



PASSION FOR WOOD

**DLH – experiences from Congo:**

**Role of the private sector in sustainable forest  
management and poverty alleviation in developing  
countries**

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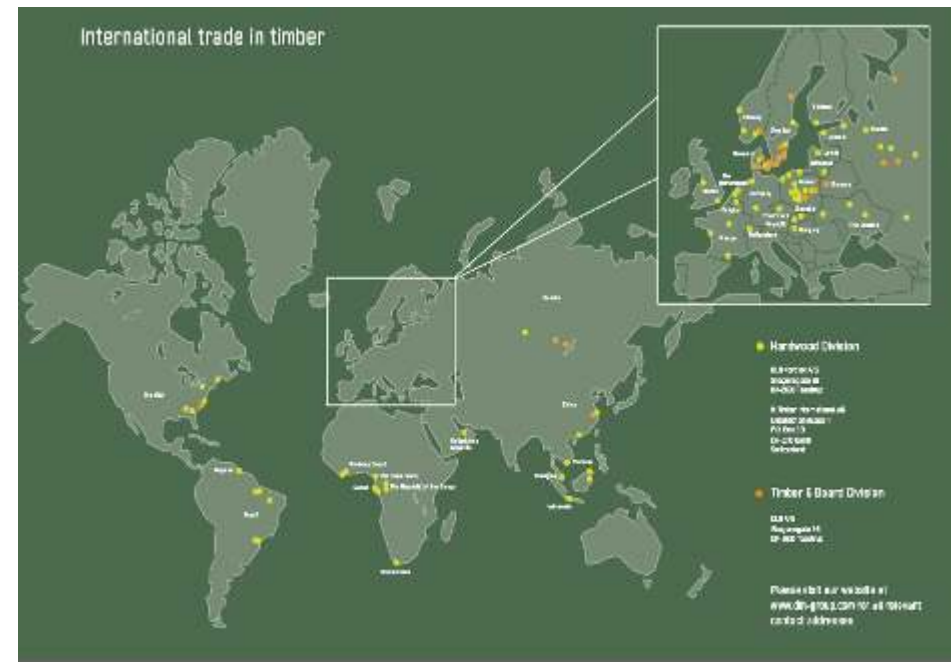
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## Agenda

1. DLH at a glance
2. 3 key messages
3. Responsibility in own production
4. DLH in Congo
5. Dilemma: Land rights
6. Securing the rights of Indigenous people
7. Other company structures
8. Can the private sector play a positive role in sustainable forest management?

## DLH at a Glance

- Expected group revenue 2008: 4 bill.DKK
- 85% of revenue is generated outside DK
- Approximately 3,800 employees
- Present in 33 countries and 5 continents
- Manages 1.6 million ha of tropical forest in the Congo Basin
- One of the worlds largest producer of sustainable tropical hardwood in Africa
- Listed on the OMX Nordic Exchange Copenhagen A/S



## 3 key messages:

- The private sector plays an important role in sustainable forest management
- Commercial drivers such as FSC are crucial
- It needs to be in cooperation with the state and organisations – civil society



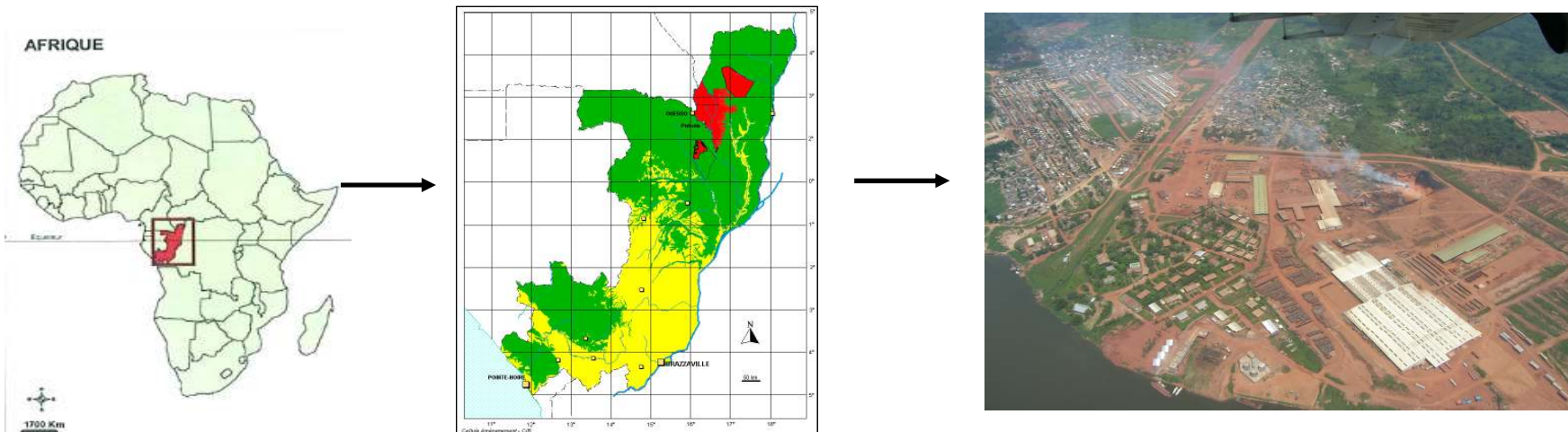
## Responsibility in own production

### DLH CSR and Environment statement:

### To be the world's leading supplier of sustainable tropical hardwood:

- 2006: Strategic expansion in 2006 to ensure long-term access to supplies of sustainable wood products
- Investment in 1.3 million hectare tropical forest in Congo Brazzaville
- Now one of the largest area of FSC certified natural tropical forest in the world (750.000 ha)

*FSC is nine international accepted principles that guarantees environmentally responsible, social beneficial and economically viable forest management.*



## DLH in Congo – CIB

- CIB in operation since 1969
- Largest private employer in Congo
- 2 industrial sites and 3 forest camps
- 1,700 employees
- App. 28.000 inhabitants
- At least 15,000 people depend on the activities of CIB
- 1000 km to the nearest big city (Brazzaville, Douala)
  
- Indigenous Semi-nomadic forests people



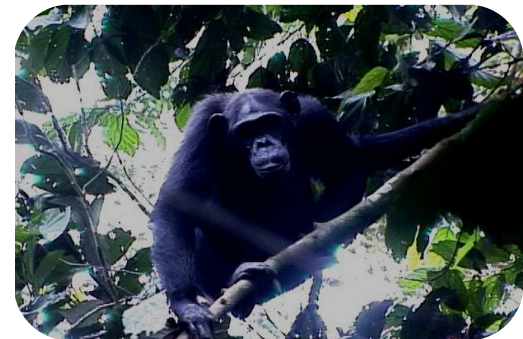
## CIB & Environment – briefly

### Sustainable forestry

- According to FSC standards: 1–2 trees per hectare per 30 year

### Programmes

- Reduced impact logging
- Protection of forest and wildlife
- Control and monitoring



## Social programme – general

- Hospital/Clinics/pharmacy
- Company stores with subsidized products
- Local employment
- Community agriculture
- Infrastructure
- Housing
- Banking facilities
- Schools
- Clean Water
- Communication: Television/Radio/telephone
- 24 h electricity
- Small business development
- HIV/AIDS and Malaria prevention programmes



## Dilemma/challenge: Land rights

1. CIB has legally obtained 5 concessions from the government with long term management contracts
2. The concessions were established by the government with little regard for traditional peoples or their use rights
3. The local communities feel they have ownership over the forest and rarely acknowledge state claims

CIB's legal rights overlaps with the communities' traditional right –

**QUESTION:  
HOW DO WE SHARE?**



# Securing the traditional rights and land use rights of indigenous people

## Requirements FSC:

Indigenous peoples shall control forest management unless they delegate control with **free and prior informed consent**.

## Challenges:

- Semi-Nomadic / isolated population
- Illiterate
- Egalitarian society
- No prior mapping of traditional usage
- No legal recognition of traditional usage rights within Congolese law
- Discrimination

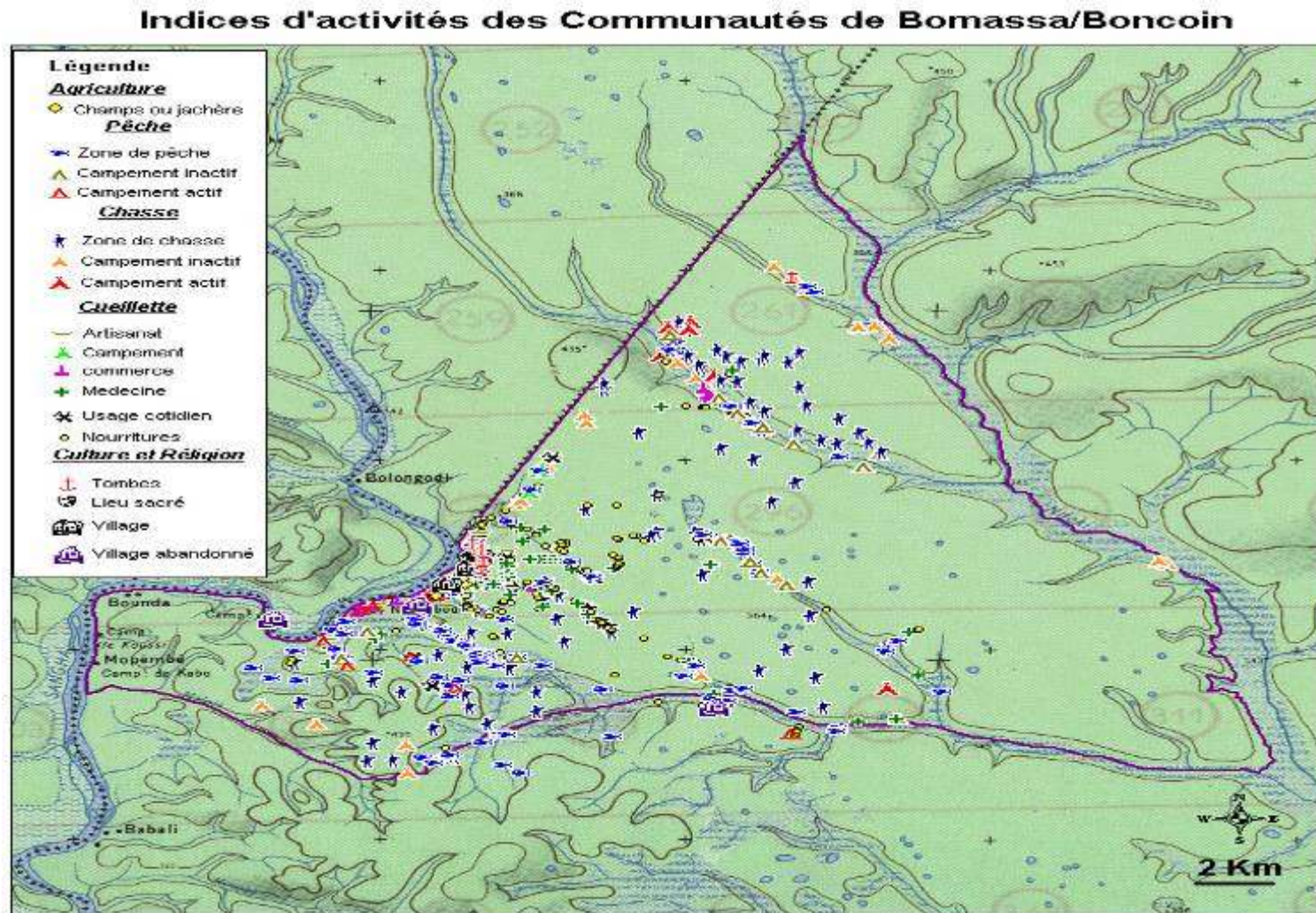
## Tools:

- Participatory social mapping





## Results: Documentation and mapping of indigenous peoples land usage patterns



## Other Company/community: Structures for recognitions of local rights, engagement and conflict resolution

### Development fund:

#### Funded by CIB

- Government representatives
- Community representatives
- NGO representative
- CIB representatives

### Conflict resolution:

- Independent monitoring group

### Wildlife management programme:

- CIB
- NGO
- Congolese government



## Can the private sector play a positive role?

The private sector plays an important role in sustainable forest management

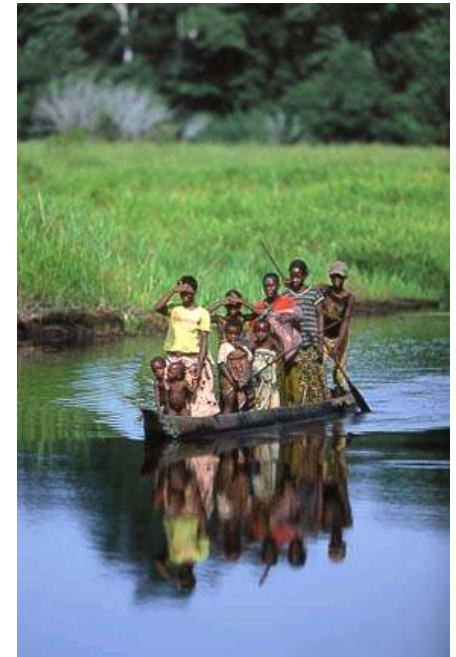
- Timber to the markets
- Structures of timber trade today
- Local jobs
- Long term commitment

Commercial drivers such as FSC are crucial

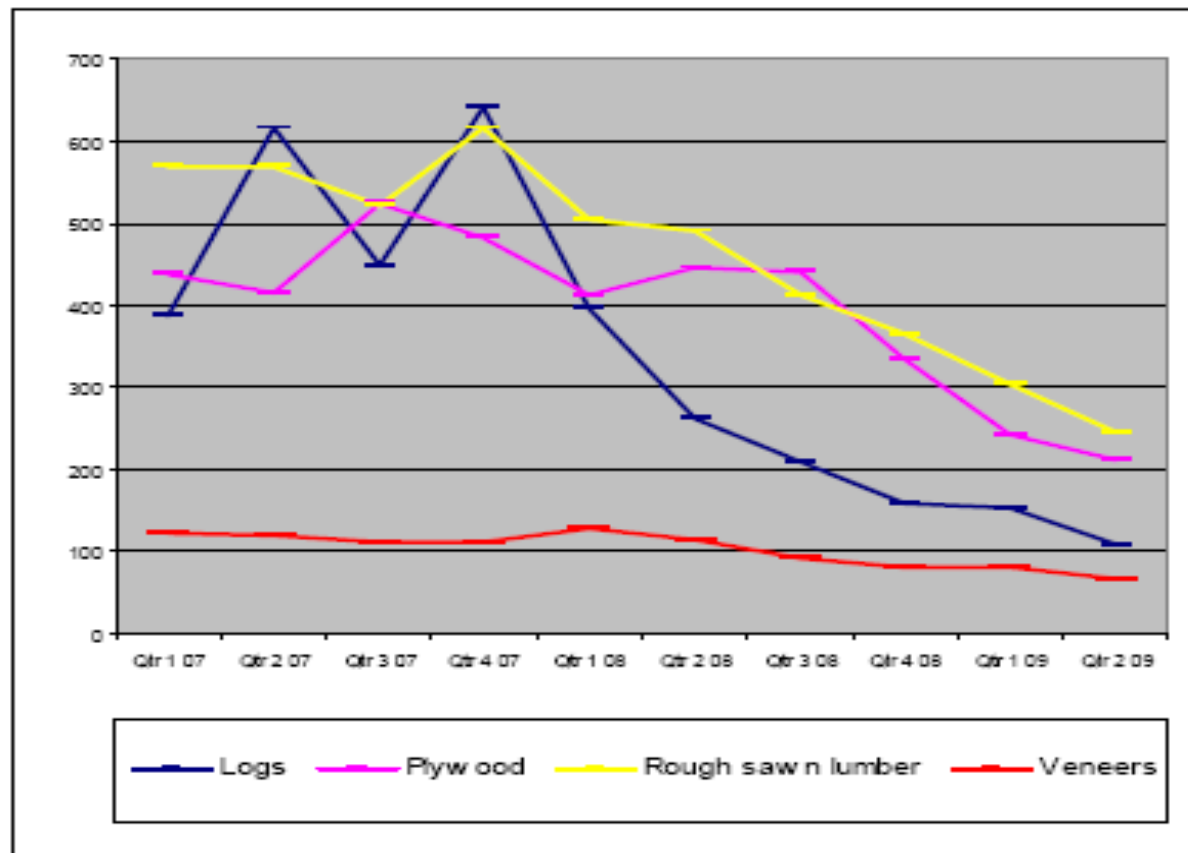
- Internationally accepted standards
- Create levelled playing field
- Accountability
- Consumers

Cooperation with the state and organisations – civil society

- Complex social issues and dilemmas
- Income distribution via state/government
- Good governance and law enforcement



## EU imports of wood products from developing countries 2007 – Q2 2009 (1000 m3)



Questions?

