

**Terms of Reference for the transition phase of the Project**  
**« Independent observer in support to control and monitoring of forestry-related offences»**

## **1. Context**

### **1.1. The macro-economic context**

Since the mid-1980s, Cameroon has experienced an unprecedented economic crisis. After not always successful efforts to turn the national economy around, Cameroon finally managed to satisfactorily conclude the 1997-2000 three-year economic programme under the strengthened structural adjustment programme. Since the completion of this programme, economic growth has recovered and macro-economic balances have been re-established. In 2000, following this economic recovery, Cameroon submitted an application to the Heavily Indebted Poor Countries (HIPC) initiative with a view to reducing its public debt. Cameroon's HIPC application was judged favourably by the international financial institutions in October 2000.

Some of the most harmful consequences of the economic crisis were increased poverty and a deterioration in public morality, characterised by an unprecedented rise in corruption. Unfortunately, refound growth alone has been insufficient to reduce poverty. Problems of governance, and particularly the upsurge in corruption, bring the spectre of a return to economic instability.

Aware of these threats to economic recovery, the Cameroon government has formulated poverty alleviation and good governance strategies with a view to restoring public morality and reducing, in particular, corruption. These strategies should have an effect on all sectors of Cameroon public life, particularly the forestry sector, in which the potential for contributing to poverty reduction<sup>1</sup> is well-known but which is also recognised as one of the sectors most affected by corruption.

### **1.2. The forestry sector in the national economy**

Cameroon has considerable forest resources, with an estimated forest cover of 22 million hectares of dense forest. With the economic crisis, the importance of the forestry sector generally, and the industrial use of timber, in particular, increased within the national economy. The forestry sector thus contributes approximately 7% of Gross Domestic Product (GDP) and 20% of export income.

### **1.3. Current management of Cameroon's forestry resources**

The Cameroon government has made appreciable efforts to improve national forest resource management. Its most significant efforts have focused on the formulation and adoption of a modern legal and regulatory framework for

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<sup>1</sup> The forestry sector is included within the Poverty Reduction Strategy Paper (PRSP).

forest resource management. The most important elements of this legal and regulatory framework are the 1994 law and its different implementation texts.

The institutional framework has also been improved with the creation of the Ministry of the Environment and Forestry (MINEF). More recently, the government created the Programme to Secure Forestry Revenue (PSFR), which links MINEF to the Ministry of the Economy and Finances (MINEFI) with the aim of ensuring a better collection of tax revenue from logging activities. MINEF has set up an Urgent Action Programme (UAP), which provides, among other things, for the monitoring and regularisation of logging titles, with the aid and supervision of the donor community. The Special Forestry Development Fund (FSDF) is working effectively.

On a technical level, the Computerised Forestry Information Management System (SIGIF) has been established and enables the partial monitoring of forestry activity. The procedures for formulation, approval and monitoring of management plans are in the process of being developed. The Allocation Planning Strategy, adopted in June 1999 and revised in June 2000, is being respected by the central departments: the «wood recovery permit» have been brought back into line with their strict legal definition and the procedures for allocating concessions and sale of standing volume have become more transparent thanks, partly, to the presence of an independent observer during the interministerial sessions. This improvement in transparency is resulting in increased tax revenue from forestry activity: the level of area royalties for concessions and sale of standing volume increased by 2 and 10 respectively during the 2000/01 tenders; and 50% of this income will go to communes and neighbouring local populations for rural development.

Progress achieved to date can be summarised as follows: the rules are becoming clearer and increasingly better defined; abuses committed by some loggers are no longer concealed behind all kinds of special dispensations. They are now offences that can more easily be identified during field monitoring. However, in spite of these positive developments, violations and failures to respect forestry law and the obligations of holders of concessions and/or logging rights, along with an absence of monitoring by the authorities, can still be observed. The rapid increase in sales via auction is one such example.

Much thus remains to be done in order to strengthen the positive impacts on the ground and ensure their sustainability. Management plans are still not being applied. In fact, industrial logging activity remains almost anarchic due, largely, to the authorities' weak capacity to monitor logging operations on the ground. Regulations are not always respected. The increase in area royalties may even encourage some loggers to exploit areas outside the limits of the titles allocated to them. The forestry monitoring departments have a bad reputation, which creates a climate of suspicion and mistrust among other stakeholders in forest management. This lack of control results in an enormous loss of tax revenue and raises the problem of an equitable distribution of the profits from logging, which are largely monopolised by the private sector. Despite recent progress, the forestry sector's contribution to

the national challenge of poverty reduction falls far short of its potential. In fact, the very continued existence of these resources is under threat, for the areas actually being logged are greater than the areas officially open to logging and the forest's timber wealth is in uncontrollable decline.

The government has undertaken an institutional review of the forestry sector in order to help it to, among other things, formulate a strategy for monitoring logging operations and protected areas. In order to promote the sustainable management of its forests and encourage a strengthening of its capacities, MINEF plans to introduce an independent observer into the MINEF control missions, with a mandate to encourage civil society participation in national forestry monitoring.

#### **1.4. The project in support to control and monitoring of forestry-related offences by an independent observer**

Given the inadequacies, the lack of credibility and the weak capacity of the civil service, MINEF has undertaken to implement, with donor support, a project to support the control and monitoring of forestry-related offences. This will take the form of an independent observer. The main features of this project are:

The conducting of field monitoring operations by the forest authorities (MINEF) with the support of an independent observer who has international credibility in the area of monitoring forest law enforcement and empowering civil society.

The role of the independent observer for forestry monitoring draws much of its inspiration from that of the independent observer for logging titles allocations, the difference being that the former plays an ongoing and active operational role.

- To contribute to the monitoring information flow (at local, national and international level) in order to improve transparency;
- To facilitate the development of a computerised system for tracking cases and monitoring control missions;

In preparation for this project, the international NGO Global Witness (GW) was invited to conduct two scoping missions in June and October 2000. It implemented a transition phase from April to November 2001. During this phase, MINEF's Central Control Unit (CCU) carried out experimental field monitoring missions in the presence of Global Witness.

Moreover, the Minister, or his Environment and Forestry representative, in a letter dated 22 November 2002 (Ref. 0485) stated his desire to see a continuation of the Global Witness transition phase, until such time as an independent observer, recruited via an international call for bids, takes office. MINEF is seeking the financial support of a number of donors in this regard.

## **2. Objectives of the transition phase**

The overall objective of the forestry control project in the long term is to provide support to the establishment of the principle of good governance in the forestry sector, in order to improve this sector's contribution to poverty alleviation through a sustainable management of forest resources. This project's transition phase, lasting until the independent observer selected through an international call for bids is in post, aims to achieve the following specific objectives:

1. To ensure the objectivity and transparency of monitoring operations undertaken by MINEF through the participation of an independent observer with international credibility, the reports and recommendations of which will be made public.
2. To strengthen the operational capacity of MINEF law enforcement services and, particularly, the CCU, through the application and improvement of procedures.
3. To analyse clarifications in control methods through the role of the different players in forest monitoring and the follow up for a precise reference list of offences and sanctions, based on the legal and regulatory framework in force.
4. To help monitor implementation of recommendations and decisions from the CCU's control missions undertaken with the assistance of the independent observer.

## **3. The independent observer's mandate**

- (i.) In order to be able to monitor the conduct of the CCU's control missions and to observe all stages of control, the Independent Observer<sup>2</sup> will be recorded, as a member, on all mission orders and all memoranda relating to the constitutions of a CCU control mission. Consequently, the Independent Observer may join any joint mission at any time, should it be unable to join such a mission from the start date. As a member of all joint missions, the Independent Observer will retain a copy of all mission orders issued by the Minister or his representative.
- (ii.) The independent observer will monitor the conduct of CCU control missions, it will have free access, without the need for prior authorisation, to all documents relating to these missions. This relates, in particular, to titles, letters and official statements relating to joint, verification and requested missions. It will also have similar access to the Register of violation of law reports, and will observe all stages of control. It will put its initials on the CCU reports, compare them with data collected and, where necessary, make observations in the margin. The Observer will send the Minister or his representative a detailed report of each of the control missions, indicating in particular its observations regarding respect for procedures and mission orders, along with general observations and its recommendations.

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<sup>2</sup> The composition of the Independent Observer team will be determined contractually between the Independent Observer and MINEF.

- (iii.) The Independent Observer will attend all subsequent hearing of any accused person whose offences were not the subject of an official statement during the course of a mission. The CCU is required to inform the Independent Observer of the dates on which such hearings will take place by sending copies of the notice of hearing to the Independent Observer.
- (iv.) For each mission the CCU report along with the Observer's report, will be sent by MINEF or the Independent Observer to the logging companies that were the object of the control, to any national authorities requesting them and to relevant donors. Communication of these reports will be undertaken on request within a period of 7 days following transmission of this report to MINEF.
- (v.) Control activities will focus on all logging titles and, in particular, respect for the limits and standards of intervention within the forest environment. Control activities will also cover all permits for the removal of timber abandoned in the forest. Control missions including the independent observer will also be undertaken in concessions as yet unallocated.
- (vi.) The Independent Observer will be associated in priority to CCU's missions. Should CCU staff not be available, sworn-in external services' staff may conduct the said missions together with the Independent Observer.
- (vii.) Within the context of publication of the independent observer's reports, validation meetings will be held every three months, as from the date of signing of this contract between the Minister or his representative, the donors and the Independent Observer. To this end, this latter is authorised to make all necessary material and data available to those concerned. At the end of this quarterly meeting or, failing this, 30 days following the anticipated date, the Independent Observer is authorised to publish its reports.

During the transition phase, the independent observer, in association with the CCU and other partners, will undertake the following activities:

3.1 In the two weeks following the signing of this contract, a « quarterly control mission programme designed jointly by the CCU and the Independent Observer » will be established. This programme will be detailed and will cover the different provinces and logging titles, focusing particular attention on provinces and titles that have not been subject to sufficient control missions during the last CCU control mission schedule.

3.2. Support the CCU's field missions by participating in law enforcement missions to monitor logging operations, regardless of the kind of title or authorisation, including the removal of auctioned wood. Consequently, the

Independent Observer will have free access, without the need for prior authorisation, to all documents necessary for the preparation of any mission. The Independent Observer may continue a joint investigation mission if, for any reason, the CCU is not in a position to continue. In this case, the Independent Observer will, in all cases, produce an information report for the attention of the Minister or his representative.

The Independent Observer has the right to inquire, without prior authorisation, as to the outcome of an official statement at any stage in the procedure. To this end, the Independent Observer and the services responsible for case tracking, will hold monthly meetings on the state of progress of all cases.

In addition to joint missions, the CCU and the Independent Observer may also jointly conduct a requested mission. These missions are requested by the Independent Observer and approved by the Minister or his representative, following one or several complaints received from local NGOs or other sources.

In the case of a requested mission, the authorisation to conduct such a mission must be granted by the Minister or his representative within a relatively short length of time, and not to exceed one working week, from the date of submission of the request. In relation to this mission, the Independent Observer will maintain a maximum synergy with the CCU.

If authorisation to undertake, together with the CCU, a requested mission is not forthcoming within a relatively short period of time, not to exceed one working week, in order to avoid losing proof and signs of proof of an offence, the Independent Observer will have the right to undertake a mission to verify the facts without a CCU presence. In this case, the Independent Observer will take the original mission request and will work in close collaboration with local control staff.

3.3. To report to MINEF the results of other freely-undertaken investigations into logging operations during implementation of the established control programme.

In addition to the joint missions, the Independent Observer will conduct verification missions, understood as being missions undertaken by the Independent Observer to confirm or invalidate a report produced by the CCU following a field mission in which the Independent Observer was not involved.

Verification missions are conducted at the request of the Minister or his representative, contracted by a logging company, a donor, a population concerned in question or the Independent Observer.

The Independent Observer must obtain authorisation from the Minister or his representative within a relatively short period of time, not exceeding one working week from the date of the request.

3.4 Through its recommendations, the Independent Observer will help MINEF:

- to establish a Case Tracking System (CTS) in association with MINEF's legal department, SIGIF and the Programme to Secure Forestry Revenue (PSFR), plus a Control Mission Monitoring System (CMMS) with the aim of ensuring that all titles are equitably monitored and that an objective monitoring record is established by company and by title;
- to clarify the roles of the various existing control structures;

#### **4. Expected results**

The expected results of the transition phase are:

- 4.1. A quarterly control programme designed jointly by the CCU and the Independent Observer and monitored by the latter.
- 4.2. Within a week of returning from a mission, field mission reports and official statements signed by the CCU; joint mission reports being initialled by the independent observer; every mission (joint, requested or verification) of the Independent Observer will give rise to an own report. Each quarter, the Observer will send a summary to MINEF.
- 4.3 Recommendations from the Independent Observer relating to improvements in monitoring and control, in particular:
  - clarification of the roles of those involved in control
  - formulation and implementation of an CTS (Case Tracking System) and an CMMS (Control Mission Monitoring System) designed in association with the SIGIF, the PSRF and MINEF's legal department.
  - a reference list of offences and sanctions.

For Global Witness

Stuart Wilson

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For the Cameroon Government

Mr. NAAH ONDOA Sylvestre