflict is somewhat limited.

This is particularly the case for illegal logging, which is defined as the harvesting, transporting, processing, buying or selling of timber in violation of national laws. There is growing recognition of its extent and impact. Indeed, a large proportion of logging in tropical countries is illegal. In Africa alone, researchers estimate that US\$17 billion are lost each year through illegal logging (Analo 2014). The existing research finds that illegal logging funds armed conflict, helps fuel violence and is used as a means for those who seek power to obtain wealth (Doherty no date). In addition, the literature shows that illegal logging undermines the rule of law, fuels corruption and is an obstacle for development.

Illegal logging and conflict are viewed through two broad lenses: conflict can promote illegal logging and the timber trade can prompt conflict. Conflict areas are typically characterised by weak law enforcement, high levels of corruption, and ineffective resource management. This creates an environment conducive to the illegal harvesting, transport and trade of timber (USAID 2005). At the same time, the timber trade itself can fuel conflict. This is often known as conflict timber, which is “timber that has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers, or by a civilian administration involved in armed conflict or its representatives, either to perpetuate conflict or take advantage of conflict situations for personal gain” (Global Witness 2002). While conflict timber is not necessarily illegal (as the legality depends on national laws), in practice, conflict timber is often timber that has been illegally harvested, transported or traded (Global Witness 2002).

As such, the studies listed in this literature review relate to both illegal logging and conflict timber as these are very closely linked. The literature listed

below also includes case studies to provide examples of how the linkages between illegal logging and conflict are carried out in practice.

Illegal logging

[Forests, Fragility and Conflict: Overview and case studies](#)

Harwell, E., Farah, D. and Blundell, A.G. 2011. Program on Forests (PROFOR), World Bank.

This report provides a useful overview of the literature and research on forests and conflict as well as the entry points for criminal opportunities throughout the forestry value chain. The pursuit of basic requirements for illegal logging (such as labour, finance, machinery and access to the resource) creates opportunities for criminal activities, corruption, and violence. It presents various case studies, including one on Petén, Guatemala, which has been plagued with illegal logging since the 1980s. In this case, the civil war was both paid for by and the driver of illegal logging. In fact, the increase of illegal logging in the region led to an increase in levels of violence. Moreover, those associated with illegal logging have been working hard to ensure that the state is not allowed to function, or functions only in ways that benefit the illicit trade, thereby continuously undermining governance.

Indeed, while the subject of forests and conflict remains somewhat insufficiently studied, evidence indicates that the strength of state institutions is an important predictor for conflict.

The following state aspects are linked to illegal logging leading to conflict: opaque and unregulated revenue systems for resource rents and associated corruption; the use of forests as patronage and its undermined rights, accountability and management capacity; state absence, allowing transnational organised crime to control timber harvest and traffic; links of predatory states and illegal loggers to criminal networks.

[Forests and Conflict: The financial flows that fuel war](#)
Blundell, A.G. 2010. Program on Forests (PROFOR), World Bank.

This paper examines the ways in which revenue from

forestry can contribute to the outbreak, escalation and continuation of armed conflict. It argues that forestry revenue can increase the risk of violence through the following: it fuels corruption and impunity, which undermines rational management and economic development; it is used to purchase arms and other material; security forces paid by logging operators participate directly in the conflict as militias; and the forestry sector facilitates money laundering and other financial crimes. Illegal logging, facilitated by corruption, creates numerous criminal opportunities and attracts organised crime, especially in conflict zones already entwined with arms trafficking. In order to alleviate the complex, and at times detrimental, effects timber has on conflict, the paper argues that it is important to tackle illegal logging, often a result of weak governance, as this can lead to a vicious circle of corruption, mismanagement and conflict.

[Forests & Conflict: A Toolkit for Intervention](#)

United States Agency for International Development (USAID). 2005.

In addition to providing lessons learned in developing programmes to deal with forest and conflict-related issues, this report offers a useful discussion of the relationship between forests and conflict. It explores the use of timber to finance violent conflict, the contribution of logging to low-scale conflicts and the contribution of poor governance to conflict. The report highlights that poor governance in the form of weak law enforcement, corruption and a weak financial regulatory framework contributes to the onset of forest-related conflicts. Conflicts often result from inconsistent legal and regulatory systems, which are perceived as illegitimate or at odds with customary practices. Unclear divisions of responsibility amongst government organisations also increase the likelihood of conflict. Weak governance systems encourage the wealthier and better-connected to act outside the law without fear of reprisal. In Indonesia, a case study alleges that a coalition of politicians, security forces and judges is allegedly implicitly involved in illegal logging by companies that pay the highest bribes.

[Forests and war, forests and peace](#)

Food and Agriculture Organisation. 2005. *State of the World's Forests*.

This section from the Food and Agriculture Organisation's 2005 *State of the World's Forests* update focuses on how forests impact conflict. It explains that forested regions in poor countries usually have many of the characteristics associated with locations where violent conflict occurs. Namely, they tend to be remote, inaccessible, are inhabited by people who are marginalised and have limited employment opportunities. As such, taking up arms often appears to be an attractive way to earn a living. The report also explains that post-conflict regions are particularly susceptible to the re-emergence of conflict (a significant proportion of countries affected by conflict return to war within five years of a ceasefire) and the proliferation of illegal logging. Following a conflict, longer-term issues such as forest management are often ignored and harvesting activities expand much more rapidly than the sector's capacity to regulate them. Therefore the report also provides some strategies to promote peace in forested regions.

[From Conflict to Peacebuilding: The Role of Natural Resources and the Environment](#)

United Nations Environment Programme. 2009.

This UNEP study analyses the ways in which natural resources can impact conflict. It also provides a variety of case studies. The study highlights the fact that over the last 60 years at least 40 per cent of all intrastate conflicts have been linked to natural resources. It shows that natural resources can contribute to the outbreak of conflict, financing and sustaining it, and undermining peacemaking. The illegal exploitation of resources can be a particularly potent source of tension. This can be the result of disagreement over distribution of wealth and resources and the inability of states to resolve resource-based tensions peacefully and equitably. At the same time, the report acknowledges that natural resources and the environment can also be pathways for cooperation, transformation and consolidation of peace.

Conflict timber

[The Logs of War: The Timber Trade and Armed Conflict](#)

Global Witness. 2002.

This is one of the most well-known and frequently-cited reports on the topic of conflict timber. It provides an overview of the political economic dynamics of the timber trade and manifestations of conflict. It explains that in developing countries with few resources other than forests, control of this natural resource means a control of power. This is aided by the fact that logging is an easy activity. It is therefore a quick route for an armed group to obtain funding. The lucrative nature of timber may incentivise corrupt politicians, government and military officials and companies to bypass national laws to control its exploitation. As these illegal logging operations need to protect themselves, they often hire armed militias and purchase arms to protect themselves. Some areas may also attract organised criminal groups.

The report also provides some policy recommendations that include the need for transparency, enhanced enforcement, legislative reform, certificates of legality, chain of custody, customs collaboration, regulating domestic markets and international action.

[Forests and Violent Conflict](#)

OECD. 2005.

The issue brief focuses in particular on the conflict timber trade, which is said to be closely linked to the broader problem of illegal logging as it often involves the same companies, trade networks and entrepreneurial methods. Timber revenues are often used by armed groups to perpetuate conflict and thus conflict timber can amplify or prolong existing crises.

As such, timber drives conflict because:

- timber extraction and trade do not require a large amount of capital and produce high returns on investment
- transporting timber is relatively simple
- timber can be sold without processing to be used for a large number of products
- timber's many sellers and buyers make it difficult to track extraction activities

The brief also looks at how weak governance and resource management systems in the forestry sector facilitate conflict. The following factors are said to create conflict:

- inequitable, unclear and/or disputed tenure and access rights, in particular to environmental services (clean water, fuel wood, food)
- inconsistent application and enforcement of laws. This can be the consequence of capacity constraints and corruption
- contradictory, discriminatory and/or inconsistent legal and regulatory systems
- unfair distribution of benefits from the exploitation of local forests
- inadequate compensation for seized land, environmental damage or health risks

[Africa Environment Outlook 2: Our Environment, Our Wealth](#)

United Nations Environment Programme. 2006.
Africa Environment Outlook

The Africa Environment Outlook consists of a comprehensive compilation of information and resources on environmental issues in Africa. The second instalment of the report includes a subsection on the links between timber exploitation and conflict. It divides the links into two types: timber exploitation that fuels conflict and timber exploitation that is caused by conflict. On the one hand, revenues from timber trade can be channelled towards activities that perpetuate conflict. This is due to the fact that timber is a commodity that is easily transformed into cash, it is easy to extract and process (compared to mining or diamond extraction, for example) and a common commodity so there are large numbers of buyers and sellers. On the other hand, the exploitation of timber can be a cause of conflict. This arises from disputes over forest resources, the distribution of benefits, environmental degradation or social conflicts caused by migrant timber workers.

[Role of the African timber trade in the creation of conflict and poverty – a call for action](#)

Greenpeace. 2003.

This briefing paper argues the need to acknowledge the political importance of logging in Africa and create international support for tackling conflict timber. International discussions to ban the production and trade of conflict timber are closely linked to the policy issue of illegal logging. Numerous international timber traders continue to trade timber

from companies known to be logging illegally or which are involved in fuelling armed conflicts. Illegal logging results in massive economic losses for countries but, according to Greenpeace, few companies seem willing to stop trading with companies proven to be involved in illegal logging.

[Conflict Timber: Dimensions of the Problem in Asia and Africa, Volume 3: African Cases](#)

Baker, M., Clausen, R., Kanaan, R., N'Goma, M., Roule, T., and Thomson, J. 2004. USAID study.

This volume in a USAID series provides case studies from Democratic Republic of Congo (DRC), Gabon, Guinea, Liberia and Sierra Leone in their struggle with conflict timber. In all of these countries there is a strong link between illegal logging and conflict.

Most of the logging in the DRC, for example, is said to be illegal, signifying massive losses of revenues for the state. Many years of conflict and civil war have created an uncertain economic and political environment that has deterred reputable firms while encouraging the entry of operators willing to engage in illegal forestry and extract as much profit as rapidly as possible. In a culture of corruption and impunity, it appears that political elites are unwilling to tackle illegal logging. In fact, many stakeholders in the country do not even view timber as a conflict commodity or consider illegal logging a crime.

Curbing illegal logging and reducing conflict

There have been numerous efforts aimed at curbing illegal logging and thus reducing its impact on conflict. The studies below provide an overview of some of these efforts.

[Justice for Forests: Improving Criminal Justice Efforts to Combat Illegal Logging](#)

Goncalves, M.P., Panjer, M., Greenberg, T.S., Magrath, W.B. 2012. World Bank Study.

This study informs policymakers and forestry and law enforcement actors how they can use the criminal justice system to fight illegal logging. It argues that the criminal justice system should form an integral part of any strategy for fighting forest crime. It recommends that countries develop an integrated

criminal justice strategy for illegal logging that adopts and implements clear and comprehensive policies. National agencies involved in the fight against illegal logging should coordinate their action and enlist the private sector and engage civil society actors for support. The report also looks at law enforcement tactics to prevent corruption and prosecute criminal organisations involved in illegal logging. For example, it recommends considering all applicable offenses, not just regulatory environment offenses, when investigating and prosecuting cases of illegal logging. It also recommends using anti-money laundering measures and asset confiscation to deter future crime.

[Green Carbon, Black Trade: Illegal Logging, Tax Fraud and Laundering in the World's Tropical Forests](#)

Nellemann, C. 2012. United Nations Environment Programme and INTERPOL.

This joint report by UNEP and INTERPOL is a response to what it sees as an increasing sophistication of environmental crime and illegal grabbing of natural resources, which requires national authorities and law enforcement agencies to develop adequate responses. It focuses on illegal logging and its impacts on criminality, corruption, and poverty. It emphasises the fact that illegal logging takes place in areas plagued by conflict and/or widespread corruption. The report demonstrates the ways illegal logging is conducted, how wood is illegally laundered, traded and financed. It concludes with a list of recommendations to combat illegal logging, such as voluntary trade agreements, certification schemes as well as specific improvements to law enforcement both domestically and through international cooperation.

[Illegal Logging.](#)

Brack, D. 2005. Royal Institute of International Affairs (Chatham House). Briefing Paper.

This briefing paper provides a snapshot of the impact and scale of illegal logging activities. The impacts range from environmental degradation, revenue loss and undermining the rule of law, to fuelling corruption and funding national and regional conflict. The briefing focuses on the responses to the problem. In particular, it summarises the international efforts, including the Group of Eight (G8) 1998 Action Programme and subsequent follow-ups, EU and UN

anti-logging discussions and agreements, bilateral agreements, measures to exclude illegal products from international markets and national actions in consumer and producer countries. It concludes that despite the many efforts, limited implementation and enforcement remain a concern.

[Combating illegal logging: Lessons from the EU FLEGT Action Plan](#)

European Commission. 2014.

In recognition of its role as one of the world's largest markets for timber products, in 2003 the EU adopted its Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan that sets out a range of measures to tackle illegal logging. The FLEGT Action Plan recognises the role of trade agreements as a way of reducing the illegal timber trade and thus introduced the Voluntary Partnership Agreements (VPAs), which are bilateral trade agreements between the EU and producer countries. This report explains how VPAs function, the areas in which VPAs have been introduced (including the Central African Republic) and what progress has been made.

[Breaking the links between natural resources and conflict: The case for EU regulation](#)

Joint civil society position paper. 2013.

In 2013, 59 European and global NGOs submitted a joint position paper to the European Commission to adopt legislation requiring European businesses to conduct supply chain due diligence to ensure that they do not contribute to conflict financing or human rights abuses in the production and trade of natural resources. It makes the case for regulation and details exactly how this regulation should look, including accompanying measures (such as security sector and natural resource management reform).

2 LINKAGES BETWEEN ILLEGAL LOGGING AND CONFLICT IN THE CENTRAL AFRICAN REPUBLIC

The Central African Republic (CAR) has been in a state of conflict and civil war for many years. It has high levels of poverty and weak governance structures (Arieff 2014). The country has been through several coups, mutinies and insurgencies since the late 1990s. The literature reveals that the

competition over resources was not a primary objective or motivation of the warring parties in many of the previous conflicts, in particular the so-called "Bush Wars" from 2004-2008. In contrast, the current crisis that erupted in 2012 is one that primarily relates to control over natural resources. However, as an ongoing conflict, there is limited information available.

Overall, the literature on the links between illegal logging and conflict in CAR is sparse. There are, however, some studies on the role of natural resources in conflict in CAR in general. These can, to some extent, be applied to the timber sector.

Literature on the current conflict

[Crisis in the Central African Republic](#)

Arieff, A. 2014. Congressional Research Service.

This report provides background on the ongoing crisis in CAR. It includes a map of conflict-affected areas and a timeline of key events. While the current crisis involves fighting between Muslim-led rebel groups and Christian-led militias, religious ideology is argued to not be the origin of the crisis but instead reflects a struggle over access to resources. Popular anger at what is perceived as foreign raiding of CAR's natural resources appears to have grown over the past decades. The actions by a coalition of predominantly Muslim rebels, called the Seleka, from the remote northeast and largely Muslim area of CAR appear to reflect a desire to reap material benefits of power, including through looting and control over natural resources.

[Underlying causes overlooked as Central African Republic situation intensifies](#)

EU Forest Watch. 2014. Issue 189.

This issue of the EU Forest Watch publication focuses on the underlying causes of the CAR crisis. It also argues that while many have focused on the sectarian nature of the violence, the conflict is actually a battle for control over natural resources (diamonds, ivory, timber, oil) in the context of poor governance. The article mentions that before the war broke out, the country was going in a positive direction in combating and regulating illegal logging, including the ratification of a Forest Law Enforcement, Governance and Trade Voluntary

Partnership Agreement in 2012. However the conflict has created a humanitarian crisis and the chaos may provide cover for some to gain control over natural resources.

[Natural resources at the heart of CAR crisis](#)

Bollen, A. 2013. New Internationalist blog.

This article focuses on the fact that most of the media has mislabelled the conflict as religious, when it is in fact a battle over natural resources, in particular diamond, timber, and ivory. Seleka combatants that have forcibly taken over the government have seized control of artisanal timber exploitation, ivory poaching and diamond mines. However, even during peaceful times, CAR's ministries lacked the means to control illegal logging. This has now become impossible. The article argues that the long-term solution to the conflict is to decentralise, promote local development through land-tenure reform and increase recognition of people's customary rights to land and natural resources.

[Analysis: Struggle for resources at root of Central Africa religious violence](#)

Felix, B. and Ngoupana, P. 2013. Reuters.

This analysis provides a snapshot of the dynamics of the conflict and argues that it is not religion but conflict over natural resources (in particular oil) that is at the root of the current conflict. CAR has had a turbulent history of coups and insecurity and spillover from conflicts in the neighbouring DRC, Sudan and Chad. As a result, CAR is a "phantom state with an ill-disciplined army, corrupt administration and lawless interior". The authors argue that the Seleka faction leaders launched their uprising to gain access for northern peoples to resource wealth, in particular oil.

Literature on past conflicts

[Risks and opportunities from natural resources and the environment for peacebuilding in the Central African Republic](#)

United Nations Environment Programme. 2009.

This UNEP report assesses the role played by natural resources in the 2004-2007 conflict in the Central Africa Republic (CAR) in order to identify

risks and opportunities for peacebuilding. Poor governance, insecurity, high inequality and ethnic marginalisation are seen to be core conflict factors in CAR. Natural resources, such as timber and diamonds, play a critical role in the conflict. Decades of poor governance and elite capture have resulted in unequal distribution of benefits generated by exploitation of resources, leading to feelings of marginalisation and exclusion. While the report claims natural resources had only an indirect impact on the conflict (capturing natural resources does not appear to have been a motivating factor for the warring parties), it does find evidence that in the absence of strong governance and security, competition for the control over weakly regulated resources (e.g., land) or increasingly scarce ones (e.g., water) has played a role in increasing tension and sparking violence.

The timber sector is presented as an area of growing concern. UNEP found that revenue sharing of forest taxes is a large source of grievance and a potential source of conflict. It has provided a strong incentive for illegal logging within communities. There are also reports of military involvement in illegal logging. Overall the report finds that without a comprehensive approach to reform, the timber industry could become a dangerous sector for CAR's future as it combines poor governance capacity, low transparency and a large quantity of valuable resources. Moreover, this could unsettle efforts to consolidate peace.

[Analysis of natural resources related conflicts in Central Africa and the Gulf of Guinea](#)

Halleson, D.N. 2009.

The article maps out the various natural resource-related conflicts in Central Africa and the Gulf of Guinea region. CAR has for many years been trapped in armed conflict, leading to a collapse of basic infrastructure, social services and high insecurity. The article also finds that while CAR is endowed with natural resources, the conflict seems only to be indirectly linked to the presence and control of these resources. This clearly sets CAR apart from other countries in the region such as Angola, DRC and Nigeria. Nevertheless, the author does not exclude the potential of these resources to fuel resource-related conflicts in the future, especially if political and security challenges keep CAR in a

vulnerable position.

[Mapping Conflict Motives: Central African Republic](#)

Spittaels, S. and Hilgert, F. 2009.

This report maps the motives of all warring and involved parties operating in CAR in 2008. For each of the warring parties the authors compare four possible motivations that might drive their behaviour: greed, grievance, power and survival. Interestingly, the authors find that natural resources have had a very limited impact on the conflict dynamics. Indeed, most of the territories held by rebels contain only few natural resources. The authors find that the sole resources that do attract violence are animal resources. Illegal poaching by armed groups is rife in certain regions. Nevertheless the authors acknowledge that resources could become a conflict issue in the future, in particular oil and uranium exploitation.

3 FURTHER READING AND USEFUL RESOURCES

Below is a list of resources that provide additional background reading on the topic as well as some information on forestry sector governance in the Central African Republic.

Further reading

Analo, T. 2014. "Africa loses \$17b to illegal logging annually – report." Daily Monitor. 23 May 2014.
<http://www.monitor.co.ug/Business/Africa-loses--17b-to-illegal-logging-annually---report-/688322/2323616/-/157giuez/-/index.html>

Doherty, F. 2006. "Illegal logging and the illegal trade in timber and wood products – fuelling conflict."
http://eeas.europa.eu/ifs/publications/articles/book2/book%20vol2_part3_chapter39_illegal%20logging%20and%20the%20illegal%20trade%20in%20timber%20and%20wood%20products_faith%20doherty.pdf

World Wildlife Fund. 2005. "Logging in the Green Heart of Africa."
http://wwf.panda.org/what_we_do/where_we_work/congo_basin_forests/problems/deforestation/logging/

Resources on forestry sector governance in Central African Republic

European Union. 2011. "FLEGT Voluntary Partnership Agreement between Central African Republic and the European Union." Briefing Note.
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Food and Agriculture Organisation. 2010. *Evaluation des Ressources Forestières Mondiales 2010 : Rapport National sur République Centrafricaine.*
<http://www.fao.org/docrep/013/al475F/al475F.pdf>

Forest Legality Alliance. No date. Central African Republic Laws.
<http://risk.forestlegality.org/countries/645/laws>

Forests Monitor. 2006. Country Profiles – Central African Republic.
<http://www.forestsmonitor.org/en/reports/540539/549938>

Logging Off. 2012. A Civil Society Counter-brief on the Central African Republic – European Union VPA.
http://loggingoff.info/sites/loggingoff.info/files/APV%20CAR_ENG%2007-2012%20w%20AB.pdf

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