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Alarm bells ringing: Olam International and REDD in the Republic of Congo



In May 2012, Olam International **announced** a REDD project for “sustainable forest management” in the Republic of Congo. The project is a public-private partnership between Olam International’s subsidiary CIB (Congolaise Industrielle des Bois) and the Government of the Republic of Congo.

CIB has logging concessions covering an area of 1.4 million hectares in the Republic of Congo. Of this, an area of 1.3 million hectares is certified as well managed under the **Forestry Stewardship Council** (FSC) system. A further 92,530 hectares in the Pikounda Nord concession in the Sangha region is to form the REDD project.

In Olam’s announcement of the project, Henri Djombo, Forest Minister of the Republic of Congo commented:

“The Congo’s REDD+ Readiness Proposal Preparation plan (R-PP) was approved by the World Bank’s Forest Carbon Partnership facility in June 2010. This plan envisaged providing encouragement and support to pilot initiatives like this one proposed by CIB-Olam. We fully support the Pikounda Nord REDD+ Project and believe initiatives like these will help unlock the full range of values of natural tropical forests in the region by providing alternative sources of revenue to the local government & communities, supporting the conservation of wildlife and encouraging responsible management of standing forests, while creating additional carbon sinks in a rapidly warming world.”

The little information that is available about this proposed REDD project sets off just about all the REDD alarm bells. Olam International is notorious for its involvement in illegal logging in the Democratic Republic of Congo. In 2007, the World Bank’s private sector arm the International Finance Corporation sold its shares in Olam International. Greenpeace **described** Olam International as a “Congo-trashing company”.

Given Olam International’s history with the World Bank, it’s difficult to

Then again, memories are short at the World Bank and institutional memory is all but non-existent.

Elsewhere, Olam International is busy **investing** US\$236 million in 300,000 hectares of new oil palm plantations in **Gabon** and taking farmers land for its coffee plantations in **Laos**.

CIB's FSC-certified logging concessions in the Republic of Congo are also extremely controversial. Research **published** in *Conservation Biology* found a significant increase in bushmeat consumption, with company vehicles used for transporting bushmeat to logging towns.

As FSC-Watch **points out**, "CIB's heavy reliance on just a few prime timber species - notably sapele (sapelli) and sipo - was highly unsustainable", with exploitation falling from 340,000 cubic metres in 2008 to just over 100,000 cubic metres in 2011.

The methodology for the REDD project is "Logged to Protected Forest". In other words, having taken the valuable timber species from the forest, CIB is now hoping to cash in on the carbon stored in the remaining trees.

Olam International claims that CIB has "initiated a robust consultation process that adheres to the principles of the Free & Prior Informed Consent (FPIC) methodology for this project". The use of the word "initiated" sets off more alarm bells. Surely the process of FPIC should be more than "initiated" by the time the project is publicly announced.

Olam International's press release about the REDD project makes the following bizarre statement:

"Pikounda Nord has no human inhabitants but a revenue sharing arrangement will be agreed with the local communities in consultation with the Government of the ROC."

It's far from clear which "local communities" Olam International is referring to, or how a process of FPIC has been started if there are no human inhabitants.

In June 2011, about six months after Olam International bought CIB, Christian Schwarz, Director General of CIB, **announced** that,

"our intention as a group is to try to development activities like coffee, cacao, rice, soya, oil palm, cashew nuts, and we would like for Mr. President to give us the opportunity to branch out into sectors other than wood."

Yet more alarm bells.

PHOTO Credit: Logging trucks at CIB plant, Pokola, North Congo, **Rainforest Foundation UK**.