



global witness

# PNG's Forest Sector – Land grabbing, illegal logging and biodiversity destruction

WRI Forest Legality Week  
30 October 2019

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# About Global Witness

- International NGO founded in 1993
- ~100 staff; offices in London, DC, Brussels, and Beijing
- Investigates and campaigns to prevent natural resource-related conflicts and corruption, and associated environmental and human rights abuses
- Work on forests and/or land rights issues carried out in PNG, Solomon Islands, DRC, Liberia, Peru, Myanmar, Cambodia, Cameroon, Madagascar, Malaysia (Sarawak), Laos, Honduras, Nicaragua and others.

New focus on role of agribusiness (cattle, palm oil, rubber, soy) and financial backers on destruction of climate-critical forests, in addition to logging industry

At Global Witness, we protect human rights and the environment by fearlessly confronting corruption and challenging the systems that enable it.

We want a better world - where corruption is challenged and accountability prevails, all can thrive within the planet's boundaries, and governments act in the public interest.

When founded in 1993, we were pioneers in seeing the link between natural resources, conflict and corruption. Since our very first campaign to shut down the Khmer Rouge's illegal logging industry we've uncovered the truth about blood diamonds and helped bring trillions of oil, gas and mining revenues into the open.

We've shone a spotlight on the brutal killings of those defending their land from forced seizure by corporations and governments alike, campaigned for an end to the use of anonymous companies, and much more.



Today, our hard-hitting investigations reveal who is stealing the money, where they are hiding it, and how they are spending it. We track and expose the path of corruption, pushing for global change to end it. We are independent, not-for-profit, and work with partners around the world in our fight for justice.

**FIND THE FACTS | EXPOSE THE STORY | CHANGE THE SYSTEM**



# We strive to help protect forests and the rights of forest-dependent people by

- Investigating land grabs and environmental destruction
- Working with local organisations and activists, and cooperating with international organisations
- Raising public and political awareness in producer and consumer countries
- Advocating for getting national and international laws in place
- Advocating for law enforcement
- Calling for legality verification systems, independent third-party verification, and buyers' meaningful due diligence mechanisms





Release date: 12 May, 2016

**PNG government must act on international criticism over human rights abuses against its indigenous peoples**

Civil society organisations are urging the Papua New Guinea government to take immediate action to end pervasive land grabbing and illegal logging after these issues were highlighted by governments around the world in formal recommendations put before the United Nations yesterday (1).

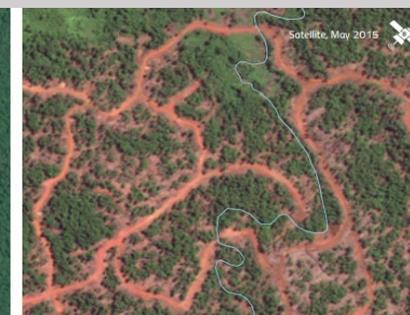
"A number of countries have raised serious concerns about the human rights situation for indigenous communities in PNG who are suffering the impacts of the land grabbing and environmental destruction related to logging and other extractive industries" says Eddie Tanago, Campaign Coordinator for ACT NOW!. "The PNG government must take seriously the calls from its peers and act decisively to protect indigenous land rights and the environment."

The human rights situation in PNG is being scrutinised by the United Nations Human Rights Council in a process known as the Universal Periodic Review carried out every five years for each member country. Global Witness, Rainforest Foundation Norway and ACT NOW! made submissions to the Council as part of the process (2).

A total of fifty-three countries have made recommendations as part of the review for how the PNG government should tackle human rights abuses. Echoing issues raised by civil society, a number of countries have voiced alarm over the violation of constitutionally guaranteed land rights of indigenous communities. These rights have been trampled on in recent years as a result of large extractive projects, in particular through the widespread abuse of agriculture permits known as Special Agriculture and Business Leases, or SABLs, by foreign-backed logging companies. Under the permits, PNG's unique rainforests are being razed while PNG police are used by logging companies to suppress, sometimes violently, opposition by landowners.

"The issues of illegal logging and land grabbing in PNG are being highlighted by the the Human Rights Council working group. Norway, Chile and Thailand raised specific concerns about the human rights impacts of the SABL land grab, in which more than 5 million hectares of land was unlawfully taken from customary landowners" says Ronny Hansen from Rainforest Foundation Norway. "Mexico has recommended PNG to ensure prior and informed consent of indigenous peoples and Switzerland has called for the prosecution of security forces guilty of abuses against indigenous landowners – to name just a few examples. The PNG government's response to this sharp criticism of its human rights record must not be more empty denials; instead it should waste no time in implementing the important recommendations provided by the international community."

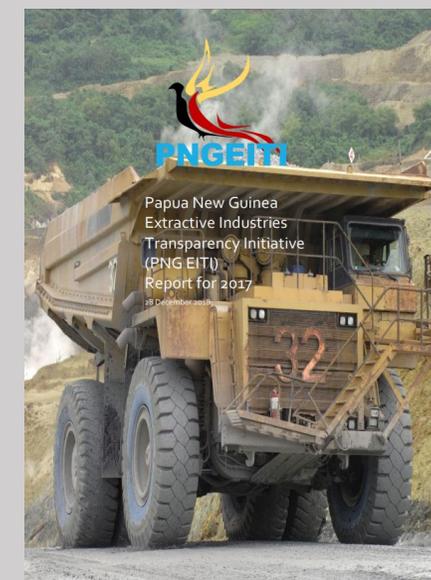
The PNG government has already recognized the serious legal and human rights issues associated with the SABL scheme. In 2011, it set up an independent investigation to review the leases. The investigation found evidence of widespread violations of the land rights of indigenous landowners and other illegalities, but three years after the findings were published, the government has failed to take any meaningful action to follow up and cancel illegal leases.





# Long-term illegalities in PNG's forestry sector

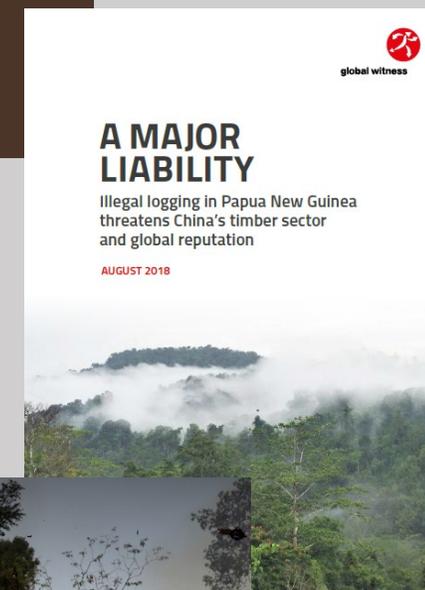
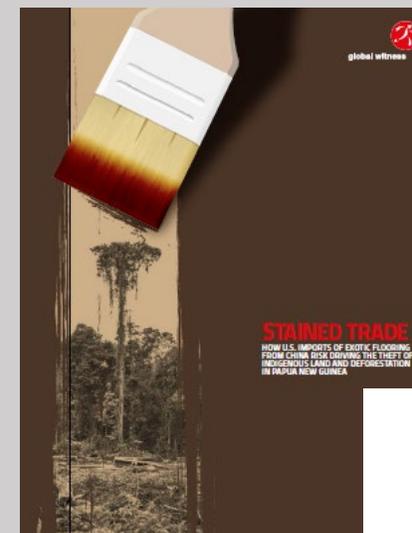
- Majority of land and forests are legally controlled by rural communities but massive land grabs through SABLs have resulted in loss for communities of over 5 million ha, more than 12% of land legally owned by them
- Well-documented problems with illegalities in forestry sector going back decades. Chatham House estimate: ~70% harvest illegal. NEPCon illegality risk rating: 3/100 (very high risk)
- No Freedom of Information Act equivalent; poor or non-existent access to official forestry data (permits, evaluations, production) and environmental impact documentation
- Forest Authority itself states it does not keep all necessary records or perform required oversight
- The forest sector should follow Extractive Industries sector: Mining concession maps and corporate registry are freely available online; PNG is EITI member since 2014





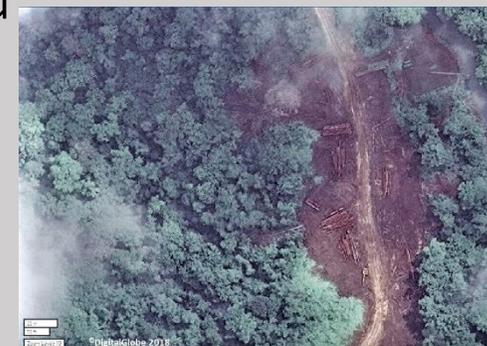
# Global Witness investigations in PNG (2014-2019)

- We investigated SABLs in ESP and WSP, ENB and NIP (New Hanover) and traced a supply chain of SABL timber from forests to China and retail shelves in the U.S.
- We assessed types of permits representing as a class 85% of PNG's log exports in 2017
- We conducted document reviews (online/in person), analysis of officially published export data and of satellite imageries, fieldwork in 4 provinces, interviews with officials, civil society representatives and landowners
- In 2019 we researched the financing of six huge agribusiness companies, one operating in PNG ("Money to Burn", <https://bit.ly/2my9t60>); discovering a total of \$44 billion financing by over 300 investment firms, banks, and pension funds over last 6 years



# Global Witness investigations in PNG (2014-2019), ctd.

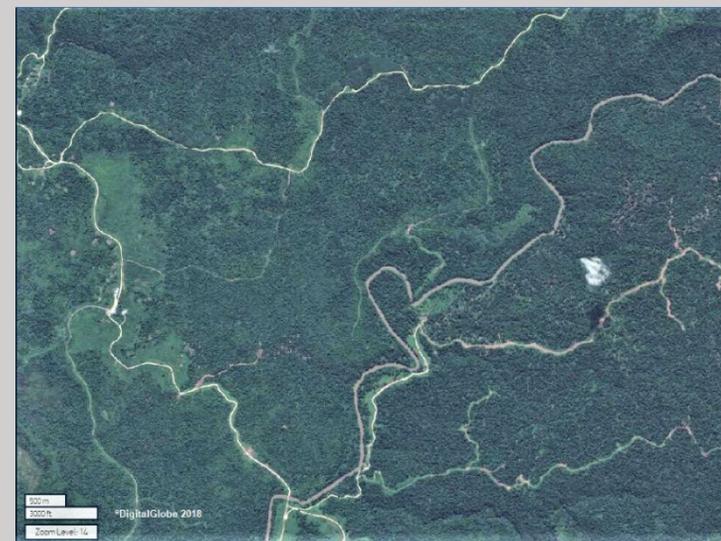
- High- and medium-resolution satellite imagery analysis revealed hundreds of apparent violations of the Forestry Act in 8 operations responsible for 32% of PNG's 2017 log exports: logging in prohibited areas and within buffer zones, in protected areas and on high-relief slopes, repeated logging, etc.
- Some operations violating the Forestry Act for decades
- Other serious questions identified around the allocation and oversight of all types of logging and clearance permits
  - Warning to timber buyers, assessors: permits ≠ legality
  - Request for Forest Authority: Many apparent violations going unchallenged; urgency in providing officials with funds and equipment to conduct rigorous control of operations; need for departmental cooperation, data transparency and compliance with allocation regulations



Landsat medium-resolution imagery (top) and WorldView 3 high-resolution imagery

# Global Witness investigations in PNG (2017-2019), ctd.

- Multiple Timber Rights Purchases (TRP) recently “extended” for PGK 250,000/permit despite no provision in Forestry Act allowing this – TRPs replaced in 1991 Forestry Act by Forest Management Agreements (FMA)
- New agricultural clearance permits (FCA) being issued in violation of due process and/or landowner rights – under the guise of Voluntary Customary Land Registration Act (VCLR) scheme
- Once issued, clearance permits are often abused to log instead of establishing agricultural projects
- Forest Authority does not maintain records or perform checks on Timber Authority (TA) logging permits - no oversight of this class of operation (3% of 2017 log exports)
- Multiple examples of TA operations exporting more than legally allowed in 2017 alone

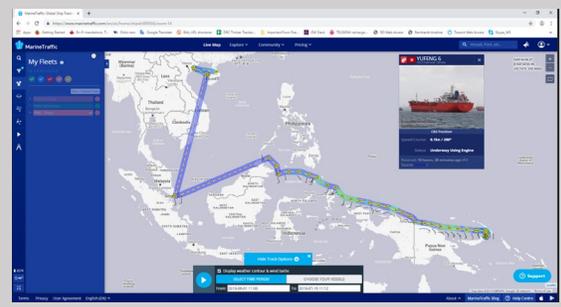




# Global Witness investigations in PNG – Use of new technologies

Over the last years we increasingly used new technologies

- Real-time ship tracking services, such as MarineTraffic, in particular for vessels taking shipments from off-shore anchorages
- Drones are allowing us to scan a wider area in the field for illegal logging and obtaining high resolution aerial photos of those areas
- Analyses of satellite imageries allows us to
  - remotely scan areas for illegal activities, such as forest degradation (large-scale logging) and deforestation (forest conversion, e.g. into agricultural plantations)
  - detect violation of regulations protecting the environment
- Conducting interviews using iPhones for good quality videos





# Global Witness investigations in PNG – Analysis of Satellite Imageries

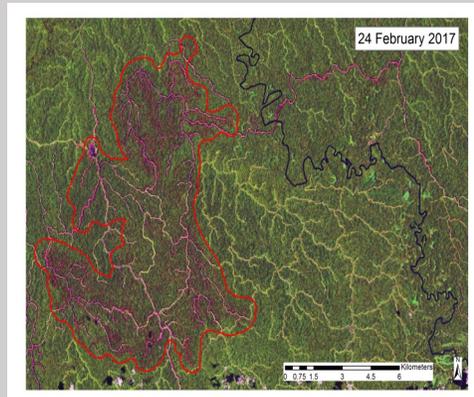
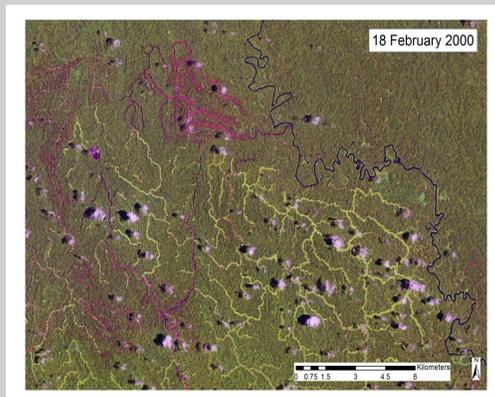


Figure 3. The upper image is an infra-red enhanced Landsat 7 image recorded 18 February 2000 in the Wawoi Guavi concession. Recently cleared logging roads, and canopy gaps/skid trails denoting active harvesting appear in pink/purple. Older logging roads appear yellow. Forests east of the river remain unlogged. The lower image shows an infra-red enhanced Landsat 8 image of the same area recorded 24 February 2017. Active harvesting can be seen in pink/purple, in areas that were already logged in 2000. The boundary of the repeat harvesting was mapped in red. The interval between the first and second harvest for this area was 17 years (2017-2000).

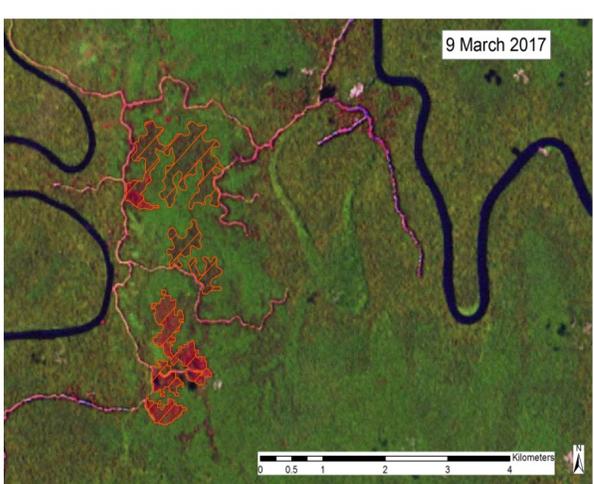


Figure 4. Active harvesting inside a swamp in the Wawoi Guavi concession. Infra-red enhanced Landsat 8 image recorded 9 March 2016. Swamp forest appears in lighter lime green, rainforest appears in darker browner green, logging roads appear in pink. Active harvesting inside swamp forest appears in red/purple, the boundaries are marked in orange.

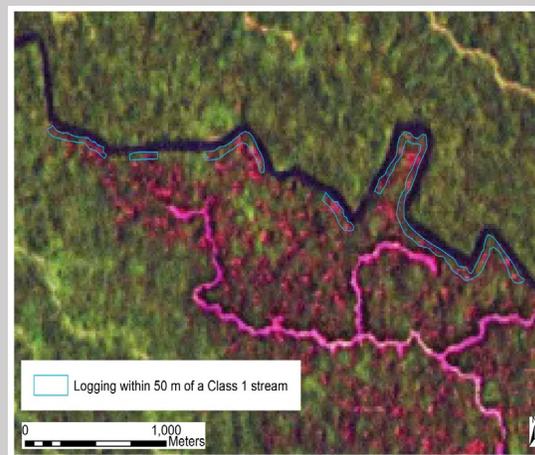


Figure 11. Logging within 50 m of a Class 1 stream in Turama concession. Infra-red enhanced Landsat 8 image recorded 25/2/2017. Logging roads can be seen in pink/purple. Canopy gaps and cleared areas caused by active harvesting (tree-felling and skid tracks) appear in pink/purple surrounding the logging roads. Tree-felling can be seen right up to the stream bank. The boundary of logging within 50 m of the stream is marked in blue.

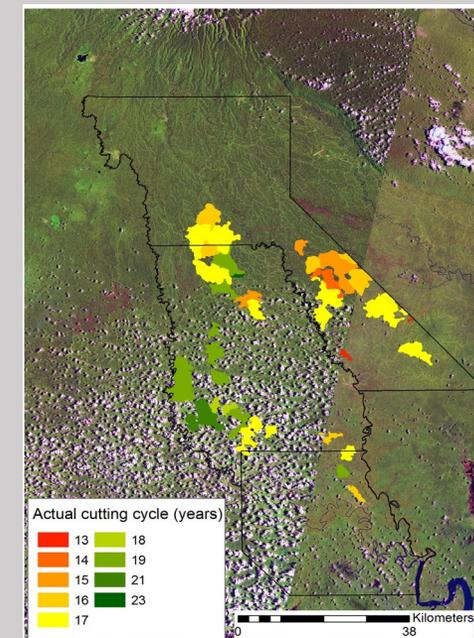
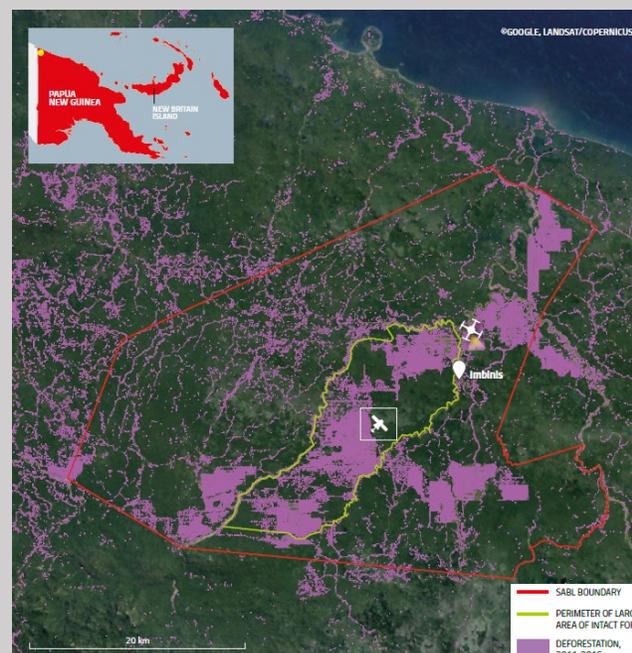


Figure 8. The extent of re-entry logging in less than 35 years detected between 2009 and January 2018. The number of years between the first and second harvest (the actual cutting cycle) is shown for each area of re-entry logging.



Before and after arrival of logging companies, without consent of landowners



# What have we achieved so far?

- Exposed land grabs and the role Chinese industry is playing
- Secured commitments from major companies in the US and China
- Increased engagement from Chinese government to produce guidelines for timber importers, as a first step
- Increased awareness of impacts of illicit tropical timber in China and on international level
- Stopping of (illegal) logging by a company in East Sepik Province, reportedly partly as reaction to CSO activities supported by GW





# Recommendations for best practices and improving governance in the Forest Sector cooperation

- Improve transparency and access to information
  - Policy changes – FoI laws
  - Digitalisation of maps, permits, consultations and allocation processes, other official documents
  - Free and reliable online and in-person access to all relevant land and forest allocation and operations documents
- Protect law enforcement, anti-corruption teams, and forestry investigators from political or personal reprisal
- Prohibit forestry officials and law enforcement officers from receiving benefits from logging companies
- Hold government officials, companies and individuals accountable for violating the law; penalties must be dissuasive





# Recommendations for best practices and improving governance in the Forest Sector cooperation, ctd.

- The PNG Government to immediately place a moratorium on all new logging and forest clearance permits, and on all existing operations
- The PNG Forest Authority to rigorously and regularly oversee operations of all forestry and land use operations; permits found to have been issued illegally to be cancelled
- PNG's new Timber Legality Standard to include clear verifiers for the Free, Prior and Informed Consent of landowners for any logging or forest conversion taking place on their land – *Final draft follows recommendation*



Thank you for your attention

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